

March 1, 2006

Complaint

This is a formal complaint against Attorney George Nader, Zimble & Brettler, 21 Custom House Street, Boston, Massachusetts 02110. I am charging him with fraud. The State of New Hampshire also lost money as a result of his actions. Jurisdiction is Hillsborough County, New Hampshire, Middlesex County and Suffolk County, Massachusetts.

Background

ComPol, Inc. was a small company located in Mason, New Hampshire. Its primary product was special equipment for the blind. The company also made equipment for the United States Army. In early 2002, I was the apparent victim of identity theft/bank fraud by a bank employee of Household Finance Corporation. To cover the losses, I sold my house in Mason in late January 2003. Half of the proceeds were used to revive the company and the balance was paid to the IRS to cover some of the delinquent withholding taxes.

The IRS agent assigned to my business, Jacqueline Perron, was almost irrational with hatred toward me. She kept screaming that I was defrauding the government. I explained the details to her and showed her a copy of the complaint filed with the FBI against the bank. I told her that payments were being made on a regular basis and that half of the proceeds of the sale of my house was paid to the IRS. She declared this irrelevant, as was the fact that taxes had been paid faithfully for the previous twelve years. She examined a contract for an amount that exceeded what was owed to the IRS to be forthcoming within a month. She declared that it was a forgery. She demanded that certain information be provided to the IRS within two weeks, so that they could prepare to seize property. The actual seizure would take place in a month.

At Citizens Bank, the company's banker would not help because of the mess created by the identity theft. She suggested that I contact a non-traditional lender, Ernie Brown, of Chelmsford, MA. He recommended his lawyer, Ed Polubinski, who happened to be my cousin, although we had never met. Polubinski introduced his associate, George Nader. They had me sign a Power-of-Attorney to allow them to represent me before the IRS. They said that it would not be a problem to get a few extra weeks from the IRS. They asked for a list of creditors, which I sent when I got back to my office.

On March 4, 2003, a check arrived for almost the exact amount demanded by the IRS. I called Polubinski and instructed him to notify the IRS that payment would be forthcoming within a few days. Polubinski advised me not to deposit the check into the regular checking account, but to open a special account for the check. When the check cleared the following week, Polubinski and Nader came to ComPol and advised me that the IRS had already started the seizure process and they needed \$2000 for further negotiations. Check #96 was prepared for them. They told me to use some of the funds to pay employees, essential suppliers and utilities. On March 20, 2003, they returned to ComPol and advised me that the IRS had issued a seizure notice for the following day.

Nader said that the only way to prevent seizure was to file for Chapter 11 bankruptcy. He had prepared the documents and said that they needed to be signed immediately so that he could drive to Manchester and file them with the court by 5:00 PM. He never examined the company books or discussed with me the details of bankruptcy. I made it clear that most of the company debt was either in my name, or cosigned by me.

Once the company was in bankruptcy, ComPol had to hire a member of the law firm, Thomas Weber to prepare financial reports and other papers required by the bankruptcy. I did not see most of the papers that were filed with the court because the neither I, nor ComPol was on the distribution list. Usually, Nader brought papers for me to sign as he was en route to Manchester and I was not given enough time properly to examine the contents.

About a month after filing for bankruptcy, the attorneys brought in a potential investor, Jeff Cosman, who offered about five percent of the pre-bankruptcy value of the company for half ownership, but I rejected the offer. Weber tried to get a loan so the company could emerge from bankruptcy. After three months, he found a bank who would make a loan using the home of my elderly parents as collateral. I rejected this and ultimately sold the building that housed the company to emerge from bankruptcy, thus closing the company.

Once the business was closed, I tried to continue the consulting part of the business from Westford, MA, but I and my elderly parents were harassed by the creditors who were not satisfied with the bankruptcy. I forwarded some of these threats to Nader, but he apparently did nothing and they continued. In February 2004, I got a letter from the New Hampshire Department of Revenue demanding tax returns. Since Weber had been hired to take care of the tax returns, I forwarded these letters to Nader. In April, I received another letter from the New Hampshire Department of Revenue. Again I forwarded it to Nader and Weber. This time I got a response from Nader, indicating that the matter would be resolved.

When the bankruptcy was concluded, Nader said that all of the debt, except for the IRS, was gone. He said that the matter of the New Hampshire Department of Revenue was resolved. He recommended that I hire him to file for personal bankruptcy to prevent the company creditors from harassing me.

I contacted the IRS Taxpayer Advocate and talked to Deirdre Roker. She investigated and found that the IRS had never received the signed Power-of-Attorney. There was no record of correspondence between my attorneys and the IRS. They had never issued a seizure notice. The Inspector General of the IRS is currently investigating the matter.

I downloaded, from the DOJ web site, the entire court record. I found that some of the creditors had been deleted from the list. The list of creditors had not been prepared properly because I did not understand bankruptcy and because I was not given proper guidance.

One of the creditors that is suing me had supposedly been paid in the bankruptcy, but

claims the money was never received. On February 22, 2005, I was called by Pat Cassidy of the New Hampshire Department of Revenue. She claimed that my attorney never contacted the New Hampshire Department of Revenue and that the matter was never resolved.

The employees of ComPol had been with the company for thirteen years. It took them several months to find new jobs. They collected nearly \$20,000 from the State of New Hampshire in unemployment compensation.

Documents

Exhibit 1

Summary of Taxpayer Contact prepared by Jacqueline Perron demanding documents needed to seize assets. Note that the demand date is February 28, 2003. The assets were to be seized on March 13, 2003.

Exhibit 2

Initial correspondence between the attorneys and me. The creditors on both lists are company creditors. The difference is that P.TXT are strictly in my name and C.TXT are in the company name, but they are all company debt and my personal responsibility. The attorneys should have been aware that virtually all company credit cards and loans must be cosigned by an individual. Of all of the company debt, 97% was either in my name, or cosigned by me. After filing for bankruptcy, the list of company creditors had been updated to include commercial suppliers. The list that was in my name did not need to be updated.

Exhibit 3

Bank statement for Bank of New Hampshire. When the payment of \$20,000 arrived, I told Polubinski to notify the IRS that payment would be forthcoming. He told me to open a special account. The funds became available on March 13, which was the deadline set by the IRS agent. The attorneys told me that seizure would take place on March 21.

Exhibit 4

Supplemental Bankruptcy Closing Report. This sheet, filed with the court, contains a number of discrepancies: First, receipts are shown as 97,031.50. I made five payments to the attorneys:

Zimble and Brettler

March 14	2,000.00	
March 21	4,000.00	
	830.00	Filing fee
October 15	75,000.00	

Thomas Weber

March 20	1,990.00	Cash
March 28	2,000.00	
June 9	1,500.00	

This totals \$86,490.00 and is not the amount stated in the Closing Report.

Next, he states that legal and professional fees amount to \$56,687.28 and this is supported by Exhibit A, but a month earlier he filed papers with the court placing the amount at \$68,513.73.

Next, he stated that \$22,344.18 was paid to the IRS. But, a month earlier, I had received a letter from the IRS demanding \$24,613.92 over a 72 month period. He amended this statement a month later to indicate that payment was not made from the bankruptcy, but he did not recalculate the Closing Report.

Finally, he stated that \$18,000.04 was paid to creditors, but I suspect that this is not correct either. The next exhibit shows that at least one creditor may not have been paid.

Exhibit 5

Collection letter from Gary H. Kreppel. General Electric Capital Corporation was a creditor who was purportedly paid from the bankruptcy. I explained to Kreppel that this was paid in a bankruptcy and he has verified that his client never received payment.

Exhibit 6

State of New Hampshire Tax. In the initial filing, the State of New Hampshire was listed as a creditor. It was the responsibility of Tom Weber to make sure that all returns were filed and liability was handled through the bankruptcy. On February 24, 2004, I received a notice from the Department of Revenue Administration. I forwarded it to Nader, so that he would handle it. On April 5, I received another letter, which I also forwarded to him. Two weeks later, I received a letter from Nader stating that he was taking care of it. When the bankruptcy was concluded, I asked him about the New Hampshire taxes and he told me that all debt had been cleared except the IRS. He told me that the New Hampshire tax had been resolved. Last week, I received a call from Pat Cassidy claiming that the tax was still due.

Conclusion

Four years ago, I was a victim of identity theft/bank fraud. This led to a problem with the IRS. I hired attorneys to negotiate with the IRS, but they misrepresented the IRS so that they could put my company into bankruptcy and increase their billing by about 20,000% through this deception.

The bankruptcy destroyed my company and now I am being sued by some of the creditors because the bankruptcy was conducted improperly.

I am not a lawyer; I am an engineer and businessman. My business had problems, but I was resolving them and I have no doubt that the creditors would have been current, or paid in full, had I not filed for bankruptcy. If the situation had become untenable, I could have sold the business to pay the creditors.

Before filing for bankruptcy, the attorneys never looked at the company books; they never discussed the bankruptcy with me; and they never formulated an exit strategy. Had they done so, they would have found that bankruptcy was not a correct business decision. They gave me papers and told me that if I did not sign them, the IRS would take my business. They did not care if the bankruptcy was successful or not. What distinguishes their action from simple malpractice is that they deceived me about the IRS, and they filed false court documents.

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