

BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA

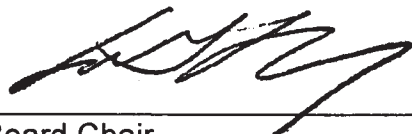
OFFICE OF DISCIPLINARY COUNSEL : No. 95 DB 2016
Petitioner :
v. : Attorney Registration No. 206909
ZACHARY DOUGLAS CREGAR :
Respondent : (Montgomery County)

ORDER

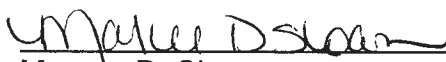
AND NOW, this 15th day of November, 2016, in accordance with Rule 215(f), Pa.R.D.E., the three-member Panel of the Disciplinary Board having reviewed and approved the Joint Petition in Support of Discipline on Consent filed in the above captioned matter; it is

ORDERED that the said ZACHARY DOUGLAS CREGAR be subjected to a **PUBLIC REPRIMAND** by the Disciplinary Board of the Supreme Court of Pennsylvania as provided in Rule 204(a) and Rule 205(c)(9) of the Pennsylvania Rules of Disciplinary Enforcement.

BY THE BOARD:


Board Chair

TRUE COPY FROM RECORD
Attest:


Marcee D. Sloan
Asst. Secretary of the Board
The Disciplinary Board of the
Supreme Court of Pennsylvania

**BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA**

OFFICE OF DISCIPLINARY COUNSEL	:	No. 95 DB 2016
Petitioner	:	
	:	
v.	:	
	:	Attorney Registration No. 206909
ZACHARY DOUGLAS CREGAR	:	
Respondent	:	(Montgomery County)

PUBLIC REPRIMAND

Zachary Douglas Cregar, you stand before the Disciplinary Board, your professional peers and members of the public for the imposition of a Public Reprimand. It is an unpleasant task to publicly reprimand one who has been granted the privilege of membership in the bar of this Commonwealth. Yet as repugnant as this task may be, it has been deemed necessary that you receive this public discipline.

Mr. Cregar, you agreed to enter into a joint recommendation for consent discipline. The record demonstrates that on July 1, 2012, at your request, your Pennsylvania law license was transferred to inactive status. At that time, you were employed with Liberty Mutual Insurance Company. You did not inform your employer of your change in status and that you were no longer an active attorney in Pennsylvania. You have remained on inactive status since July 1, 2012.

From July 1, 2012 through December 2015, you engaged in law-related activities in your position at Liberty Mutual. These activities were not supervised by a member in good standing of the bar, as required by the rules governing formerly admitted attorneys. In late December 2015, without taking any steps to activate your Pennsylvania license, you applied for and accepted a position as General Counsel with Altus Partners,

an insurance brokerage located in Rosemont, Pennsylvania. When you accepted this position, you failed to disclose to Altus Partners that your Pennsylvania license was inactive.

On or about January 11, 2016, you began your employment with Altus. Within a day or two of your start date and before you had engaged in any law-related activity, you contacted Attorney Registration to inquire about the procedure to reinstate your license. At that time, you were informed that you were required to petition for reinstatement as you had been on inactive status for more than three years. You promptly informed the president of Altus that you were inactive and were required to undergo a reinstatement proceeding. Altus immediately changed your title and redefined your responsibilities pending your return to active status.

Thereafter, you filed a reinstatement petition but failed to disclose relevant information as to your work history with Altus and Liberty Mutual. You subsequently withdrew your reinstatement petition. You must comply with the provisions of Rule 217, Pa.R.D.E., until you are reinstated.

Your conduct in this matter has violated the following Rules of Disciplinary Enforcement:

1. Pa.R.D.E. 217(j)(1) – All law-related activities of the formerly admitted attorney shall be conducted under the supervision of a member in good standing of the bar of this Commonwealth who shall be responsible for ensuring that the formerly admitted attorney complies with the requirements of this subdivision (j);

2. Pa.R.D.E. 217(j)(4)(ii) – A formerly admitted attorney may not perform any law-related services from an office that is not staffed by a supervising attorney on a full time basis;
3. Pa.R.D.E. 217(j)(5) – The supervising attorney and the formerly admitted attorney shall file with the Disciplinary Board a notice of engagement, identifying the supervising attorney and certifying that the formerly admitted attorney’s activities will be monitored for compliance with this subdivision (j). The supervising attorney and the formerly admitted attorney shall file a notice with the Disciplinary Board immediately upon the termination of the engagement between the formerly admitted attorney and the supervising attorney.

There are several aggravating factors. You made misrepresentations on your reinstatement petition and sought reinstatement of your license without disclosing to the Disciplinary Board that you had already accepted a position as general counsel for Altus and had started working with that employer on or about January 11, 2016. You persisted in your request for reinstatement without acknowledging and addressing your misconduct. Finally, from January 2016 to about September 10, 2016, you held yourself out to the public as General Counsel at Altus on your LinkedIn profile.

In mitigation, we note that you have no prior history of discipline in Pennsylvania. Additionally, we conclude that you did not knowingly and intentionally violate the Rules of Disciplinary Enforcement. You expressed sincere remorse for your misconduct and you understand that such misconduct must be addressed by the imposition of this reprimand.

Mr. Cregar, your conduct in this matter is now fully public. This Public Reprimand is a matter of public record.

As you stand before the Board today, we remind you that you have a continuing obligation to abide by the Rules of Professional Conduct and Rules of Disciplinary Enforcement. This Public Reprimand is proof that Pennsylvania lawyers will not be permitted to engage in conduct that falls below professional standards. Be mindful that any future dereliction will subject you to disciplinary action.

This Public Reprimand shall be posted on the Disciplinary Board's website at www.padisciplinaryboard.org.



Designated Member
The Disciplinary Board of the
Supreme Court of Pennsylvania

Administered by a designated panel of three Members of The Disciplinary Board of the Supreme Court of Pennsylvania, at Philadelphia, Pennsylvania, on January 4, 2017.

ACKNOWLEDGMENT

The undersigned, Respondent in the above proceeding, herewith acknowledges that the above Public Reprimand was administered in his presence and in the presence of the designated panel of The Disciplinary Board at 1601 Market Street, Suite 3320, Philadelphia, Pennsylvania, on January 4, 2017.



Zachary Douglas Cregar

BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL, : No. 95 DB 2016
Petitioner :
 :
v. :
 : Attorney Reg. No. 206909
ZACHARY DOUGLAS CREGAR, :
Respondent : (Montgomery County)

**JOINT PETITION IN SUPPORT OF
DISCIPLINE ON CONSENT
PURSUANT TO Pa.R.D.E. 215(d)**

Petitioner, the Office of Disciplinary Counsel (hereinafter, "ODC") by Paul J. Killion, Chief Disciplinary Counsel, and Barbara Brigham Denys, Disciplinary Counsel, and Respondent, Zachary Douglas Cregar (hereinafter "Respondent"), by and through his counsel, Samuel C. Stretton, Esquire, respectfully petition the Disciplinary Board in support of discipline on consent, pursuant to Pennsylvania Rule of Disciplinary Enforcement ("Pa.R.D.E.") 215(d), and in support thereof state:

1. ODC, whose principal office is situated at Pennsylvania Judicial Center, 601 Commonwealth Avenue, Suite 2700, P.O. Box 62485, Harrisburg, Pennsylvania 17106, is invested, pursuant to Pa.R.D.E. 207, with the power and duty to investigate all matters involving alleged misconduct of an attorney admitted to practice

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Office of the Secretary
The Disciplinary Board of the
Supreme Court of Pennsylvania

law in the Commonwealth of Pennsylvania and to prosecute all disciplinary proceedings brought in accordance with the various provisions of the aforesaid Enforcement Rules.

2. Respondent, Zachary Douglas Cregar, was born on August 22, 1980, and was admitted to practice law in the Commonwealth of Pennsylvania on October 29, 2007.

3. Respondent is currently on voluntary inactive status, and maintains an address of record at 508 Oreland Mill Road, Oreland, Pennsylvania 19075-2017.

4. Respondent is subject to the disciplinary jurisdiction of the Disciplinary Board of the Supreme Court of Pennsylvania.

SPECIFIC FACTUAL ALLEGATIONS ADMITTED

5. In November 2009, Respondent began employment with Liberty Mutual Insurance Company ("Liberty Mutual") in Philadelphia, Pennsylvania. At that time, Respondent was actively licensed to practice law in Pennsylvania.

6. Respondent's work at Liberty Mutual was law-related.

7. Respondent worked at Liberty Mutual as a Senior Litigation Auditor, a position for which a juris doctor degree was "preferred" by the Company, among other qualifications.

8. As a Senior Litigation Auditor, Respondent worked within Liberty Mutual's Corporate Legal Department to manage, direct, and oversee the examination of law firms' legal files, accounting, and

financial/billing records to ensure compliance with Liberty Mutual's guidelines. The job description for the position included the following responsibilities:

- Ensures that law firm practices comply with Company litigation management guidelines. Exercises considerable independent judgment in accordance with established policies and procedures and makes recommendations to management for modifications or changes.
- Manages audits generally involving our most complex claims and firms handling all types of Liberty work. Assists other departments in their dealings with the customer and or law firms, regarding billing issues.
- Identifies improper billing practices. Makes recommendations to initiate necessary changes and counsels management regarding control concerns.
- Investigates law firm operational procedures, analyzes litigation cost benefits, and examines flat fee agreements to assure and maximize savings and efficiency.

9. Respondent's role not limited to auditing legal bills. It included making qualitative assessments of outside counsel engaged by the Company to represent its insureds. This level of review involved on-site assessment of law firms and their legal handling and case management practices.

10. On July 1, 2012, at Respondent's request, his Pennsylvania law license was transferred to inactive status. Respondent did not notify Liberty Mutual of his change in status.

11. When Respondent assumed inactive status, he became a "formerly admitted attorney." Pa.R.D.E. 102(a).

12. Respondent has remained on inactive status since July 1, 2012, and has at all times relevant to this Petition been a formerly admitted attorney.

13. As a formerly admitted attorney, Respondent was prohibited from engaging in any law-related activities in Pennsylvania except in accordance with the provisions of Rule 217(j), Pa.R.D.E., including the requirement that all law-related activities in the Commonwealth be supervised by a member in good standing of the Bar of the Commonwealth and that Respondent and his supervising attorney file a notice of engagement with the Disciplinary Board.

14. From on or about July 1, 2012, through December 2015, Respondent engaged in law-related activity in his position at Liberty Mutual which was not supervised by a member in good standing of the Bar of the Commonwealth for compliance with the provisions of Rule 217(j), Pa.R.D.E.

15. Because Respondent failed to have a supervising attorney, no notice of engagement of a supervising attorney was ever filed with the Disciplinary Board.

16. In late December 2015, without taking any steps to activate his Pennsylvania license, Respondent applied for and accepted a position as General Counsel with Altus Partners, an insurance brokerage located in Rosemont, Pennsylvania.

17. When Respondent interviewed for and accepted the General Counsel position, he failed to disclose to Altus Partners that his Pennsylvania license was inactive. Respondent's resume represented Respondent to be licensed to practice law in Pennsylvania without qualification.

18. On or about January 11, 2016, Respondent began his employment at Altus Partners.

19. Within a day or two of Respondent's start date and before he had engaged in any law-related activity, Respondent contacted Attorney Registration to inquire about the procedure to reinstate his license. Although Respondent had assumed without referring to the Rules of Disciplinary Enforcement relating to reinstatement that his license could be immediately reinstated, he was informed that he would be required to Petition for Reinstatement from Inactive Status because he had allowed his license to remain inactive for more than three years. See Rule 218(a)(2), Pa.R.D.E.

20. On or about the same date, Respondent informed Charles Wilmerding, President of Altus Partners, that Respondent's Pennsylvania license was inactive and would remain so pending a reinstatement process. Respondent attributes his failure to address the inactive status of his license with Mr. Wilmerding at an earlier time to his claimed assumption that reactivating his license would be virtually automatic.

21. Mr. Wilmerding immediately changed Respondent's title to "Managing Director of Claims" and redefined Respondent's responsibilities to eliminate the legal function altogether pending the reinstatement of Respondent's license. Respondent remains employed by Altus in the position of Managing Director of Claims and has obtained his insurance broker's license.

22. On January 21, 2016, Respondent updated his contact information on the Disciplinary Board's website and listed his Public Access Address as: Altus Partners, 919 Conestoga Rd, Bldg 3, Rosemont, PA 19010.

23. On February 1, 2016, Respondent filed with the Disciplinary Board a Petition for Reinstatement from Inactive Status and Special Reinstatement Questionnaire, along with a Motion for Waiver of Continuing Legal Education Requirements.

24. Respondent failed to disclose in his Special Reinstatement Questionnaire that he had begun working for Altus Partners on or about January 11, 2016, and had been hired in December 2015, to serve as the Company's General Counsel.

25. Upon review of Respondent's first submission seeking reinstatement, the Secretary of the Disciplinary Board denied Respondent's request for waiver and returned his Petition for Reinstatement for failure to demonstrate the "good cause"

necessary pursuant to D.Bd. Rule §89.279(b)(2) to waive the CLE requirement.

26. On February 26, 2016, Respondent was served with a February 23, 2016 DB-7 Request for Statement of Respondent's Position ("DB-7 Letter") expressing ODC's concern that during Respondent's period of inactive status he had engaged in the unauthorized practice of law and/or law-related activities, potentially violating Rule of Professional Conduct 5.5(a) and/or various provisions of Rule 217(j), Pa.R.D.E.

27. On March 9, 2016, Respondent submitted a counseled response to the DB-7 Letter. Respondent denied that he engaged in the unauthorized practice of law and/or prohibited law-related activities, noting that if Respondent engaged in activity that might be considered law-related in violation of Rule 217(j), Pa.R.D.E., any violation was not intentional.

28. On March 18, 2016, before the disciplinary matter raised in the DB-7 Letter was resolved, Respondent, through his counsel, filed a second Petition for Reinstatement from Inactive Status and Special Reinstatement Questionnaire.

29. In Respondent's second petition seeking reinstatement, he represented: (1) that in his position as Senior Litigation Auditor for Liberty Mutual, he "was essentially reviewing fees submitted by outside counsel" and had not engaged in any law-

related activity during his period of inactive status; and (2) that he had "informed his employer [Altus Partners] from the outset that he was inactive."

30. Those representations were false. Respondent failed to accurately and fully describe his responsibilities at Liberty Mutual, which included on-site financial and qualitative audits of legal files in their entirety. Respondent was also less than forthright in describing his disclosure to Altus Partners of the inactive status of his license, which did not occur until after he had accepted a position as General Counsel and reported for work.

31. On June 27, 2016, a Petition for Discipline was filed against Respondent.

32. On July 14, 2016, Respondent's Answer to the Petition was filed, and he denied engaging in any misconduct.

33. On or about September 10, 2016, Respondent revised his LinkedIn profile to reflect a change in his title at Altus Partners from "General Counsel" to "Managing Director."

34. On September 12, 2016, counsel for Respondent requested to withdraw Respondent's second Petition for Reinstatement; by September 15, 2016 Order, the Disciplinary Board granted the request without prejudice.

35. Respondent anticipates filing a new petition for reinstatement from inactive status after this disciplinary matter

concludes, and acknowledges that he must continue to comply with all of the provisions of Rule 217, Pa.R.D.E., until he successfully petitions for reinstatement.

SPECIFIC RULES OF PROFESSIONAL CONDUCT VIOLATED

36. By his conduct as alleged in paragraphs 1 through 35 above, Respondent violated the following Rules of Disciplinary Enforcement:

- a. Pa.R.D.E. 217(j) (1), providing that all law-related activities of the formerly admitted attorney shall be conducted under the supervision of a member in good standing of the Bar of this Commonwealth who shall be responsible for ensuring that the formerly admitted attorney complies with the requirements of this subdivision (j). If the formerly admitted attorney is engaged by a law firm or other organization providing legal services, whether by employment or other relationship, an attorney of the firm or organization shall be designated by the firm or organization as the supervising attorney for purposes of this subdivision;
- b. Pa.R.D.E. 217(j) (4) (ii), providing that a formerly admitted attorney may not perform any law-related

services from an office that is not staffed by a supervising attorney on a full time basis; and

c. Pa.R.D.E. 217(j) (5), providing that the supervising attorney and the formerly admitted attorney shall file with the Disciplinary Board a notice of engagement, identifying the supervising attorney and certifying that the formerly admitted attorney's activities will be monitored for compliance with this subdivision (j). The supervising attorney and the formerly admitted attorney shall file a notice with the Disciplinary Board immediately upon the termination of the engagement between the formerly admitted attorney and the supervising attorney.

SPECIFIC JOINT RECOMMENDATION FOR DISCIPLINE

37. Petitioner and Respondent jointly recommend that the appropriate discipline for Respondent's admitted misconduct is a public reprimand.

38. Respondent consents to that discipline being imposed upon him by the Pennsylvania Disciplinary Board. Respondent's affidavit required by Rule 215, Pa.R.D.E., stating, *inter alia*,

his consent to the recommended discipline, is attached hereto as Exhibit A.

39. In support of this Joint Petition, the parties respectfully submit that the following mitigating circumstances are present:

- a. Respondent did not knowingly and intentionally violate Rule 217(j), Pa.R.D.E. Respondent has claimed that until recently he was unaware of the restrictions imposed upon him as a formerly admitted attorney and did not understand that his work at Liberty Mutual constituted law-related activity that could be performed in the Commonwealth only under the supervision of a member in good standing of the Bar of this Commonwealth responsible for ensuring that Respondent's remained in compliance with the requirements of Rule 217(j);
- b. Respondent has expressed sincere remorse for his misconduct and understands he should be disciplined, as is evidenced by his consent to receiving a public reprimand; and
- c. Respondent has no prior history of discipline.

40. Respondent's violation of the Rules of Disciplinary Enforcement referenced above is aggravated by the following:

- a. Contrary to the representation Respondent made in his second Petition for Reinstatement, Respondent failed to disclose to Altus Partners when he sought and accepted a position as General Counsel that his Pennsylvania license was inactive and would have to be reinstated;
- b. Respondent sought reinstatement of his license without disclosing to the Disciplinary Board and ODC that he had already accepted a position as General Counsel for Altus Partners and had begun work at Altus Partners on or about January 11, 2016;
- c. After being served with the DB-7 Letter, Respondent persisted in seeking reinstatement without acknowledging and addressing his misconduct. Until very recently, Respondent was not forthright in describing the nature and scope of his work for Liberty Mutual; and
- d. From in or about January 2016, to on or about September 10, 2016, Respondent held himself out to the public as General Counsel at Altus Partners on his LinkedIn profile.

41. A public reprimand is appropriate in light of the specific facts of this case, particularly those listed above as

aggravating. Although violations of Rule 217(j), particularly those that do not also constitute the unauthorized practice of law, can sometimes be addressed by a letter of concern or private discipline, the aggravating factors here warrant more discipline. In this case, Respondent exhibited a marked inattention to his professional obligations dating back to July 2012, refused until recently to acknowledge any Rule violations and, in contemptuous fashion, persisted in seeking reinstatement without taking any steps to address the concerns ODC raised in the DB-7 Letter and Petition for Discipline. Respondent's insolent approach to the disciplinary process substantially aggravates Respondent's misconduct, as does Respondent's lack of candor surrounding his acceptance of the General Counsel position and his self-serving and inaccurate description in his second Petition for Reinstatement of the nature of his work at Liberty Mutual as purely administrative.

42. In light of the nature of the misconduct and the significant aggravating factors presented here, Petitioner and Respondent submit that the imposition of a public reprimand will appropriately address Respondent's misconduct. See *Office of Disciplinary Counsel v. Kevin McCloskey*, No. 162 DB 2012 (October 8, 2013) (Pennsylvania Disciplinary Board imposed a public reprimand to address respondent's disregard of the restrictions

and other obligations imposed on him as a formerly admitted attorney even after respondent contacted ODC and ODC confirmed that he was administratively suspended and not permitted to engage in any activity which constituted the practice of law until he was transferred back to active status).

WHEREFORE, Petitioner and Respondent respectfully request, pursuant to Rules 215(e) and 215(g)(1), that a three-member panel of the Disciplinary Board review and approve the Joint Petition in Support of Discipline on Consent, that the Board enter an appropriate order imposing a public reprimand, and that Respondent be ordered to pay all necessary expenses incurred in the investigation and prosecution of this matter as a condition of this Joint Petition being granted.


Respectfully submitted,

OFFICE OF DISCIPLINARY COUNSEL

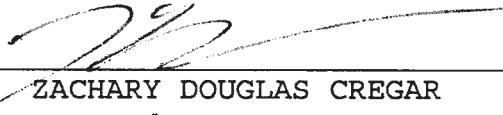
PAUL J. KILLION,
Chief Disciplinary Counsel

Date: 10/11/16

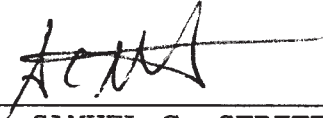
BY:


BARBARA BRIGHAM DENYS
Disciplinary Counsel
District II Office
Attorney ID No. 78562
Suite 170, 820 Adams Avenue
Trooper, PA 19403
(610) 650-8210

Date: 10/11/16

BY: 
ZACHARY DOUGLAS CREGAR
Respondent

Date: 10/11/16

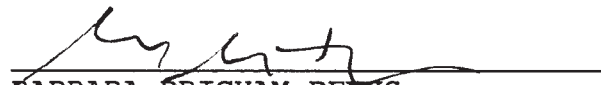
BY: 
SAMUEL C. STRETTON, Esquire
Counsel for Respondent

VERIFICATION

The statements contained in the foregoing *Joint Petition In Support of Discipline on Consent* are true and correct to the best of my knowledge or information and belief and are made subject to the penalties of 18 Pa.C.S.A. §4904, relating to unsworn falsification to authorities.

Date: 10/11/16

BY:


BARBARA BRIGHAM DENYS,
Disciplinary Counsel

Date: 10/11/16

BY:


ZACHARY DOUGLAS CREGAR
Respondent

Date: 10/11/16

BY:


SAMUEL C. STRETTON, Esquire
Respondent

BEFORE THE DISCIPLINARY BOARD OF THE
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OFFICE OF DISCIPLINARY COUNSEL, : No. 95 DB 2016
Petitioner :
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v. :
 : Attorney Reg. No. 206909
ZACHARY DOUGLAS CREGAR, :
Respondent : (Montgomery County)

CERTIFICATE OF SERVICE


I hereby certify that I am this day serving the foregoing document upon all parties of record in this proceeding in accordance with the requirements of 204 Pa. Code §89.22 (relating to service by a participant).

First Class Mail, as follows:

Respondent's Counsel: Samuel C. Stretton, Esquire
301 S. High Street
P.O. Box 3231
West Chester, PA 19381-3231

Date: 10/11/16

BY:


BARBARA BRIGHAM DENYS
Disciplinary Counsel
District II Office
Attorney ID No. 78562
Suite 170, 820 Adams Avenue
Trooper, PA 19403
(610) 650-8210

4. He is aware that there are presently pending investigations into allegations that he has been guilty of misconduct as set forth in the Joint Petition in Support of Discipline on Consent to which this affidavit is attached.

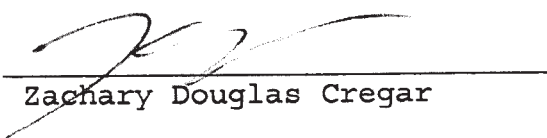
5. He acknowledges that the material facts set forth in the Joint Petition are true.

6. He submits the within affidavit because he knows that if charges predicated upon the matter under investigation continued to be prosecuted in the pending proceeding, he could not successfully defend against them.

7. He acknowledges that he is fully aware of his right to consult and employ counsel to represent him in the instant proceeding. He has consulted or followed the advice of counsel in connection with his decision to consent to execute the within Joint Petition.

It is understood that the statements made herein are subject to the penalties of 18 Pa.C.S.A. §4904 (relating to unsworn falsification to authorities).

Signed this 11TH day of October, 2016.


Zachary Douglas Cregar

Sworn to and subscribed
before me this 11TH day
of October, 2016


Notary Public

