

From: zen-misconduct zen-misconduct-account@protonmail.com
Subject: Extracting Harmful Favors and Board Inaction — First Zen Institute
Date: June 24, 2026 at 7:40 PM
To: zen-misconduct-account@protonmail.com

Z

To whom it may concern,

This email is sent anonymously and without reply capability. Individuals have suffered sexual and psychological abuse by a senior authority figure at the First Zen Institute of America Inc.: a historical New York City practice, thought and faith-based organization, and residential Rinzai Zen center, designated by the IRS as a 501(c)(3) church since January 1956, and thereby exempt from federal tax filing requirements.

Organization: First Zen Institute of America Inc.
Address: 113 East 30th Street, New York, NY 10016-7032, United States
Website: <https://www.firstzen.org/home.php>
EIN: EIN: [13-3418904](#)

Attached is a confidential PDF document containing detailed accounts of misconduct provided by some complainants. Email addresses are contained therein for further confidential communication. This email is an attempt to assist them, those that do not wish to step forward, and unaccounted for others, in seeking accountability through appropriate external channels — and to compel a disclosure that the organization has failed to make.

What has occurred:

1. Sexual and psychological abuse by the recent long-term President, Michael Hotz, who used a position of spiritual and organizational authority to facilitate, conceal, and perpetuate harm over what may span several decades. There are reasonable grounds to believe additional unreported accounts exist.
2. A superficial removal. This individual's resignation was accepted by the board without independent review, disclosure, meaningful accountability measures, or adequate safeguards to prevent recurrence of documented predatory behavior. As ex-president, he continues to serve on the board and maintains a residence on the organization's premises. This step-down appears to have been a legally advised mitigation attempt rather than genuine accountability. The ex-president continues to influence others within the community.
3. Neglect and harm to people and the faith. The organization has failed in its duty of care to protect community members, and the ex-president's conduct has caused direct harm to individuals and damage to the integrity of the Zen community. This neglect extends to the institutionally unexamined disposition of cremated remains of deceased members in the rear yard of the premises, conducted without regulatory compliance or transparent governance oversight in an urban environment.
4. Complicity of the board of directors, who were informed of the misconduct and failed to properly investigate, intervene, or impose meaningful accountability measures. The board's inaction constitutes willful neglect.
5. An antiquated code of ethical conduct that does not conform to contemporary grievance procedures — it permits only verbal reports, with no written documentation requirement, no independent review process, and no transparent accountability mechanism.
6. Failure to disclose. No public disclosure, warning, or transparency regarding the ex-president's continued presence, ongoing residence privileges, board role, or the risks this poses to current and prospective community members. The ex-president's ongoing residency privileges at the premises remain entirely outside public scrutiny. The organization has not acted to inform those at risk.

7. No independent investigation or ethics review has been initiated or made known to those affected.

8. No auditing or outside scrutiny of the organization's performance of any corrective actions. There has been no independent verification that governance failures have been addressed.

9. Potential mismanagement of the entire organization, including finances, for a period of some years. The organization generates income from resident rentals at rates substantially below market value, and maintains an investment vehicle from which funds are drawn for repairs, operations, and other purposes. As a church-designated entity it is exempt from federal tax filing and not required to submit to independent audit or financial disclosure. This combination of revenue generation, investment activity, preferential pricing, and regulatory exemption raises serious questions about financial accountability, the protection of charitable assets, and whether residents, donors, and regulators have adequate visibility into the use of organizational funds.

Requested actions:

- Require full dissociation of the ex-president from the organization, including removal from all governance, advisory, or honorary roles; termination of all employment or contractual relationships; revocation of residency privileges and premises access; and prohibition from any representation of or participation in organizational activities.
- Require dissociation of any board member, current or former, found complicit in the misconduct, its concealment, or the failure to impose accountability, including removal from governance and prohibition from future affiliation.
- Request clarification and review of the organization's legal authority to operate in New York State. Despite confirmed federal 501(c)(3) status, the organization could not be located in the New York State Division of Corporations database or the New York State Attorney General Charities Bureau registry under its IRS-registered name. Possible explanations include a historical charitable charter predating current registration designations, operation under an assumed name, incorporation in another jurisdiction, or non-compliance with current registration requirements. Clarification of the organization's legal authority to operate and solicit memberships, charitable contributions, rental income, and investment-derived revenue in New York State is requested.
- Clarification is sought regarding whether the organization's investment vehicles, rental practices, and fund disbursement protocols comply with applicable New York State financial and regulatory requirements for charitable or religious entities.
- Require the board to modernize its code of ethical conduct to conform to contemporary standards, including written grievance procedures, independent review, and transparent accountability.
- Require mandatory ethical conduct training for all existing and incoming board members, codified in the organization's bylaws, with certification by an independent authority specializing in clergy and spiritual leader misconduct (e.g., FaithTrust Institute). This provision shall apply to any future board composition if the organization retains or reconstitutes its status (charitable or not).
- Compel public disclosure that the organization has failed to make, including visible on-site notices and on the home page of its principal website, with community warnings so that current and prospective members can make informed decisions about their involvement. Proposed length "until further notice" or linked to compliance milestones, or a period of five years.
- Initiate an independent review of the ex-president's continued board service and residence

privileges, of the duration and scope of the alleged misconduct, and of any additional unreported accounts.

- Request an independent, confidential call for additional accounts, managed by an outside authority with guarantees of no retaliation and no requirement for public participation.
- Impose outside scrutiny and auditing of the organization's governance and corrective actions for a defined period of some years to ensure genuine reform.
- Require the organization to cease the formal and/or informal disposition of cremated remains on the premises; to bring any past or future handling of human remains into compliance with municipal and broader regulatory requirements; and to prohibit the deposition of the remains there in the future, out of respect for the victims (of documented and undiscovered abuse), the neighborhood, and the environment.
- Require the organization to issue quarterly written progress reports to an independent monitor and relevant regulatory bodies, detailing implementation of corrective actions, for a defined period of years.
- Require the board to issue a written public statement acknowledging governance failures, detailing corrective measures implemented, and specifying prevention protocols, subject to independent review. An optional video recording may be accepted as supplementary, subject to independent review of script and participant eligibility.
- Recommend that the ex-president issue a written public apology, acknowledging specific harm caused without condition or minimization, reviewed by an independent authority for adequacy before publication. A voluntary video statement may be accepted as supplementary, subject to the same independent review of script and performance.
- Investigate whether the ex-president, or other board members or affiliates, have received undisclosed benefits, reimbursements, or inurement, including but not limited to preferential financial arrangements, rental subsidies or exemptions substantially below market rates, residence privileges, investment vehicle disbursements, or compensation not commensurate with documented obligations. Request disclosure of whether the organization has voluntarily engaged certified auditors, and if so, whether those auditors were fully informed of governance failures, potential undisclosed benefits or inurements, investment practices, and associated risks at the time of engagement. Request full discovery of perks, inurements, investment activity, and excess benefits through independent financial review.
- Document this matter in records for pattern recognition and community safety, even if direct jurisdiction is limited.

This communication is an attempt to ensure that responsible parties and oversight bodies are informed.

Thank you for your attention to this matter. Please repost and circulate this notice for wider distribution (or within the constraints of your agency for pending investigations), for those who would benefit, and to those who may assist in ensuring accountability. Let silence and fear not be an imposition on speaking publicly for the greater good.

Attachments: Sexual and Ethical Misconduct Letters to First Zen Institute Board.pdf
(Confidential accounts from complainants – email contact information included.)

**Sexual and Ethical
Misconduct Letters to First...**

664 KB



From: zen-misconduct zen-misconduct-account@protonmail.com
Subject: Second Notice (Sept 1 Deadline): Misconduct Escalation & Exposure — First Zen Institute
Date: August 19, 2026 at 10:49 AM
To: zen-misconduct-account@protonmail.com

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To Whom It May Concern:

This is a second notice following the initial demand communication transmitted at the end of June 2026 regarding sexual misconduct, governance collapse, and accountability failures at the First Zen Institute of America Inc. (FZI), 113 East 30th Street, New York, NY 10016. That notice detailed systemic abuse by the now ex-president Michael Hotz, board complicity, financial opacity, lack of investigation, and improper handling of human remains.

Since the initial notice, supportive responses and referrals were received, including an inquiry asking: ***“Who would one contact in order to step forward with a personal account of grooming and spiritual predation and exploitation by Michael Hotz?”*** Below we also identify Hotz’s recent social media scrubbing, criminal record, and situational entanglements with FZI.

To handle these incoming accounts and coordinate with any individuals, reporters, or effectuating agencies taking action on these matters, a confidential intake email has been designated:

report-intake@protonmail.me

FZI and its board are expected to reply in writing by **September 1, 2026**, via this intake channel, providing a plain, good-faith account of actions taken.

Revised demands follow at the bottom.

Key Developments & Detailed Observations

Destruction of Public Records

The ex-president has deliberately scrubbed his digital footprint, reducing over a decade of regular public social media posts down to a handful. This destruction of records impedes transparency, obscures institutional associations, and frustrates efforts to identify affected individuals.

Public Criminal Record & Incarceration

Public records confirm Michael R. Hotz was arrested, pleaded guilty, and served time in a federal prison (FCI Allenwood) in connection with a 1990 criminal enforcement action involving large-scale illegal marijuana farming in Maryland, which resulted in government seizure of the property. The FZI board's failure to conduct basic due diligence before and during his tenure highlights severe long-term governance defects.

Resignation of Board Member & "Aging Out" Narrative

Nine months ago as a result of sexual misconduct reports against Hotz, a board member resigned. Leadership changes were subsequently reframed as routine "aging out" transitions to mask this governance crisis, install proxy president Milan Nikolic, and a replacement board member long affiliated with Zen group *Being Without Self* (directed by Jeff Shore).

Intimidating and Coercive Environment

Rather than an open governance process, FZI operates under a psychologically pressurized climate created by the ex-president. Avoidance of his belligerent behavior, with potential eviction ramifications, has suppressed internal challenge and left residents and remaining board members docile. Despite maintaining a primary farm home and zendo in Middletown, MD, the ex-president retains his FZI pied-à-terre suite while maintaining regular contact with visitors, residents, and board members.

Call to Affiliated Entities

Associated organizations – including Kyoto-based Rinzai Zen entities (Being Without Self / Rokoan Hermitage, Tofuku-ji, and Ryosen-an / Daitoku-ji, including their international branches and affiliates) and Tibetan Drikung Kagyu Meditation Centers (especially the Frederick, MD and Washington, D.C. branches) – are expected to publicly clarify their relationship to FZI and Hotz by September 1, 2026. They are called upon to state whether they disassociate and to publish online third-party-vetted sexual harassment, misconduct, and grievance policies in English and their native languages. Statements and updates can be submitted directly to report-intake@protonmail.me. A lack of response will be

interpreted accordingly.

Call for Recusal, Resident Departure, & Visitor Shutdown

Full implementation takes time; however, after over 50 days under notice (and nine months of inaction), failing by September 1, 2026, to fully remove the ex-president and retain an independent third-party investigative and audit firm signals a clear refusal of accountability. Upon such inaction, board members are advised to recuse themselves immediately. To mitigate institutional risk and concomitant liability, residents are advised to serve tenancy termination notices by October 1, 2026, establishing a 60-day period to vacate by November 30, 2026. If not already halted, all public activities, retreats, and guest intake **are expected to cease immediately** until all matters are fully resolved.

Typical Tactics of Denial and Diversion

Stakeholders are cautioned against common institutional tactics, including procedural dilation, frivolous counter-accusations, performative minimalism, narrative substitution ("aging out"), selective disclosure, and the installation of proxy or dummy leadership.

Please repost and circulate this notice for wider distribution (or within the constraints of your agency for pending investigations), for those who would benefit, and to those who may assist in ensuring accountability.

Be the antidote: may all beings be free from harm. Thank you for your continued attention to this matter.

The confidential accounts and attachments referenced in the initial notice of June 2026 remain on file.

REVISED DEMANDS AND REQUIREMENTS

*(Note: Consolidated from initial notice; new or expanded requirements/add-ons marked with *)*

I. EX-PRESIDENT AND BOARD ACCOUNTABILITY

1. Require full dissociation of the ex-president from FZI, including removal from all governance, advisory, or honorary roles; termination of employment/contractual relationships; revocation of residency privileges and premises access; and prohibition from any representation or participation in organizational activities.
2. Require dissociation and removal of any board member, current or former, found complicit in misconduct, its concealment, or the failure to impose accountability.
3. * Preserve all organizational and current and former board personal records (potentially relevant to the misconduct), including the immediate cessation of any destruction, alteration, scrubbing, or concealment of digital communications, social media content, financial documents, and governance records.

II. ORGANIZATIONAL GOVERNANCE AND TRANSPARENCY

4. Modernize the code of ethical conduct to include written grievance procedures, independent review, and transparent accountability.
5. Require mandatory ethical conduct training for all existing and incoming board members, codified in bylaws and certified by an independent authority specializing in clergy misconduct (e.g., FaithTrust Institute).
6. * Post the institute bylaws on the principal website in an easily accessible format,* alongside top-level menu visible pages on every page for: (a) a summary account of recent sexual misconduct and actions taken; (b) a dedicated sexual harassment, abuse, and misconduct page; (c) an ethical guidelines page; and (d) a grievance procedures page, each documenting the third-party agency that vetted the policy.* The formal ethics statement clarifying FZI's policy on sexual harassment, sexual misconduct, and grievance procedures must be published directly as plain HTML on these primary web pages, rather than solely as a downloadable PDF.*

III. INDEPENDENT OVERSIGHT AND REVIEW

7. Initiate an independent review of the ex-president's continued board service and residence privileges, the scope of alleged misconduct, and any

additional unreported accounts.

8. Request an independent, confidential call for additional accounts managed by an outside authority with strict guarantees of no retaliation and no requirement for public participation.

9.* Impose multi-year outside scrutiny and auditing of governance reforms and corrective actions, requiring quarterly written progress reports to an independent monitor and regulatory bodies.

10.* Conduct an independent financial review to investigate potential undisclosed benefits, inurements, rental subsidies, excess perks, or improper fund disbursements given to the ex-president or board members,* while verifying compliance with New York State non-profit financial requirements.*

IV. FINANCIAL, LEGAL, AND PREMISES COMPLIANCE

11. Request clarification and review of the FZI's legal authority to operate, solicit memberships, collect rental income, and manage investment vehicles under New York State Division of Corporations and AG Charities Bureau regulations,* ensuring all findings are permanently documented for pattern recognition and community safety.*

12. Cease the formal or informal disposition of cremated human remains on the premises, bring all past and future handling into municipal regulatory compliance, and prohibit future depositions on-site out of respect to victims, the neighborhood, and the environment.

V. OPERATIONS, VICTIM PROTECTION, AND LINEAGE STATEMENT

13. * FZI must cease all public-facing invitations, event listings, promotional activities, guest intake operations, and public activities of any kind until allegations are resolved and all listed demands are accomplished.

14. * The ex-president's suite (located directly above the zendo) must be left empty and remain fallow for a minimum period of one year out of respect for the victims.

15. * Victims must be financially compensated in accordance with standard institutional negligence protocols.

16. * FZI must issue a clear, prominent public statement that erotic, tantric, and sexual conduct is not a special or secret teaching within its lineage or practice. This statement must be integrated directly in plain HTML onto the website's dedicated sexual harassment and misconduct page,* prominently posted on-site,* and included in all printed organizational matter available to the public* to prevent future spiritual predation under the guise of esoteric transmission.

VI. PUBLIC DISCLOSURE AND APOLOGIES

17. Compel public disclosure of governance failures through visible on-site notices and homepage warnings,* posted for a minimum of five years or until compliance milestones are met, paired with a formal board statement of corrective measures* and a written, unconditional public apology from the ex-president reviewed by an independent authority.*

VII. REPORTING CHANNELS AND VERIFIABLE COMMUNICATION

18. * **Verifiable Communication & External Reporting Channel:** FZI must establish and publicly display an independent, confidential reporting channel managed by an outside authority with strict anti-retaliation protections. To ensure public transparency and verifiable accountability, the organization and anyone acting on its behalf must also transmit written responses, compliance updates, and corrective action plans directly to report-intake@protonmail.me – a secure intake channel for disclosures, witness accounts, and official documentation that shall remain operational for a minimum period of five years. Failure or refusal to include this channel will be recorded accordingly.

To All Stakeholders, Affiliated Entities, and Community Members:

Please be advised that the primary reporting email specified in previous dispatches (report-intake@protonmail.me) has become inoperable due to technical service disruptions. To ensure uninterrupted confidentiality, secure document handling, and receipt of all incoming disclosures, **a new official report intake channel has been established:**

report@zen-records.org

Because the previous address experienced service interruptions, it is possible that some recent reports, witness statements, or institutional responses were not received.

Action Required:

Update Records: Please update all campaign records, publications, and internal contact lists to reflect report@zen-records.org.

Resubmit Documentation/Communication: If you, your organization, or someone you represent submitted a disclosure, statement, or inquiry to the former Protonmail address, **please resubmit your communication to** report@zen-records.org to guarantee it is reviewed and processed.

Affiliate Policy Updates: Affiliated Zen, Kagyu, and other entities or personnel providing public statements or policy vetting confirmations are requested to direct a official responses to this updated address.

The confidential accounts and attachments referenced in previous notices remain securely on file. All incoming submissions, witness statements, and documentation sent to report@zen-records.org will be confidentially logged and retained as part of the central record. All institutional demands and corrective expectations outlined in previous dispatch remain fully in effect.

Thank you for your continued presence, and attention to this matter.

To unsubscribe from these updates, click here: [unsubscribe](#)

Zen Records c/o
1337 Services LLC
P.O. Box 590
Charlestown, Saint Kitts and Nevis

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