

IN THE SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL, : No. 2359 Disciplinary Docket No. 3  
: :  
Petitioner : No. 29 DB 2017  
: :  
v. : Attorney Registration No. 37575  
: :  
STEVEN JAMES LYNCH, : (Washington County)  
: :  
Respondent :

ORDER

**PER CURIAM**

**AND NOW**, this 15<sup>th</sup> day of July, 2019, upon consideration of the Verified Statement of Resignation, Steven James Lynch is disbarred on consent from the Bar of this Commonwealth. See Pa.R.D.E. 215. Respondent shall comply with the provisions of Pa.R.D.E. 217, and pay costs to the Disciplinary Board pursuant to Pa.R.D.E. 208(g).

A True Copy Patricia Nicola  
As Of 07/15/2019

Attest:   
Chief Clerk  
Supreme Court of Pennsylvania

BEFORE THE DISCIPLINARY BOARD OF  
THE SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL, : No. 2359 Disciplinary Docket  
: No. 3 - Supreme Court  
Petitioner :  
v. : No. 29 DB 2017 - Disciplinary  
: Board  
: Attorney Registration No. 37575  
STEVEN JAMES LYNCH, :  
Respondent : (Washington County)

RESIGNATION  
UNDER Pa.R.D.E. 215

Steven James Lynch hereby tenders his unconditional resignation from the practice of law in the Commonwealth of Pennsylvania in conformity with Pa.R.D.E. 215 ("Enforcement Rules") and further states as follows:

1. He is a formerly admitted attorney, who was admitted to the bar of the Commonwealth of Pennsylvania on or about November 10, 1982. His attorney registration number is 37575. He remains on suspension by Order of the Supreme Court of Pennsylvania, dated March 2, 2017, issued pursuant to Rule 208(f)(1), Pa.R.D.E.

2. He desires to submit his resignation as a member of said bar.

3. His resignation is freely and voluntarily rendered; he is not being subjected to coercion or duress and he is fully aware of the implications of submitting this resignation.

FILED  
07/01/2019  
The Disciplinary Board of the  
Supreme Court of Pennsylvania

4. He acknowledges that he is fully aware of his right to consult and employ counsel to represent him in the instant proceeding. He has retained, consulted with and acted upon the advice of counsel in connection with his decision to execute the within resignation.

5. He is aware that there is presently pending an investigation into allegations that he has been guilty of misconduct, the nature of which allegations have been made known to him by a Joint Petition to Temporarily Suspend an Attorney, filed February 17, 2017, a true and correct copy of which is attached hereto, made a part hereof and marked Exhibit "A," and a Statement of Facts which is attached hereto, made a part hereof and marked Exhibit "B."

6. He acknowledges that the material facts upon which the complaint is predicated contained in Exhibits "A" and "B" are true.

7. He submits the within resignation because he knows that he could not successfully defend himself against the charges of professional misconduct set forth in the attached exhibits.

8. He is fully aware that the submission of this Resignation Statement is irrevocable and that he can only apply for reinstatement to the practice of law pursuant to the provisions of Enforcement Rule 218(b) and (c).

9. He is aware that pursuant to Enforcement Rule 215(c) the fact that he has tendered his resignation shall become a matter of public record immediately upon delivery of the resignation statement to Disciplinary Counsel or the Secretary of the Board.

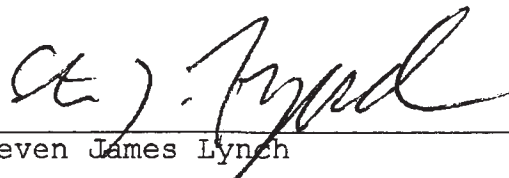
10. Upon entry of the order disbaring him on consent, he will promptly comply with the notice, withdrawal, resignation, trust account, and cease-and-desist provisions of Enforcement Rule 217 (a), (b), (c) and (d).

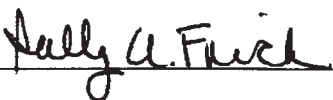
11. After entry of the order disbaring him on consent, he will file a verified statement of compliance as required by Enforcement Rule 217(e)(1).

12. He is aware that the waiting period for eligibility to apply for reinstatement to the practice of law under Enforcement Rule 218(b) shall not begin until he files the verified statement of compliance required by Enforcement Rule 217(e)(1), and if the order of disbarment contains a provision that makes the disbarment retroactive to an earlier date, then the waiting period will be deemed to have begun on that earlier date.

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

Signed this 14<sup>th</sup> day of June, 2019.

  
\_\_\_\_\_  
Steven James Lynch

WITNESS: 

IN THE SUPREME COURT OF PENNSYLVANIA

IN THE MATTER OF

STEVEN JAMES LYNCH

: No. Disciplinary Docket  
: No.  
:  
: Board File No. C4-16-804  
:  
: (United States District Court for the  
: Western District of PA, Criminal  
: No. 14-181)  
:  
: Attorney Registration No. 37575  
:  
: (Washington County)

JOINT PETITION TO TEMPORARILY SUSPEND AN ATTORNEY

OFFICE OF DISCIPLINARY COUNSEL

PAUL J. KILLION  
CHIEF DISCIPLINARY COUNSEL

By:

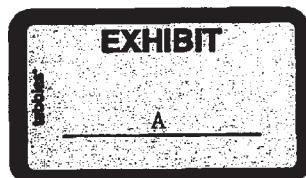
Jana M. Palko  
Disciplinary Counsel, District IV  
The Disciplinary Board of the  
Supreme Court of Pennsylvania  
Suite 1300, Frick Building  
437 Grant Street  
Pittsburgh, PA 15219  
Telephone: (412) 565-3173

and

Steven James Lynch, Esquire  
Respondent  
Williams, Coulson, Johnson, Lloyd,  
Parker & Tedesco, LLC  
114 Southpointe Blvd., Ste. 200  
Canonsburg, PA 15317  
Telephone: (412) 422-7612

By:

Sally A. Frick, Esquire  
407 Frick Building  
437 Grant Street  
Pittsburgh, PA 15219  
Telephone: (412) 261-3340



FILED  
2/17/2017  
The Disciplinary Board of the  
Supreme Court of Pennsylvania

IN THE SUPREME COURT OF PENNSYLVANIA

IN THE MATTER OF : No. Disciplinary Docket  
: No.  
:   
STEVEN JAMES LYNCH : Board File No. C4-16-804  
:   
: (United States District Court for the  
: Western District of PA, Criminal  
: No. 14-181)  
:   
: Attorney Registration No. 37575  
:   
: (Washington County)

JOINT PETITION TO TEMPORARILY SUSPEND AN ATTORNEY

TO THE HONORABLE CHIEF JUSTICE AND JUSTICES OF THE SUPREME COURT OF PENNSYLVANIA:

1. The Respondent, Steven James Lynch, is an attorney admitted to practice law in the Commonwealth of Pennsylvania, Attorney Registration No. 37575. He is on active status. His address is Williams, Coulson, Johnson, Lloyd, Parker & Tedesco, LLC, 114 Southpointe Blvd., Ste. 200, Canonsburg, PA 15317.

2. On September 9, 2016, Respondent was found guilty by a jury in the United States District Court for the Western District of Pennsylvania, at Criminal No. 14-181, of sixteen (16) counts of willful failure to pay over withheld employment taxes, in violation of 26 U.S.C. § 7202. Certified copies of the Superseding Indictment and the Jury Verdict are attached hereto as Exhibits A and B, respectively.

3. Respondent was sentenced on January 12, 2017, by the Honorable Arthur J. Schwab, to a 48 month term of imprisonment at

each count of conviction, to be served concurrently, to be followed by a three (3) year term of supervised release at each count of conviction, to be served concurrently. A mandatory \$1,600.00 special assessment was imposed upon Respondent, as well as a \$75,000.00 fine. Respondent was also ordered to make restitution in the amount of \$793,145.00. A certified copy of the Judgment of Sentence is attached hereto as Exhibit C.

4. Pursuant to Rule 214(i), Pa.R.D.E., the findings by a jury that Respondent was guilty of the above-referenced crimes constitute "convictions" for purposes of Rules 214, 203(b)(1), and 402, Pa.R.D.E.

5. The crimes of which Respondent was convicted warrant his temporary suspension and the prosecution of formal disciplinary proceedings to determine the extent of final discipline to be imposed.

6. Because Respondent's convictions constitute grounds for discipline pursuant to Rule 203(b)(1), Pa.R.D.E., Respondent agrees, pursuant to Rule 214(d)(3), Pa.R.D.E., to cease and desist from the practice of law immediately, and to comply with Rule 217, Pa.R.D.E.

7. Respondent and Petitioner believe Respondent's temporary suspension under Rule 214(d)(5), Pa.R.D.E., would be in the best



interest of the Respondent and the legal system, pending further proceedings under Rule 214, Pa.R.D.E., to determine the extent of final discipline.

8. Respondent has no record of discipline.

WHEREFORE, Respondent and Petitioner jointly move your Honorable Court to enter an Order temporarily suspending Respondent from the practice of law and referring this matter to the Disciplinary Board for further proceedings pursuant to former Rule 214(f) (1), Pa.R.D.E.


Respectfully submitted,

OFFICE OF DISCIPLINARY COUNSEL

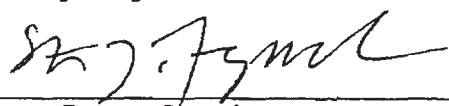
PAUL J. KILLION  
CHIEF DISCIPLINARY COUNSEL

2-17-17  
Date

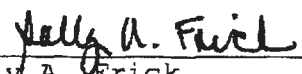
By:

  
\_\_\_\_\_  
Jana M. Palko  
Disciplinary Counsel, District IV  
Attorney Registration No. 200596

2/17/17  
Date

  
\_\_\_\_\_  
Steven James Lynch  
Respondent  
Attorney Registration No. 37575

2-17-17  
Date

  
\_\_\_\_\_  
Sally A. Frick  
Counsel for Respondent  
Attorney Registration No. 27672

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA

v.

STEVEN J. LYNCH

Criminal No. 14-CR-181 (MBC)  
26 U.S.C. §§ 7212(a) & 7202

**SUPERSEDING INDICTMENT**

The grand jury charges:

At all times material to this Superseding Indictment:

**Introductory Allegations**

1. Defendant STEVEN J. LYNCH was a resident of Pittsburgh, in the Western District of Pennsylvania, and a lawyer licensed to practice in the Commonwealth of Pennsylvania and the State of New York.

2. The Iceoplex at Southpointe was a sports complex in Canonsburg, in the Western District of Pennsylvania, which included an ice rink and indoor field, a health club, and a sports bar.

3. In or around 2001, defendant STEVEN J. LYNCH and others acquired an ownership interest in the Iceoplex at Southpointe. Defendant STEVEN J. LYNCH created numerous nominee entities to hold his ownership interest in the Iceoplex at Southpointe, but he substantially owned and controlled the ice rink and indoor field, the health club, and by in or around 2006, the sports bar.

4. Defendant STEVEN J. LYNCH organized the components of the Iceoplex at Southpointe into distinct business entities, including:

- a) Iceoplex at Southpointe, LLC – the ice rink and indoor field;



- b) Body Tech at Southpointe, LLC – the health club; and
- c) Jay's Sports Bar and Restaurant, Inc. – the sports bar

(hereinafter collectively referred to as "Iceoplex Businesses"). Although they were organized as distinct business entities, the Iceoplex Businesses functioned in a complementary manner as one common facility.

5. Since prior to 2001, defendant STEVEN J. LYNCH also substantially owned and controlled a business engaged in managing residential real estate in the Western District of Pennsylvania, which at various times he operated under the names Alder Street Management Company, ASMC Holdings, LLC, and ASMC Investment, LLC (hereinafter collectively referred to as "ASMC"). Defendant STEVEN J. LYNCH maintained the office of ASMC at the Iceoplex at Southpointe.

6. On or about February 2, 2008, defendant STEVEN J. LYNCH filed documents with the Commonwealth of Pennsylvania, Department of State, to rename Body Tech at Southpointe, LLC, SRA Services, LLC ("SRA Services"), which he substantially owned and controlled.

7. On or about December 29, 2009, defendant STEVEN J. LYNCH filed documents with the Commonwealth of Pennsylvania, Department of State, to form a new entity under the name SRA Employee Services, LLC ("SRA Employee Services"), which he substantially owned and controlled.

#### **Employment Tax Withholding**

8. Pursuant to the Internal Revenue Code and associated statutes and regulations, including the Federal Insurance Contributions Act ("FICA"), employers are required to withhold amounts from the paychecks of their employees to cover individual income, Social Security and

Medicare tax obligations. These withheld amounts are referred to as "trust fund" amounts. Employers are required to remit these withheld, trust fund amounts over to the Internal Revenue Service ("IRS") on a quarterly basis, no later than the last day of the month following the end of the quarter. In addition to the trust fund amounts that must be withheld from pay, employers are separately required to make contributions under FICA for Social Security and Medicare in amounts matching the amounts withheld from their employees' pay for those purposes. Such employer contributions are likewise required to be remitted to the IRS no later than the last day of the month following the end of the quarter. Collectively, these five components required to be remitted quarterly are commonly referred to as "employment taxes," made up of the trust fund amounts withheld (individual income, Social Security and Medicare taxes) and the matching amounts contributed. Employment taxes are required to be reported to the IRS by the employer on a Form 941, Employer's Quarterly Federal Tax Return ("Form 941"), due on the last day of the month following the end of a quarter.

9. Any person having authority to exercise significant control over an employer's financial affairs is deemed responsible for collecting, accounting for, and paying over employment taxes, regardless of whether the individual exercised such control in fact. More than one person may be considered a "responsible person" for the purpose of collecting, accounting for, and paying over employment taxes including trust fund amounts and employers' matching amounts.

10. To ensure remittance by employers of employment taxes following the end of each quarter, the IRS has statutory authority to take action in case of delinquency, including the legal power to levy employers' bank accounts and lien assets to satisfy the obligation to pay over amounts due for employment taxes. The Internal Revenue Code authorizes the IRS to assess a

"Trust Fund Recovery Penalty" against any individual responsible for paying over the employment taxes and who willfully fails to pay them over to the United States. The Trust Fund Recovery Penalty is equal to 100% of the unpaid trust fund taxes.

**Defendant Steve J. Lynch's Obstruction of the Internal Revenue Laws**

11. Defendant STEVEN J. LYNCH exercised control over the Iceoplex Businesses' and ASMC's financial affairs, including approving payments by the Iceoplex Businesses and ASMC and controlling their bank accounts. Defendant STEVEN J. LYNCH was the responsible person for collecting trust fund taxes, accounting for the employment taxes by filing Forms 941 with the IRS, and paying over to the IRS employment taxes for the employees of the Iceoplex Businesses and ASMC.

12. Prior to 2008, the workers of the Iceoplex Businesses and ASMC were employees of the respective businesses for which they worked. Each business issued paychecks to its employees, filed separate Forms 941 with the IRS, and withheld trust fund taxes from its employees' paychecks.

13. From at least 2004 through 2007, defendant STEVEN J. LYNCH was delinquent in paying employment taxes for the Iceoplex Businesses and ASMC due to the IRS.

14. As a result of defendant STEVEN J. LYNCH'S failure to timely pay over to the IRS the employment taxes for the Iceoplex Businesses and ASMC, the IRS initiated collection activity in an effort to recover the unpaid employment taxes. The IRS's efforts included, but were not limited to, the following:

- a) since at least 2004, filing notices of federal tax liens against defendant STEVEN J. LYNCH and entities owned and controlled by him;

- b) since at least 2005, issuing notices of intent to levy against one or more bank accounts of entities controlled by defendant STEVEN J. LYNCH; and
- c) in or around 2005 and 2006, assessing the Trust Fund Recovery Penalty against defendant STEVEN J. LYNCH, individually, for the unpaid trust fund taxes of entities he owned and controlled, including ASMC and the Iceoplex at Southpointe, LLC.

15. On or about February 2, 2008, defendant STEVEN J. LYNCH renamed Body Tech at Southpointe, LLC, SRA Services, LLC ("SRA Services"), which he substantially owned and controlled. SRA Services was a shell company that held no assets other than one or more bank accounts which defendant STEVEN J. LYNCH kept at minimal balances. Defendant STEVEN J. LYNCH exercised control over the finances of SRA Services, including approving payments by the company and controlling the company's bank accounts.

16. In or around February 2008, defendant STEVEN J. LYNCH designated SRA Services as the new employer of the employees of the Iceoplex Businesses and ASMC. All of the business activities and functions that were previously conducted by the employees under the Iceoplex Businesses and ASMC remained the same under SRA Services.

17. Defendant STEVEN J. LYNCH was the responsible person for collecting trust fund taxes, accounting for the employment taxes by filing Forms 941 with the IRS, and paying over to the IRS employment taxes for the employees of SRA Services. Defendant STEVEN J. LYNCH caused SRA Services to file Forms 941 with the IRS and withhold trust fund taxes from its employees' paychecks.

18. Defendant STEVEN J. LYNCH continued to exercise control over the finances of the Iceoplex Businesses and ASMC, and defendant STEVEN J. LYNCH caused those entities to transfer insufficient funds to SRA Services to meet its employment tax obligations.

19. Beginning in or around April 2008, defendant STEVEN J. LYNCH failed to timely pay over to the IRS the employment taxes for SRA Services.

20. In or around March 2009, the IRS notified defendant STEVEN J. LYNCH of its intent to take collection activity with respect to SRA Services' unpaid employment taxes. This included, among other things, informing defendant STEVEN J. LYNCH that the IRS may levy bank accounts of SRA Services, file notices of federal tax liens, and assess the Trust Fund Recovery Penalty against LYNCH if the employment tax liabilities were not paid. On or about March 27, 2009, defendant STEVEN J. LYNCH opened a bank account in the name "SRA Building Services LLC Payroll Account" and used that account to issue payroll checks for employees of SRA Services instead of bank accounts in the name of SRA Services.

21. In or around August 2009, the IRS notified defendant STEVEN J. LYNCH of its intent to assess against him individually, as a responsible person of SRA Services, the Trust Fund Recovery Penalty for the unpaid trust fund taxes of SRA Services. Additionally, the IRS informed defendant STEVEN J. LYNCH of its intention to seek injunctive relief against the entity to prevent further delinquency of employment taxes as well as initiate a foreclosure action in an effort to collect unpaid employment taxes of other entities related to the Iceoplex.

22. On or about December 29, 2009, defendant STEVEN J. LYNCH formed a new entity under the name SRA Employee Services, LLC ("SRA Employee Services"), which he substantially owned and controlled. SRA Employee Services was a shell company that held no assets other than one or more bank accounts which defendant STEVEN J. LYNCH kept at

minimal balances. Defendant STEVEN J. LYNCH exercised control over the finances of SRA Employee Services, including approving payments by the company and controlling the company's bank accounts.

23. In or around January 2010, defendant STEVEN J. LYNCH designated SRA Employee Services as the new employer of the employees formerly of the Iceoplex Businesses, ASMC, and SRA Services. All of the business activities and functions that were previously conducted by the employees under the Iceoplex Businesses and ASMC remained the same under SRA Employee Services.

24. Defendant STEVEN J. LYNCH was the responsible person for collecting trust fund taxes, accounting for the employment taxes by filing Forms 941 with the IRS, and paying over to the IRS employment taxes for the employees of SRA Employee Services. Defendant STEVEN J. LYNCH caused SRA Employee Services to file Forms 941 with the IRS and withhold trust fund taxes from its employees' paychecks.

25. Defendant STEVEN J. LYNCH continued to exercise control over the finances of the Iceoplex Businesses and ASMC, and defendant STEVEN J. LYNCH caused those entities to transfer insufficient funds to SRA Employee Services to meet its employment tax obligations.

26. Beginning in or around April 2010, until he was contacted by IRS criminal investigators in or around March 2011, defendant STEVEN J. LYNCH failed to timely pay over to the IRS the employment taxes for SRA Employee Services.

27. Beginning in or around October 2011 and continuing until in or around December 2013, defendant STEVEN J. LYNCH again failed to timely pay over to the IRS the employment taxes for SRA Employee Services.



28. In or around January 2014, defendant STEVEN J. LYNCH transferred the employees of SRA Employee Services back to the Iceoplex Businesses and ASMC. Each business issued paychecks to its employees, filed separate Forms 941 with the IRS, and withheld trust fund taxes from its employees' paychecks.

29. Beginning in or around April 2014 and continuing until at least in or around April 2015, defendant STEVEN J. LYNCH failed to timely pay over to the IRS the employment taxes for ASMC.

30. Beginning in or around July 2014 and continuing until at least in or around April 2015, defendant STEVEN J. LYNCH failed to timely pay over to the IRS the employment taxes for the Iceoplex Businesses.

**COUNT ONE**

**26 U.S.C. § 7212(a)**

**Corrupt Endeavor to Obstruct and Impede the  
Due Administration of the Internal Revenue Laws**

The grand jury further charges:

31. Paragraphs 1 – 30, above, are realleged and incorporated herein, as if fully set forth.

32. Between on or about April 1, 2004 and on or about April 30, 2015, in the Western District of Pennsylvania and elsewhere, the defendant, STEVEN J. LYNCH, did corruptly endeavor to obstruct and impede, and did corruptly obstruct and impede, the due administration of the internal revenue laws by the following acts, among others:

- a) creating SRA Services as a shell company to transfer the employees of the Iceoplex Businesses and ASMC;
- b) transferring the employees of the Iceoplex Businesses and ASMC to SRA Services;

- c) paying the employees of the Iceoplex Businesses and ASMC from SRA Services;
- d) causing SRA Services to hold no assets other than one or more bank accounts which consistently maintained only minimal balances;
- e) transferring from the Iceoplex Businesses and ASMC to SRA Services funds only sufficient to pay the employees' paychecks but insufficient to pay trust fund amounts withheld from employees' pay and insufficient to pay the remaining employment taxes owed to the IRS;
- f) creating SRA Employee Services as a shell company to transfer the employees formerly of the Iceoplex Businesses, ASMC, and SRA Services;
- g) transferring the employees formerly of the Iceoplex Businesses, ASMC, and SRA Services to SRA Employee Services;
- h) paying the employees formerly of the Iceoplex Businesses, ASMC, and SRA Services from SRA Employee Services;
- i) causing SRA Employee Services to hold no assets other than one or more bank accounts which consistently maintained only minimal balances; and
- j) transferring from the Iceoplex Businesses and ASMC to SRA Employee Services funds only sufficient to pay the employees' paychecks but insufficient to pay trust fund amounts withheld from employees' pay and insufficient to pay the remaining employment taxes owed to the IRS.
- k) paying the employees of the Iceoplex Businesses, ASMC, SRA Services, and SRA Employees Services from third-party bank accounts.

In violation of Title 26, United States Code, Section 7212(a).

**COUNTS TWO – EIGHT**

**26 U.S.C. § 7202**

**Failure to Pay Over Trust Fund Taxes**

The grand jury further charges:

33. Paragraphs 1 – 10, above, are realleged and incorporated herein, as if fully set forth.

34. At all times material to Counts Two – Eight, the defendant, STEVEN J. LYNCH, was a person required to collect, account for on quarterly Forms 941, and pay over to the Internal Revenue Service on behalf of SRA Services, LLC, income, Social Security and Medicare taxes imposed on its employees by the Internal Revenue Code.

35. On or about the dates listed in the table below for each count herein, in the Western District of Pennsylvania, defendant STEVEN J. LYNCH did willfully fail to pay over the aforesaid taxes withheld from the pay of employees of SRA Services, LLC, in the approximate amount stated:

<u>Count</u>	<u>Date</u> <u>(on or about)</u>	<u>Quarter end</u>	<u>Tax Due and Owing</u> <u>(approximate)</u>
2	July 31, 2008	June 30, 2008	\$60,592
3	October 31, 2008	September 30, 2008	\$71,346
4	January 31, 2009	December 31, 2008	\$61,817
5	April 30, 2009	March 31, 2009	\$82,238
6	July 31, 2009	June 30, 2009	\$67,649
7	October 31, 2009	September 30, 2009	\$75,630
8	January 31, 2010	December 31, 2009	\$73,398

In violation of Title 26, United States Code, Section 7202.

**COUNTS NINE – NINETEEN**  
**26 U.S.C. § 7202**  
**Failure to Pay Over Trust Fund Taxes**

The grand jury further charges:

36. Paragraphs 1 – 10, above, are realleged and incorporated herein, as if fully set forth.

37. At all times material to counts Nine – Nineteen, the defendant, STEVEN J. LYNCH, was a person required to collect, account for on quarterly Forms 941, and pay over to the Internal Revenue Service on behalf of SRA Employee Services, LLC, income, Social Security and Medicare taxes imposed on its employees by the Internal Revenue Code.

38. On or about the dates listed in the table below for each count herein, in the Western District of Pennsylvania, defendant STEVEN J. LYNCH did willfully fail to pay over the aforesaid taxes withheld from the pay of employees of SRA Employee Services, LLC, in the approximate amount stated:

<u>Count</u>	<u>Date</u> (on or about)	<u>Quarter End</u>	<u>Tax Due and Owing</u> (approximate)
9	July 31, 2010	June 30, 2010	\$69,450
10	October 31, 2010	September 30, 2010	\$82,490
11	January 31, 2011	December 31, 2010	\$16,048
12	January 31, 2012	December 31, 2011	\$24,998
13	July 31, 2012	June 30, 2012	\$75,485
14	October 31, 2012	September 30, 2012	\$78,084
15	January 31, 2013	December 31, 2012	\$83,386
16	April 30, 2013	March 31, 2013	\$82,061
17	July 31, 2013	June 30, 2013	\$91,665
18	October 31, 2013	September 30, 2013	\$83,903
19	January 31, 2014	December 31, 2013	\$90,723

In violation of Title 26, United States Code, Section 7202.

**COUNTS TWENTY – TWENTY-THREE**

**26 U.S.C. § 7202**

**Failure to Pay Over Trust Fund Taxes**

The grand jury further charges:

39. Paragraphs 1 – 10, above, are realleged and incorporated herein, as if fully set forth.

40. At all times material to counts Twenty – Twenty-Three, the defendant, STEVEN J. LYNCH, was a person required to collect, account for on quarterly Forms 941, and pay over to the Internal Revenue Service on behalf of Alder Street Management Company, income, Social Security and Medicare taxes imposed on its employees by the Internal Revenue Code.

41. On or about the dates listed in the table below for each count herein, in the Western District of Pennsylvania, defendant STEVEN J. LYNCH did willfully fail to pay over the aforesaid taxes withheld from the pay of employees of Alder Street Management Company, in the approximate amount stated:

<u>Count</u>	<u>Date</u> <u>(on or about)</u>	<u>Quarter End</u>	<u>Tax Due and Owing</u> <u>(approximate)</u>
20	July 31, 2014	June 30, 2014	\$15,819
21	October 31, 2014	September 30, 2014	\$26,097
22	January 31, 2015	December 31, 2014	\$16,506
23	April 30, 2015	March 31, 2015	\$18,086

In violation of Title 26, United States Code, Section 7202.

**COUNTS TWENTY-FOUR – TWENTY-SIX**

**26 U.S.C. § 7202**

**Failure to Pay Over Trust Fund Taxes**

The grand jury further charges:

42. Paragraphs 1 – 10, above, are realleged and incorporated herein, as if fully set forth.

43. At all times material to counts Twenty-Four – Twenty-Six, the defendant, STEVEN J. LYNCH, was a person required to collect, account for on quarterly Forms 941, and pay over to the Internal Revenue Service on behalf of Iceoplex at Southpointe, LLC, income, Social Security and Medicare taxes imposed on its employees by the Internal Revenue Code.

44. On or about the dates listed in the table below for each count herein, in the Western District of Pennsylvania, defendant STEVEN J. LYNCH did willfully fail to pay over the aforesaid taxes withheld from the pay of employees of Iceoplex at Southpointe, LLC, in the approximate amount stated:

<u>Count</u>	<u>Date</u> <u>(on or about)</u>	<u>Quarter End</u>	<u>Tax Due and Owing</u> <u>(approximate)</u>
24	October 31, 2014	September 30, 2014	\$14,628
25	January 31, 2015	December 31, 2014	\$15,864
26	April 30, 2015	March 31, 2015	\$15,448

In violation of Title 26, United States Code, Section 7202.

**COUNTS TWENTY-SEVEN - TWENTY-NINE**  
**26 U.S.C. § 7202**  
**Failure to Pay Over Trust Fund Taxes**

The grand jury further charges:

45. Paragraphs 1 - 10, above, are realleged and incorporated herein, as if fully set forth.

46. At all times material to counts Twenty-Seven - Twenty-Nine, the defendant, STEVEN J. LYNCH, was a person required to collect, account for on quarterly Forms 941, and pay over to the Internal Revenue Service on behalf of Jay's Sports Bar and Restaurant, Inc., income, Social Security and Medicare taxes imposed on its employees by the Internal Revenue Code.


47. On or about the dates listed in the table below for each count herein, in the Western District of Pennsylvania, defendant STEVEN J. LYNCH did willfully fail to pay over the aforesaid taxes withheld from the pay of employees of Jay's Sports Bar and Restaurant, Inc., in the approximate amount stated:


<u>Count</u>	<u>Date</u> (on or about)	<u>Quarter End</u>	<u>Tax Due and Owing</u> (approximate)
27	October 31, 2014	September 30, 2014	\$28,843
28	January 31, 2015	December 31, 2014	\$40,122
29	April 30, 2015	March 31, 2015	\$32,244

In violation of Title 26, United States Code, Section 7202.

A true bill,

  
 \_\_\_\_\_  
 Foreperson

  
 ROSEMARY E. PAGUNI  
 Chief, Northern Criminal Enforcement Section

CERTIFIED FROM THE RECORD	
Date	DEC - 1 2016
ROBERT V. BARTH, JR., CLERK	
By	
Deputy Clerk	

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA,

Plaintiff,

Criminal No. 14-181  
ELECTRONICALLY FILED

v.

STEVEN J. LYNCH,

Defendant.

VERDICT SLIP

We, the jury, unanimously return the following verdict:

1. As to Count 1 of the Superseding Indictment, Corrupt Endeavor to Obstruct and Impede the Due Administration of the Internal Revenue Laws, we, the jury, find the defendant Steven Lynch:

NOT GUILTY  GUILTY

2. As to Count 2 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending June 30, 2008, we, the jury, find the defendant Steven Lynch:

NOT GUILTY  GUILTY

3. As to Count 3 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending September 30, 2008, we, the jury, find the defendant Steven Lynch:

NOT GUILTY  GUILTY

4. As to Count 4 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending December 31, 2008, we, the jury, find the defendant Steven Lynch:

NOT GUILTY  GUILTY





5. As to Count 5 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending March 31, 2009, we, the jury, find the defendant Steven Lynch:

NOT GUILTY                       GUILTY

6. As to Count 6 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending June 30, 2009, we, the jury, find the defendant Steven Lynch:

NOT GUILTY                       GUILTY

7. As to Count 7 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending September 30, 2009, we, the jury, find the defendant Steven Lynch:

NOT GUILTY                       GUILTY

8. As to Count 8 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending December 31, 2009, we, the jury, find the defendant Steven Lynch:

NOT GUILTY                       GUILTY

9. As to Count 9 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending June 30, 2010, we, the jury, find the defendant Steven Lynch:

NOT GUILTY                       GUILTY

10. As to Count 10 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending September 30, 2010, we, the jury, find the defendant Steven Lynch:

NOT GUILTY                       GUILTY

11. As to Count 11 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending December 31, 2010, we, the jury, find the defendant Steven Lynch:

NOT GUILTY                       GUILTY

12. NOT USED

13. As to Count 13 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending June 30, 2012, we, the jury, find the defendant Steven Lynch:

NOT GUILTY                       GUILTY

14. As to Count 14 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending September 30, 2012, we, the jury, find the defendant Steven Lynch:

NOT GUILTY                       GUILTY

15. As to Count 15 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending December 31, 2012, we, the jury, find the defendant Steven Lynch:

NOT GUILTY                       GUILTY

16. As to Count 16 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending March 31, 2013, we, the jury, find the defendant Steven Lynch:

NOT GUILTY                       GUILTY

17. As to Count 17 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending June 30, 2013, we, the jury, find the defendant Steven Lynch:

NOT GUILTY

GUILTY

18. As to Count 18 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending September 30, 2013, we, the jury, find the defendant Steven Lynch:

NOT GUILTY

GUILTY

19. As to Count 19 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending December 31, 2013, we, the jury, find the defendant Steven Lynch:

NOT GUILTY

GUILTY

20. As to Count 20 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending June 30, 2014 (Alder Street Management Company), we, the jury, find the defendant Steven Lynch:

NOT GUILTY

GUILTY

21. As to Count 21 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending September 30, 2014 (Alder Street Management Company), we, the jury, find the defendant Steven Lynch:

NOT GUILTY

GUILTY

22. As to Count 22 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending December 31, 2014 (Alder Street Management Company), we, the jury, find the defendant Steven Lynch:

NOT GUILTY

GUILTY

23. As to Count 23 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending March 31, 2015 (Alder Street Management Company), we, the jury, find the defendant Steven Lynch:

       NOT GUILTY

  ✓   GUILTY

24. As to Count 24 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending September 30, 2014 (Iceoplex at Southpointe, LLC), we, the jury, find the defendant Steven Lynch:

       NOT GUILTY

  ✓   GUILTY

25. As to Count 25 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending December 31, 2014 (Iceoplex at Southpointe, LLC), we, the jury, find the defendant Steven Lynch:

       NOT GUILTY

  ✓   GUILTY

26. As to Count 26 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending March 31, 2015 (Iceoplex at Southpointe, LLC), we, the jury, find the defendant Steven Lynch:

       NOT GUILTY

  ✓   GUILTY

27. As to Count 27 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending September 30, 2014 (Jay's Sports Bar and Restaurant, Inc.), we, the jury, find the defendant Steven Lynch:

       NOT GUILTY

  ✓   GUILTY

28. As to Count 28 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending December 31, 2014 (Jay's Sports Bar and Restaurant, Inc.), we, the jury, find the defendant Steven Lynch:

       NOT GUILTY


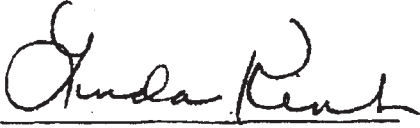

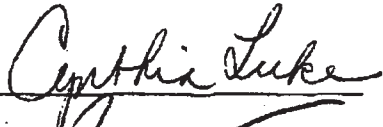







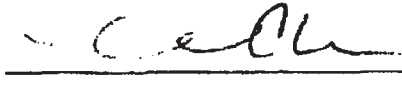
  ✓   GUILTY

29. As to Count 29 of the Superseding Indictment, Willful Failure to Pay Over Tax for the quarter ending March 31, 2015 (Jay's Sports Bar and Restaurant, Inc.), we, the jury, find the defendant Steven Lynch:


       NOT GUILTY

  ✓   GUILTY

JUROR SIGNATURES:

<u></u>	<u></u>
<u></u>	<u></u>
<u></u>	<u></u>
<u></u>	<u></u>
<u></u>	<u></u>
<u></u>	<u></u>

9/8/16

CERTIFIED FROM THE RECORD  
Date NOV 07 2016  
ROBERT V. BARTH, JR., CLERK  
By   
Deputy Clerk

UNITED STATES DISTRICT COURT

Western District of Pennsylvania

UNITED STATES OF AMERICA

v.

STEVEN J. LYNCH

JUDGMENT IN A CRIMINAL CASE

Case Number: 14cr181

USM Number: 35341068

Robert Barnes

Defendant's Attorney

THE DEFENDANT:

- pleaded guilty to count(s) \_\_\_\_\_
- pleaded nolo contendere to count(s) \_\_\_\_\_  
which was accepted by the court.
- was found guilty on count(s) 13s through 19s and 21s through 29s  
after a plea of not guilty.

The defendant is adjudicated guilty of these offenses:

Title & Section	Nature of Offense	Offense Ended	Count
26 USC 7202	Willful failure to pay over payroll taxes	6/30/2012	13s
26 USC 7202	Willful failure to pay over payroll taxes	9/30/2012	14s
26 USC 7202	Willful failure to pay over payroll taxes	12/31/2012	15s
26 USC 7202	Willful failure to pay over payroll taxes	3/31/2013	16s
26 USC 7202	Willful failure to pay over payroll taxes	6/30/2013	17s
26 USC 7202	Willful failure to pay over payroll taxes	9/30/2013	18s

The defendant is sentenced as provided in pages 2 through 9 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

- The defendant has been found not guilty on count(s) 1s, 2s-11s, and 20s
- Count(s) 1, and 2-11 and 12s  is  are dismissed on the motion of the United States.

It is ordered that the defendant must notify the United States attorney for this district within 30 days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant must notify the court and United States attorney of material changes in economic circumstances.

1/12/2017  
Date of Imposition of Judgment

Arthur J. Schwab  
Signature of Judge

Arthur J. Schwab, United States District Judge  
Name and Title of Judge

1/12/2017  
Date



DEFENDANT: Lynch  
CASE NUMBER: 14-181

**ADDITIONAL COUNTS OF CONVICTION**

<u>Title &amp; Section</u>	<u>Nature of Offense</u>	<u>Offense Ended</u>	<u>Count</u>
26 USC 7202	Willful failure to pay over payroll taxes	12/31/2013	19s
26 USC 7202	Willful failure to pay over payroll taxes	9/30/2014	21s
26 USC 7202	Willful failure to pay over payroll taxes	12/31/2014	22s
26 USC 7202	Willful failure to pay over payroll taxes	3/31/2015	23s
26 USC 7202	Willful failure to pay over payroll taxes	9/30/2014	24s
26 USC 7202	Willful failure to pay over payroll taxes	12/31/2014	25s
26 USC 7202	Willful failure to pay over payroll taxes	3/31/2015	26s
26 USC 7202	Willful failure to pay over payroll taxes	9/30/2014	27s
26 USC 7202	Willful failure to pay over payroll taxes	12/31/2014	28s
26 USC 7202	Willful failure to pay over payroll taxes	3/31/2015	29s

DEFENDANT: Lynch  
CASE NUMBER: 14-181

### IMPRISONMENT

The defendant is hereby committed to the custody of the Federal Bureau of Prisons to be imprisoned for a total term of:  
48 months at each of Counts 13s through 19s and Counts 21s and 29s, all to be served concurrently.

- The court makes the following recommendations to the Bureau of Prisons:  
Defendant be incarcerated as close as possible to the Western District of PA
  
- The defendant is remanded to the custody of the United States Marshal.
  
- The defendant shall surrender to the United States Marshal for this district:
  - at \_\_\_\_\_  a.m.  p.m. on \_\_\_\_\_
  - as notified by the United States Marshal.
  
- The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons:
  - before 2 p.m. on \_\_\_\_\_
  - as notified by the United States Marshal, *no later than 3-13-2017.*
  - as notified by the Probation or Pretrial Services Office.

### RETURN

I have executed this judgment as follows:

Defendant delivered on \_\_\_\_\_ to \_\_\_\_\_  
at \_\_\_\_\_, with a certified copy of this judgment.

UNITED STATES MARSHAL

By \_\_\_\_\_  
DEPUTY UNITED STATES MARSHAL



DEFENDANT: Lynch  
CASE NUMBER: 14-181

### SUPERVISED RELEASE

Upon release from imprisonment, you will be on supervised release for a term of: 3 years AT EACH OF COURTS  
13s - 19s AND 21s - 29s,  
to be served concurrently.

### MANDATORY CONDITIONS

1. You must not commit another federal, state or local crime.
2. You must not unlawfully possess a controlled substance.
3. You must refrain from any unlawful use of a controlled substance. You must submit to one drug test within 15 days of release from imprisonment and at least two periodic drug tests thereafter, as determined by the court.  
 The above drug testing condition is suspended, based on the court's determination that you pose a low risk of future substance abuse. *(check if applicable)*
4.  You must cooperate in the collection of DNA as directed by the probation officer. *(check if applicable)*
5.  You must comply with the requirements of the Sex Offender Registration and Notification Act (42 U.S.C. § 16901, *et seq.*) as directed by the probation officer, the Bureau of Prisons, or any state sex offender registration agency in the location where you reside, work, are a student, or were convicted of a qualifying offense. *(check if applicable)*
6.  You must participate in an approved program for domestic violence. *(check if applicable)*

You must comply with the standard conditions that have been adopted by this court as well as with any other conditions on the attached page.

DEFENDANT: Lynch  
CASE NUMBER: 14-181

### STANDARD CONDITIONS OF SUPERVISION

As part of your supervised release, you must comply with the following standard conditions of supervision. These conditions are imposed because they establish the basic expectations for your behavior while on supervision and identify the minimum tools needed by probation officers to keep informed, report to the court about, and bring about improvements in your conduct and condition.

1. You must report to the probation office in the federal judicial district where you are authorized to reside within 72 hours of your release from imprisonment, unless the probation officer instructs you to report to a different probation office or within a different time frame.
2. After initially reporting to the probation office, you will receive instructions from the court or the probation officer about how and when you must report to the probation officer, and you must report to the probation officer as instructed.
3. You must not knowingly leave the federal judicial district where you are authorized to reside without first getting permission from the court or the probation officer.
4. You must answer truthfully the questions asked by your probation officer.
5. You must live at a place approved by the probation officer. If you plan to change where you live or anything about your living arrangements (such as the people you live with), you must notify the probation officer at least 10 days before the change. If notifying the probation officer in advance is not possible due to unanticipated circumstances, you must notify the probation officer within 72 hours of becoming aware of a change or expected change.
6. You must allow the probation officer to visit you at any time at your home or elsewhere, and you must permit the probation officer to take any items prohibited by the conditions of your supervision that he or she observes in plain view.
7. You must work full time (at least 30 hours per week) at a lawful type of employment, unless the probation officer excuses you from doing so. If you do not have full-time employment you must try to find full-time employment, unless the probation officer excuses you from doing so. If you plan to change where you work or anything about your work (such as your position or your job responsibilities), you must notify the probation officer at least 10 days before the change. If notifying the probation officer at least 10 days in advance is not possible due to unanticipated circumstances, you must notify the probation officer within 72 hours of becoming aware of a change or expected change.
8. You must not communicate or interact with someone you know is engaged in criminal activity. If you know someone has been convicted of a felony, you must not knowingly communicate or interact with that person without first getting the permission of the probation officer.
9. If you are arrested or questioned by a law enforcement officer, you must notify the probation officer within 72 hours.
10. You must not own, possess, or have access to a firearm, ammunition, destructive device, or dangerous weapon (i.e., anything that was designed, or was modified for, the specific purpose of causing bodily injury or death to another person such as nunchakus or tasers).
11. You must not act or make any agreement with a law enforcement agency to act as a confidential human source or informant without first getting the permission of the court.
12. If the probation officer determines that you pose a risk to another person (including an organization), the probation officer may require you to notify the person about the risk and you must comply with that instruction. The probation officer may contact the person and confirm that you have notified the person about the risk.
13. You must follow the instructions of the probation officer related to the conditions of supervision.

### U.S. Probation Office Use Only

A U.S. probation officer has instructed me on the conditions specified by the court and has provided me with a written copy of this judgment containing these conditions. For further information regarding these conditions, see *Overview of Probation and Supervised Release Conditions*, available at: [www.uscourts.gov](http://www.uscourts.gov).

Defendant's Signature \_\_\_\_\_

Date \_\_\_\_\_

DEFENDANT: Lynch  
CASE NUMBER: 14-181

### ADDITIONAL SUPERVISED RELEASE TERMS

DEFENDANT SHALL PAY THE RESTITUTION BALANCE AT A RATE OF NOT LESS THAN 25 PERCENT OF HIS GROSS MONTHLY EARNINGS AND INCOME BUT IN ANY EVENT NOT LESS THAN \$1000 PER MONTH. THE FIRST PAYMENT SHALL BE MADE WITHIN 30 DAYS OF HIS RELEASE FROM THE CUSTODY OF THE BUREAU OF PRISONS.

THE DEFENDANT SHALL APPLY ALL MONIES RECEIVED FROM INCOME TAX REFUNDS, LOTTERY WINNINGS, INHERITANCE, JUDGMENTS, AND ANY ANTICIPATED OR UNEXPECTED FINANCIAL GAINS TO THIS OUTSTANDING COURT ORDERED FINANCIAL OBLIGATION WITHIN TEN DAYS OF RECEIPT, UNLESS EXCUSED FROM DOING SO BY ORDER OF COURT IN WRITING.

DEFENDANT SHALL PROVIDE THE PROBATION OFFICER WITH ACCESS TO ANY REQUESTED FINANCIAL INFORMATION.

WHILE ANY PORTION OF THE RESTITUTION REMAINS OUTSTANDING, THE DEFENDANT SHALL REPORT ANY CHANGE OF ADDRESS WITHIN 30 DAYS TO THE UNITED STATES ATTORNEY'S OFFICE WHILE ANY PORTION OF THE RESTITUTION REMAINS OUTSTANDING.

THE PERIODIC DRUG TESTING MANDATED BY THE VIOLENT CRIME CONTROL AND LAW ENFORCEMENT ACT OF 1994 IS HEREBY WAIVED. THE COURT FINDS THAT THIS OFFENSE IS NOT DRUG RELATED, AND THIS DEFENDANT HAS NO CURRENT OR PAST HISTORY OF SUBSTANCE ABUSE.

THE DEFENDANT IS PROHIBITED FROM INCURRING NEW CREDIT CHARGES OR OPENING ADDITIONAL LINES OF CREDIT WITHOUT PRIOR WRITTEN APPROVAL OF THE PROBATION OFFICER.

THE DEFENDANT SHALL TIMELY FILE LOCAL, STATE AND FEDERAL INCOME TAX RETURNS, AND COOPERATE WITH THE INTERNAL REVENUE SERVICE IN THE COLLECTION OF ANY PAST DUE TAXES INCLUDING PENALTIES AND INTEREST.

THE DEFENDANT SHALL PAY RESTITUTION THAT IS IMPOSED BY THIS JUDGMENT THAT REMAINS UNPAID AT THE COMMENCEMENT OF THE TERM OF SUPERVISED RELEASE AT A RATE OF NOT LESS THAN 25 PERCENT OF HIS GROSS MONTHLY EARNINGS. THE FIRST PAYMENT SHALL BE DUE WITHIN 30 DAYS FROM THE DEFENDANT'S RELEASE FROM THE CUSTODY OF THE BUREAU OF PRISONS.

DEFENDANT: Lynch  
CASE NUMBER: 14-181

### CRIMINAL MONETARY PENALTIES

The defendant must pay the total criminal monetary penalties under the schedule of payments on Sheet 6.

	<u>Assessment</u>	<u>JVTA Assessment*</u>	<u>Fine</u>	<u>Restitution</u>
TOTALS	\$ 1,600.00	\$	\$ 75,000.00	\$ 793,145.00

The determination of restitution is deferred until \_\_\_\_\_. An Amended Judgment in a Criminal Case (AO 245C) will be entered after such determination.

The defendant must make restitution (including community restitution) to the following payees in the amount listed below.

If the defendant makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid.

<u>Name of Payee</u>	<u>Total Loss**</u>	<u>Restitution Ordered</u>	<u>Priority or Percentage</u>
IRS Attn: Mail Stop 6261, Restitution 333 W. Pershing Avenue Kansas City, MO 64108	\$793,145.00	\$793,145.00	

TOTALS \$ \_\_\_\_\_ \$793,145.00 \$ \_\_\_\_\_ \$793,145.00

Restitution amount ordered pursuant to plea agreement \$ \_\_\_\_\_

The defendant must pay interest on restitution and a fine of more than \$2,500, unless the restitution or fine is paid in full before the fifteenth day after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options on Sheet 6 may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).

The court determined that the defendant does not have the ability to pay interest and it is ordered that:

the interest requirement is waived for the  fine  restitution.

the interest requirement for the  fine  restitution is modified as follows:

\* Justice for Victims of Trafficking Act of 2015, Pub. L. No. 114-22.

\*\* Findings for the total amount of losses are required under Chapters 109A, 110, 110A, and 113A of Title 18 for offenses committed on or after September 13, 1994, but before April 23, 1996.

DEFENDANT: Lynch  
CASE NUMBER: 14-181

### SCHEDULE OF PAYMENTS

Having assessed the defendant's ability to pay, payment of the total criminal monetary penalties is due as follows:

- A  Lump sum payment of \$ 1,600.00 due immediately, balance due  
 not later than \_\_\_\_\_, or  
 in accordance with  C,  D,  E, or  F below; or
- B  Payment to begin immediately (may be combined with  C,  D, or  F below); or
- C  Payment in equal \_\_\_\_\_ (e.g., weekly, monthly, quarterly) installments of \$ \_\_\_\_\_ over a period of \_\_\_\_\_ (e.g., months or years), to commence \_\_\_\_\_ (e.g., 30 or 60 days) after the date of this judgment; or
- D  Payment in equal \_\_\_\_\_ (e.g., weekly, monthly, quarterly) installments of \$ \_\_\_\_\_ over a period of \_\_\_\_\_ (e.g., months or years), to commence \_\_\_\_\_ (e.g., 30 or 60 days) after release from imprisonment to a term of supervision; or
- E  Payment during the term of supervised release will commence within \_\_\_\_\_ (e.g., 30 or 60 days) after release from imprisonment. The court will set the payment plan based on an assessment of the defendant's ability to pay at that time; or

- F  Special instructions regarding the payment of criminal monetary penalties:

The defendant shall make restitution payments from any wages he may earn in prison in accordance with the Bureau of Prisons' Inmate Financial Responsibility Program. Any portion of the restitution that is not paid in full at the time of the defendant's release from imprisonment shall be paid as a condition of supervised release. The defendant shall apply all moneys received from income tax refunds, lottery winnings, inheritance, judgments and any anticipated or unexpected financial gains to the outstanding court ordered financial obligation within 10 days of receipt, unless excused from doing so by Order of the Court. The defendant shall make a lump sum payment towards restitution in the amount of \$1000 to be paid within 30 days of the date of this judgment. (See Page 9 for additional instructions)

Unless the court has expressly ordered otherwise, if this judgment imposes imprisonment, payment of criminal monetary penalties is due during the period of imprisonment. All criminal monetary penalties, except those payments made through the Federal Bureau of Prisons' Inmate Financial Responsibility Program, are made to the clerk of the court.

The defendant shall receive credit for all payments previously made toward any criminal monetary penalties imposed.

- Joint and Several

Defendant and Co-Defendant Names and Case Numbers (including defendant number), Total Amount, Joint and Several Amount, and corresponding payee, if appropriate.

- The defendant shall pay the cost of prosecution.
- The defendant shall pay the following court cost(s):
- The defendant shall forfeit the defendant's interest in the following property to the United States:

DEFENDANT: Lynch  
CASE NUMBER: 14-181

### ADDITIONAL FORFEITED PROPERTY

BASED UPON THE FINANCIAL INFORMATION CONTAINED IN THE PRESENTENCE INVESTIGATION REPORT, THE COURT ORDERS DEFENDANT TO PAY A FINE IN THE AMOUNT OF \$75,000.00, TO THE CLERK OF THE UNITED STATES DISTRICT COURT, ATTENTION FINANCE DEPARTMENT, 700 GRANT STREET, SUITE 3110, PITTSBURGH PA 15219. DEFENDANT SHALL MAKE PAYMENTS TO SATISFY THE CRIMINAL MONETARY PENALTY IN THE FOLLOWING MANNER: (A) MONTHLY INSTALLMENTS OF \$1000 OR 10% OF DEFENDANT'S GROSS MONTHLY INCOME, WHICHEVER IS GREATER; (B) THE FIRST PAYMENT SHALL BE MADE WITHIN 30 DAYS FOLLOWING THE DEFENDANT'S DISCHARGE FROM INCARCERATION, AND CONTINUE UNTIL THE CRIMINAL MONETARY PENALTY IS PAID IN FULL; AND (C) THE DEFENDANT SHALL BE RESPONSIBLE FOR PROVIDING PROOF OF PAYMENT TO THE PROBATION OFFICER AS DIRECTED.

IN THE SUPREME COURT OF PENNSYLVANIA

IN THE MATTER OF : No. Disciplinary Docket  
: No.  
:  
STEVEN JAMES LYNCH : Board File No. C4-16-804  
:  
: (United States District Court for the  
: Western District of PA, Criminal  
: No. 14-181)  
:  
: Attorney Registration No. 37575  
:  
: (Washington County)

VERIFICATION

The statements contained in the foregoing Joint Petition to Temporarily Suspend an Attorney 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. §4904, relating to unsworn falsification to authorities.

2-17-17

Date

Sally A. Frick

Sally A. Frick, Esquire  
Counsel for Respondent

IN THE SUPREME COURT OF PENNSYLVANIA

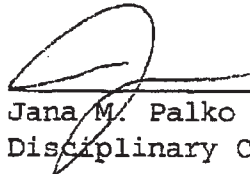
IN THE MATTER OF : No. Disciplinary Docket  
: No.  
:  
STEVEN JAMES LYNCH : Board File No. C4-16-804  
:  
: (United States District Court for the  
: Western District of PA, Criminal  
: No. 14-181)  
:  
: Attorney Registration No. 37575  
:  
: (Washington County)

VERIFICATION

The statements contained in the foregoing Joint Petition to Temporarily Suspend an Attorney 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. §4904, relating to unsworn falsification to authorities.

2-17-17

Date

  
\_\_\_\_\_  
Jana M. Palko  
Disciplinary Counsel, District IV



IN THE SUPREME COURT OF PENNSYLVANIA

IN THE MATTER OF : No. Disciplinary Docket  
: No.  
:  
STEVEN JAMES LYNCH : Board File No. C4-16-804  
:  
: (United States District Court for the  
: Western District of PA, Criminal  
: No. 14-181)  
:  
: Attorney Registration No. 37575  
:  
: (Washington County)

ORDER

PER CURIAM:

AND NOW, this \_\_\_\_\_ day of \_\_\_\_\_, 2017, the Joint  
Petition to Temporarily Suspend an Attorney is granted and,  
pursuant to Rule 214, Pa.R.D.E., Steven James Lynch is placed on  
temporary suspension, and he shall comply with all the provisions  
of Rule 217, Pa.R.D.E. The matter is hereby referred to the  
Disciplinary Board pursuant to former Rule 214(f)(1), Pa.R.D.E.

BEFORE THE DISCIPLINARY BOARD OF  
THE SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL, : No. 2359 Disciplinary Docket  
: No. 3 - Supreme Court  
Petitioner :  
: No. 29 DB 2017 - Disciplinary  
v. : Board  
: Attorney Registration No. 37575  
STEVEN JAMES LYNCH, :  
Respondent : (Washington County)

STATEMENT OF FACTS

1. Petitioner, whose principal office is located at Pennsylvania Judicial Center, Suite 2700, 601 Commonwealth Avenue, P.O. Box 62485, Harrisburg, PA 17106-2485, is invested, pursuant to Rule 207 of the Pennsylvania Rules of Disciplinary Enforcement (hereafter "Pa.R.D.E."), with the power and the duty to investigate all matters involving alleged misconduct of an attorney admitted to practice law in the Commonwealth of Pennsylvania and to prosecute all disciplinary proceedings brought in accordance with the various provisions of the aforesaid Rules.

2. Respondent, Steven James Lynch, was born in 1955. He was admitted to the bar of the Courts of the Commonwealth of Pennsylvania on November 10, 1982. Respondent's attorney registration mailing address is listed as Williams Coulson, 114 Southpointe Blvd., Canonsburg, Pennsylvania, 15317. Respondent



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

3. On September 9, 2016, Respondent was found guilty by a jury in the United States District Court for the Western District of Pennsylvania, at Criminal No. 14-181, of sixteen (16) counts of willful failure to pay over withheld employment taxes, in violation of 26 U.S.C. § 7202.

4. Respondent was sentenced on January 12, 2017, by the Honorable Arthur J. Schwab, to a 48 month term of imprisonment at each count of conviction, to be served concurrently, to be followed by a three (3) year term of supervised release at each count of conviction, to be served concurrently. A mandatory \$1,600.00 special assessment was imposed upon Respondent, as well as a \$75,000.00 fine. Respondent was also ordered to make restitution in the amount of \$793,145.00.

5. Pursuant to Rule 214(i), Pa.R.D.E., the findings by a jury that Respondent was guilty of the above-referenced crimes constitute "convictions" for purposes of Rules 214, 203(b)(1), and 402, Pa.R.D.E.

6. Respondent cooperated fully with Petitioner in its investigation of this matter, as well as in the preparation and

filing of a Joint petition to Temporarily Suspend an Attorney, filed in this matter on February 17, 2017.

7. By Order dated March 2, 2017, issued in this matter pursuant to Rule 208(f)(1), Pa.R.D.E., the Supreme Court of Pennsylvania granted the Joint Petition to Temporarily Suspend an Attorney, and Respondent was placed on temporary suspension.

8. Respondent remains on suspension at this time, pursuant to that March 2, 2017 Order.

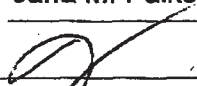
9. On April 11, 2017, Respondent filed his verified Statement of Compliance, pursuant to Rule of Disciplinary Enforcement 217(e), Pa.R.D.E.

10. Respondent's appeal of his conviction and sentence has been unsuccessful, with the United States Court of Appeals for the Third Circuit issuing a Judgment on May 29, 2018 affirming the District Court's January 12, 2017 Judgment.

11. Respondent is currently serving his sentence at FCI Morgantown, located in Morgantown, West Virginia, having reported to the facility on or about July 16, 2018.

**CERTIFICATE OF COMPLIANCE**

I certify that this filing complies with the provisions of the *Public Access Policy of the Unified Judicial System of Pennsylvania: Case Records of the Appellate and Trial Courts* that require filing confidential information and documents differently than non-confidential information and documents.

Submitted by: Jana M. Palko  
Signature:   
Name: Jana M. Palko  
Attorney No. (if applicable): 200596