

IN THE SUPREME COURT OF PENNSYLVANIA

In the Matter of : No. 1601 Disciplinary Docket No. 3
: :
: No. 36 DB 2010
PAUL JOSEPH STAUB, JR. : :
: Attorney Registration No. 87556
: :
PETITION FOR REINSTATEMENT : (Allegheny County)

ORDER

PER CURIAM

AND NOW, this 1st day of March, 2018, the Petition for Reinstatement is denied. Petitioner is directed to pay the expenses incurred by the Board in the investigation and processing of the Petition for Reinstatement. See Pa.R.D.E. 218(f).

A True Copy Patricia Nicola
As Of 3/1/2018

Attest: 
Chief Clerk
Supreme Court of Pennsylvania

BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA

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REPORT AND RECOMMENDATIONS OF
THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA

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

Pursuant to Rule 218(c)(5) of the Pennsylvania Rules of Disciplinary Enforcement, The Disciplinary Board of the Supreme Court of Pennsylvania submits its findings and recommendations to your Honorable Court with respect to the above captioned Petition for Reinstatement.

I. HISTORY OF PROCEEDINGS

On March 29, 2010, pursuant to Pennsylvania Rule of Disciplinary Enforcement ("Pa.R.D.E.") 215, Petitioner, Paul Joseph Staub, Jr., executed a resignation statement. By Order dated May 24, 2010, the Supreme Court of Pennsylvania accepted Petitioner's resignation statement and disbarred him on consent. Petitioner filed a

Petition for Reinstatement on September 22, 2016. Office of Disciplinary Counsel filed a Response to Petition on November 15, 2016.

A reinstatement hearing was held on March 31, 2017, before a District IV Hearing Committee. Petitioner called three witnesses and testified on his own behalf. Office of Disciplinary Counsel introduced thirteen exhibits.

Following the submission of the parties' post-hearing briefs, the Hearing Committee filed a Report on September 5, 2017, and recommended that the Petition for Reinstatement be granted.

On September 22, 2017, Office of Disciplinary Counsel filed a Brief on Exceptions.

On October 12, 2017, Petitioner filed a Brief Opposing Exceptions.

The Board adjudicated this matter at the meeting on October 19, 2017.

II. FINDINGS OF FACT

The Board makes the following findings:

1. Petitioner is Paul Joseph Staub Jr., who was born in 1976 and was admitted to practice law in the Commonwealth in 2001. Petitioner is subject to the jurisdiction of the Disciplinary Board of the Supreme Court of Pennsylvania.

2. Following his admission to the bar, Petitioner was employed as an associate at several Pittsburgh law firms, including Greystone Legal Associates from 2003 to 2006. In 2006, Petitioner was asked to leave Greystone Legal Associates

because he was not focused on his responsibilities as a lawyer. Petitioner began practicing as a sole practitioner. N.T. 35, 38, 41.

3. In 2006, Petitioner represented Randolph D. Harrison in a divorce action filed against him by Susan Dalessandro, who was represented by Carol L. Hanna, Esquire. ODC-2.

4. The parties agreed that the proceeds of the sale of certain real estate belonging to Mr. Harrison and Ms. Dalessandro would be deposited to a bank account requiring the signatures of counsel for both parties. ODC-2.

5. In November 2006, Petitioner opened a joint escrow account at National City Bank, which required the signatures of Petitioner and Ms. Hanna. ODC-2.

6. Between May 2007 and October 2007, Petitioner made numerous unauthorized withdrawals totaling \$108,510.00 from the joint escrow account. The withdrawals made by Petitioner were all by online fund transfers to an account solely under Petitioner's control. ODC-2.

7. In about February 2008, Ms. Hanna requested that Petitioner provide her with a Form 1099 for 2007 for the joint escrow account. ODC-2.

8. Shortly thereafter, Petitioner falsified a Form 1099 for 2007, which he provided to Ms. Hanna in order to conceal the reduced interest earned by the joint escrow account as a result of the reduced balance caused by his theft of funds from the account. ODC-2.

9. Pursuant to a Motion and Amended Motion for Special Relief/Advancement filed by Ms. Hanna in the Allegheny County Court of Common Pleas,

by Order dated March 25, 2008, Petitioner was directed to establish a new joint escrow account at a different bank. ODC-2.

10. On March 27, 2008, Petitioner sent Ms. Hanna a falsified document showing a purported wire transfer of \$108,510.00 from the original escrow account to the new escrow account. ODC-2.

11. Because of Petitioner's earlier theft, there were insufficient funds in the original joint escrow account at that time to make the transfer. ODC-2.

12. In April 2008, Petitioner wired to Ms. Hanna \$96,339.28 to be deposited into the new joint escrow account. ODC-2.

13. On April 15, 2008, in the Allegheny County Court of Common Pleas, Ms. Hanna filed a Petition for Contempt, seeking the return of the remaining \$12,426.00.

14. At the April 15, 2008 hearing before the Honorable Thomas Flaherty, Petitioner asserted that he had accidentally used the remaining \$12,426.00, but would pay it back as soon as he could. ODC-2.

15. Petitioner's statement that he accidentally misappropriated \$12,426.00 was not truthful. He knowingly misappropriated \$108,510.00 from the escrow account. ODC-2.

16. On April 16, 2008, Petitioner deposited \$12,426.00 in cash into Ms. Hanna's account, which was then transferred to the new joint escrow account. ODC-2.

17. In 2008, Petitioner was charged with one count of theft by deception, two counts of forgery, one count of unlawful use of computer, and one count of tampering with or fabricating physical evidence. ODC-5.

18. On March 29, 2010, Petitioner entered a plea of guilty to one count of theft by deception, and the remaining charges were withdrawn. ODC-7.

19. In December 2008, Gary W. Szajkowski contacted the Investigations Unit of the Allegheny County District Attorney. Mr. Szajkowski believed that he and his daughter, Brenda Stevenson, were victims of a fraud perpetrated by Petitioner. ODC-6.

20. Mr. Szajkowski and Ms. Stevenson were approached by Petitioner regarding an investment in an oil and gas exploration project. In March 2008, Mr. Szajkowski and Ms. Stevenson gave Petitioner \$115,000.00. ODC-9.

21. Mr. Szajkowski and Ms. Stevenson did not receive any return on their investment even though Petitioner stated that he had mailed them a check. ODC-9.

22. Criminal charges were filed against Petitioner, resulting in his plea of *nolo contendere* on March 29, 2010, to one count of theft by deception. ODC-8.

23. Pursuant to a plea bargain for both matters, Petitioner was sentenced to intermediate punishment for one year, with work release and concurrent probation for five years. ODC10; ODC-11.

24. With regard to both conviction matters, Petitioner made restitution. N.T. 25-26, 27, 43.

25. Petitioner resigned from the bar of the Supreme Court of Pennsylvania on March 29, 2010. ODC-2.

26. The Court accepted Petitioner's resignation statement and disbarred Petitioner on consent by Order of May 24, 2010.

27. Petitioner filed a Petition for Reinstatement on September 22, 2016.
ODC-1.

28. Petitioner's Questionnaire contains errors and omissions.

29. In response to Question 6(c), Petitioner admitted he did not timely file with the Disciplinary Board the verification statement required by Pa.R.D.E. 217(e). Petitioner explained that he did not have any clients at the time he was disbarred, so he believed he did not have to submit a verified statement. ODC-1; N.T. 28.

30. In response to Question 6(d), which asked if any costs were taxed as a result of his disbarment on consent, Petitioner answered, "NO." In fact, he was ordered to pay costs, in the amount of \$250.00. Petitioner failed to pay the costs until after the filing of the Petition for Reinstatement. ODC-1; N.T. 28-29, 52.

31. In response to Question 7, Petitioner stated that he was never disciplined by any other jurisdiction. In fact, on July 19, 2010, Petitioner was disbarred on consent from the bar of the United States District Court for the Western District of Pennsylvania. ODC-1; ODC-3.

32. In response to Question 11(b), with regard to his employment during his disbarment with Greystone Legal Associates, Petitioner affirmatively replied that he or his supervising attorney, Peter N. Georgiades, Esquire, filed the notice of employment required by Pa.R.D.E. 217(j)(5).

33. There is no evidence that Petitioner and/or Mr. Georgiades filed a notice of employment. ODC-1; N.T. 22-23, 66.

34. In response to Question 16, Petitioner stated that in 2003, he applied to the Pennsylvania Liquor Control Board for a liquor license; however, Petitioner failed to provide a copy, as directed in the Questionnaire. ODC-1.

35. In April 2010, shortly after his resignation from the bar but prior to the entry of the Court's disbarment order, Petitioner began working as a paralegal for Mr. Georgiades. N.T. 22.

36. In his capacity as a full-time paralegal, Petitioner performs legal research, in addition to performing secretarial and basic office tasks. N.T. 23–24.

37. In addition to paralegal work, Petitioner supports himself doing carpentry, drywall, roofing, cutting grass and shoveling snow. N.T. 22.

38. Petitioner testified that the reason he engaged in the underlying misconduct was because at the time of the misconduct, he was unprepared to be a lawyer and was not focused on his professional responsibilities. He spread himself too thin by working on business ventures because he felt the need to be more successful than he was. When Petitioner did not achieve his personal success goals, he took "shortcuts" and "put himself first." N.T. 16-17, 19, 20.

39. Petitioner described his misconduct as making "bad choices." ODC-1, Question No. 20.

40. During the time frame of his misconduct, Petitioner experienced difficulties in his personal life, including a divorce, which resulted in Petitioner seeking treatment with a psychiatrist, Dr. Robert Trivus. Petitioner testified that he saw Dr. Trivus

on a significant number of occasions between 2007 and 2010 or 2011¹ for feelings of depression. N.T. 20-21.

41. Petitioner testified that his treatment with Dr. Trivus helped him immeasurably, in that he is more controlled and thinks about the consequences of his actions. N.T. 21-22.

42. Petitioner did not present evidence of a specific diagnosis made by Dr. Trivus, the underlying cause of his issues, treatment plan, or prognosis for the future.

43. Petitioner has served on the board of the Boys and Girls Club of Western Pennsylvania's Great Futures Gala for four years. He has also coached his minor daughter's basketball team. N.T. 49.

44. Petitioner fulfilled the Continuing Legal Education requirements necessary for reinstatement.

45. Petitioner did not demonstrate understanding of his underlying actions and failed to express genuine remorse for his actions.

46. Petitioner presented the credible testimony of three witnesses.

47. Kelli Kleeb, Esquire, was married to Petitioner from 2002 until 2010 and they share a daughter. N.T. 54. Ms. Kleeb has practiced law in Pennsylvania since 2001 and is currently employed by the Allegheny County Office of the Public Defender. N.T. 54.

48. Ms. Kleeb testified that at the time of Petitioner's arrest in 2008, she had been separated from Petitioner for several years and did not have a close relationship

¹ Petitioner was unsure when the counseling ended.

with him. Now, Ms. Kleeb considers Petitioner to be one of her closest friends. N.T. 54, 57.

49. Ms. Kleeb testified that Petitioner is a dedicated father and very involved in their daughter's life. N.T. 58-59.

50. Ms. Kleeb testified that Petitioner is reliable and trustworthy and she can count on him to be there for their daughter. N.T. 60.

51. Ms. Kleeb testified that she is aware Petitioner sought counseling with Dr. Trivus and she believes that Petitioner has become more humble. N.T. 59-60.

52. Ms. Kleeb testified that she was aware that at the time Petitioner practiced law, he was involved in different business endeavors, but she was not aware of the theft or fraud perpetrated by Petitioner regarding those businesses. N.T. 55.

53. Mr. Georgiades has practiced law in Pennsylvania since 1977 and is the president of Georgiades and Associates, P.C. N.T. 61-62. Mr. Georgiades maintains a professional relationship with Petitioner, but does not have a social relationship with him. N.T. 69.

54. In 2003, Petitioner worked for Mr. Georgiades as an associate at Greystone Legal Associates. N.T. 62.

55. In 2006, Mr. Georgiades terminated Petitioner's employment because he felt that Petitioner was pulled in too many different directions to concentrate on practicing law. N.T. 63.

56. In 2010, Mr. Georgiades hired Petitioner as a law clerk. The position began as part-time and transitioned to full-time employment. N.T. 64.

57. Mr. Georgiades testified that he does not permit Petitioner to engage in the practice of law. N.T. 64.

58. Mr. Georgiades testified that he could not recall if he sent a notice to the Disciplinary Board as required under Pa.R.D.E. 217(j)(5). Mr. Georgiades was unable to locate a paper record confirming that he sent the notice. N.T. 66.

59. Mr. Georgiades did not testify as to any changes in Petitioner's behavior that he has observed since Petitioner's disbarment.

60. Matthew Marquette, Esquire, has practiced law in Pennsylvania since 2001 and is a personal friend of Petitioner. N.T. 73.

61. Mr. Marquette was aware of Petitioner's criminal convictions, as Mr. Marquette's law firm handled Petitioner's criminal case and subsequent disbarment. N.T. 74.

62. Mr. Marquette testified that he observed Petitioner's life "implode" in the 2006-2007 time frame. Mr. Marquette was aware that Petitioner had many business interests, some of which began to fail, and Mr. Marquette believed that Petitioner did not have the maturity to be able to simultaneously deal with his business ventures and practice law. N.T. 74-75, 76.

63. Mr. Marquette testified that he believes Petitioner's treatment with Dr. Trivus has had a positive impact on Petitioner and helped him to mature. N.T. 77-78.

64. Mr. Marquette testified that Petitioner's focus in life has changed from making a lot of money to being a positive influence for his family. N.T. 79.

III. CONCLUSIONS OF LAW

1. The misconduct for which Petitioner was disbarred is not so egregious as to preclude reinstatement. *Office of Disciplinary Counsel v. John J. Keller*, 506 A.2d 872 (Pa. 1986).

2. Sufficient time has not passed since Petitioner's disbarment to dissipate the negative effect of his misconduct on the standing of the bar. *In re Jerome Verlin*, 731 A.2d 600 (Pa. 1999).

3. Petitioner did not meet his burden to demonstrate by clear and convincing evidence that he has the moral qualifications required for admission to practice law in the Commonwealth and that the resumption of the practice of law within the Commonwealth by Petitioner will be neither detrimental to the integrity and standing of the bar or the administration of justice nor subversive of the public interest. Pa.R.D.E. 218(c)(3).

IV. DISCUSSION

Petitioner seeks reinstatement to the bar of the Supreme Court of Pennsylvania following disbarment on consent by Order dated May 24, 2010.

Petitioner's burden of proof with respect to his request for reinstatement from disbarment is heavier than the burden of proof following a suspension from the practice of law. The Supreme Court has held, "[i]n the case of disbarment, there is no basis for an expectation by the disbarred attorney of the right to resume practice at some

future point in time.” *Keller* at 875. The threshold issue in this matter is whether the misconduct that resulted in Petitioner’s disbarment was so egregious that his reinstatement would have a detrimental effect upon the integrity and standing of the bar or would be subversive of the public interest. *Id.*

The misconduct for which Petitioner was disbarred was his theft of entrusted funds, forgery of documents, and false statements to opposing counsel and in court, which were designed to conceal the theft. Petitioner misappropriated \$108,510.00 from an escrow account established to hold the proceeds of a sale of property in a domestic relations matter. Petitioner took steps to hide his actions by forging a Form 1099 for the escrow account and submitting it to opposing counsel, and faxing to opposing counsel a document purporting to transfer the \$108,510.00 to a different escrow account. During a hearing on a contempt petition filed by opposing counsel, Petitioner lied to the court, claiming to have misused \$12,426.00 of the funds. In fact, Petitioner misappropriated the entire \$108,510.00. Petitioner entered a plea of guilty to one count of theft by deception for his criminal actions relating to the escrow account. In addition, Petitioner stole approximately \$115,000.00 given to him by two individuals for investment in the development of an oil and gas business. In connection with this criminal activity, Petitioner entered a plea of *nolo contendere* to one count of theft by deception. For both matters, Petitioner was sentenced to intermediate punishment of one year, with work release and concurrent probation for five years.

There is no doubt that Petitioner’s misconduct was egregious and that disbarment was the appropriate sanction. Nevertheless, consistent with case law, we

conclude that Petitioner's misconduct was not so egregious that it should prohibit his reinstatement.² Petitioner's misconduct is similar to that of other attorneys who have been disbarred and who have sought and been granted reinstatement. See, *In re Lawrence Greenberg*, 749 A.2d 434 (Pa. 2000) (misappropriation of two million dollars and commission of perjury in a bankruptcy not so egregious as to warrant permanent disbarment); *In re Jerome Verlin*, 731 A.2d 600 (Pa. 1999) (conviction of criminal conspiracy, perjury, false swearing and theft by deception stemming from assisting a client in impersonating a dead man at a deposition, not so egregious as to warrant permanent disbarment); *In re Robert Costigan*, 664 A.2d 518 (Pa. 1995) (theft conviction is not a breach of trust of significant magnitude to forever bar an attorney seeking readmission). Accordingly, Petitioner has satisfied the *Keller* threshold and is not barred from seeking reinstatement.

The Board next considers whether Petitioner met his burden of proving by clear and convincing evidence that he possesses the moral qualifications, competency and learning in the law required for admission to practice law in the Commonwealth and that his readmission would not have a detrimental impact on the integrity and standing of the bar, the administration of justice or be subversive of the public interest. Pa.R.D.E. 218(c)(3). To that end, Petitioner must prove that his conduct and efforts at qualitative rehabilitation during his disbarment were sufficient to dissipate the detrimental impact of his conduct on the public trust. *Verlin* at 602. To make this determination, the Board

² Office of Disciplinary Counsel does not contend that Petitioner's conduct was so serious as to forever preclude his reinstatement.

weighs the amount of time that has passed since Petitioner's disbarment against the gravity of the breach of trust. *In re William Perrone*, 777 A.2d 413, 416-417 (Pa. 2001); *Greenberg* at 436-438.

Upon this record, and after due consideration of the parties' recommendations and the Hearing Committee's Report and recommendation, we conclude that Petitioner has failed to meet his burden. Given the severity of Petitioner's misconduct, Petitioner's resumption of the practice of law after seven years would harm the public interest and negatively impact the integrity and standing of the bar and the administration of justice.

Petitioner engaged in two different acts of theft totaling approximately \$223,000.00. He took active steps to conceal his thievery by forging documents and lying to opposing counsel and to a tribunal. Petitioner's explanation for these egregious and dishonest acts was that he was essentially unprepared to practice law. During the time frame of the misconduct, Petitioner described himself as pulled in different directions due to numerous business ventures, some of which were failing, while undergoing stress in his personal life and a need to be perceived by others as successful. Petitioner explained that when he did not accomplish his goals for success, he decided to take "shortcuts." On his Reinstatement Questionnaire, Petitioner described his thefts merely as an example of "bad choices." While Petitioner admitted that he engaged in criminal acts and made restitution, the evidence does not support a finding that he fully acknowledged that his actions harmed others and damaged the integrity of the legal system, as he failed to express genuine remorse or apologize for his actions.

To demonstrate rehabilitation, Petitioner testified that he received counseling for feelings of depression between 2007 and 2010 or 2011. Although by his own testimony, Petitioner indicates that he benefitted from counseling, he did not present evidence of a specific diagnosis, underlying cause of his issues, treatment plan or prognosis for the future. We note that the majority of the counseling took place prior to Petitioner's disbarment in 2010 and was not a focus of Petitioner's rehabilitative efforts during disbarment. We also note that by Petitioner's own testimony he was actively treating with Dr. Trivus both before, and during the time period that he committed significant violations of the Rules of Professional Conduct and criminal acts (or in his words "bad choices").

Petitioner's other rehabilitative efforts included coaching a youth basketball team and serving on a Boys and Girls Club Gala board. While these community activities are laudable, when viewed in concert with Petitioner's total lack of acknowledgment of wrongdoing, which extended to fraud and dishonesty to a tribunal, the Board finds that additional growth and reflection are necessary. In sum, we conclude that Petitioner's testimony was not persuasive that at this time, he is rehabilitated and fit to return to the practice of law.

The errors and omissions on Petitioner's Reinstatement Questionnaire bolster our conclusion that Petitioner is not fully prepared for readmission to the practice of law. Petitioner failed to supply the Board with the proper notice of employment during his disbarment; failed to list on the Questionnaire his disbarment in the Western District; failed to pay timely the costs associated with disbarment; and failed, pursuant to

Pa.R.D.E. 217, to file a verified statement with the Board. Standing alone, these errors and omissions most likely would not preclude Petitioner's reinstatement; however, viewed in combination with Petitioner's weak testimony, these errors give the Board additional pause that Petitioner has met his heavy reinstatement burden.

The witnesses who testified on Petitioner's behalf were his current employer, his former wife, and a close friend. Of these witnesses, only Ms. Kleeb and Mr. Marquette offered credible observations that Petitioner has become a better person, focusing less on business ventures and monetary interests and more on his family. Mr. Georgiades offered credible testimony concerning the circumstances of Petitioner's pre- and post-disbarment employment, but did not testify to his observations regarding Petitioner's rehabilitation. The Hearing Committee found the character testimony very compelling as to Petitioner's personal growth and gave it great weight, acknowledging the weakness of Petitioner's own testimony and noting that the character evidence was the primary basis for the Committee's recommendation to grant reinstatement. Hearing Committee Report p.13, 17. While the Board finds the witness testimony credible, we conclude that it does not serve to overcome the observed deficiencies in Petitioner's testimony before the Hearing Committee. The testimony of Petitioner's witnesses can only serve to bolster a genuine statement of regret and admission of wrongdoing, which is notably absent in this matter.

It is significant that the timeline of treatment, wrongdoing and the lack of any frank acknowledgement by Petitioner of the actual consequences to clients, the judiciary, the bar and the public at large wrought by his behavior simply do not add up. Moreover,

this conclusion is further supported by Petitioner's failures or inattention to properly report his status, to fully complete forms for application for reinstatement, to confirm accurate payment of costs, and the inability to demonstrate by his supervising attorney compliance with the Pennsylvania Rules of Disciplinary Enforcement. This record demonstrates an applicant who is not quite there yet, and all of these real deficiencies, as suggested, reluctantly we note, by the Hearing Panel, cannot be overcome by the sincere support and testimony of Petitioner's former wife and colleague.

Based upon this record, Petitioner's reinstatement at this time would be detrimental to the integrity and standing of the bar and the administration of justice, and would be subversive of the public interest. Petitioner has failed to meet his burden of proof as to his moral qualifications to resume the practice of law; additionally, he has failed to show that he has made significant rehabilitative efforts during the seven years of his disbarment. *Philadelphia News Inc. v. Disciplinary Board of the Supreme Court*, 363 A.2d 779, 78-81 (1976).

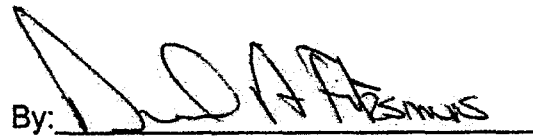
V. RECOMMENDATION

The Disciplinary Board of the Supreme Court of Pennsylvania recommends that reinstatement of Petitioner, Paul Joseph Staub, Jr., be denied.

The Board further recommends that, pursuant to Rule 218(f), Pa.R.D.E., Petitioner be directed to pay the necessary expenses incurred in the investigation and processing of the Petition for Reinstatement.

Respectfully submitted,

THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA

By: 

David A. Fitzsimons, Member

Date: 1/9/2018