

VIRGINIA:

Before the Virginia State Bar Disciplinary Board

In the Matter of

Steven Lieberman

VSB Docket Nos. 07-022-070561 & 08-022-074382

Attorney at Law

On February 17, 2009, came Steven Lieberman and presented to the Board an Affidavit Declaring Consent to Revocation of his license to practice law in the courts of this Commonwealth effective February 20, 2009, at 5:00 pm. By tendering his Consent to Revocation at a time when disciplinary charges are pending, he admits that the charges in the attached Affidavit Declaring Consent to Revocation and Certification documents are true.

The Board having considered the said Affidavit Declaring Consent to Revocation, and Bar Counsel having no objection, the Board accepts his Consent to Revocation. Accordingly, it is ordered that the license to practice law in the courts of this Commonwealth heretofore issued to the said Steven Lieberman be and the same hereby is revoked, and that the name of the said Steven Lieberman be stricken from the Roll of Attorneys of this Commonwealth.

Enter this Order this 20th day of February, 2009

For the Virginia State Bar Disciplinary Board

By *Barbara S. Lanier*
Barbara Sayers Lanier, Clerk of the Disciplinary System

VIRGINIA:

BEFORE THE VIRGINIA STATE BAR DISCIPLINARY BOARD

RECEIVED

IN THE MATTERS OF
STEVEN LIEBERMAN

FEB 17 2009

VSB Docket No. 07-022-070561

VSB Docket No. 08-022-074382

VSB CLERK'S OFFICE

AFFIDAVIT DECLARING CONSENT TO REVOCATION

Steven Lieberman, after being duly sworn, states as follows:

1. That Steven Lieberman was licensed to practice law in the Commonwealth of Virginia on 09/21/1972;
2. That Steven Lieberman submits this Affidavit Declaring Consent to Revocation pursuant to Rule of Court, Part 6, Section IV, Paragraph 13.L.
3. That Steven Lieberman's consent to revocation is freely and voluntarily rendered, that Steven Lieberman is not being subjected to coercion or duress, and that Steven Lieberman is fully aware of the implications of consenting to the revocation of his license to practice law in the Commonwealth of Virginia;
4. Steven Lieberman is aware that there is currently pending complaints of misconduct, the docket numbers for which are set forth above, and the specific nature of which are herein set forth:

VSB Docket No. 07-022-070561

1. At all times relevant hereto, Steven Lieberman, ("Respondent"), has been licensed to practice law in the Commonwealth of Virginia.
2. On or about March 8, 1999, Respondent filed a bill of complaint in Portsmouth Circuit Court as counsel for Rodger T. Moloney against Moloney's former business associate Nevin P. Carr. That suit, as well as Carr's separate action against Mr. Moloney, sought to determine the parties' interests in jointly-held real estate. The matters were later consolidated.

3. Respondent did not provide Mr. Moloney with a written fee agreement. Instead, Respondent sent Mr. Moloney periodic written invoices. Typically, Respondent sent Mr. Moloney the invoices within 30 days of the legal fees being incurred at the billable rate of \$150.00 per hour. From the inception of the representation until Mr. Moloney paid Respondent's final bill on April 15, 2003, Mr. Moloney paid Respondent a total of \$10,276.00.
4. The final legal bill that Respondent provided to Mr. Moloney was dated April 11, 2003, stating "Total Due \$650.00", which included "preparation of Exceptions to the Commissioner's Report" and "Hearing April 16, 2003 for the Exceptions." On April 15, 2003, Mr. Moloney paid to Respondent the \$650.00 in full.
5. The April 16, 2003 hearing in Norfolk Circuit Court lasted less than one hour and was the final hearing in Respondent's representation of Mr. Moloney.
6. On June 11, 2003, the litigation concluded with Judge Cales entering a final decree setting forth terms of the dissolution of the parties' interests, attached hereto as The final decree awarded Mr. Moloney \$46,088.25 plus one-half the accrued interest on the proceeds of the sale of the property. The decree directed "Counsel for the parties...to disburse to the parties from the proceeds of sale the amounts prescribed in this Decree..."
7. No appeal was taken, and the decree became final.
8. On August 4, 2003, Respondent deposited the decreed proceeds of \$47,555.66 into his escrow account.
9. Respondent would offer evidence that prior to the receipt of said funds Mr. Moloney owed Respondent attorneys fees. He would offer evidence that in September, 2003 Respondent and Mr. Moloney discussed and agreed that the funds Respondent received should be used in toto to pay said claims for attorneys fees owed.
10. Mr. Moloney would dispute Respondent's entitlement to fees and would testify and provide documentary evidence that prior to the entry of the June 11, 2003 decree, he had paid in full all fees owed, and that the quantum of all said fees charged was less than the \$47,555.66.
11. Over the next several years, Mr. Moloney made numerous telephone calls to Respondent's office in order to address the issue of the funds. Mr. Moloney has not received what he considers an adequate explanation of the status and resolution of the funds.
12. Notwithstanding Mr. Moloney's payments of \$10,276.00 to Respondent and Respondent's receipt and deposit into escrow of the case proceeds of \$47,555.66, Respondent failed to maintain required records of disbursements from his escrow

account on behalf of Mr. Moloney and failed to maintain the required record of a subsidiary ledger of Mr. Moloney's funds in escrow.

13. Respondent's escrow account was solely for retaining and preserving clients' funds. Nonetheless, in the months following Respondent's receipt of the Moloney proceeds, Respondent made payments directly from his escrow account for personal and law firm expenses including check No. 1094 on August 29, 2003 payable to Cypress Point Enterprises for \$4,955.72 for a country club reception; check no. 1101 dated November 17, 2003 payable to American Express for \$1,000.00 for Respondent's American Express credit card; and check no. 1112 dated April 16, 2004 payable to Verizon Information Services for \$6,354 for Respondent's "yellow pages" contract.
14. During this same time period including the months of September, 2003, October, 2003, November, 2003, December, 2003, January 2004, February, 2004, and April 2004, Respondent failed to maintain required escrow account records of a disbursements journal and subsidiary ledgers for other clients. Accordingly, Respondent had and has no record of the reason for least fifteen disbursements from his escrow account nor of the balances of funds held at those times for the particular clients for whom Respondent made the disbursements.
15. On January 20, 2004, Respondent deposited funds from his personal checking account into his escrow account, which funds were then disbursed that same day to client Chantae Agbo Ola as a "Final Settlement" of the client's matter.
16. From November, 2003 to April, 2004, Respondent made at least nine disbursements of client funds from his escrow account on behalf of clients and to clients when he had no funds in escrow for those clients other than funds from the Moloney proceeds deposited on August 4, 2003.

VS B Docket No. 08-022-074382

1. On December 19, 2002, Respondent formally substituted in as counsel of record for Ron Davis in his divorce action of Sara L. Davis v. Ronald P. Davis then pending in the Virginia Beach Circuit Court.
2. Over the next two years, Mr. Davis paid Respondent at least \$11,000.00 for legal fees and costs, although Respondent never has presented Mr. Davis with any written invoice of his legal fees despite Davis' requests. Moreover, Respondent has no records of the time Respondent spent on the representation.
3. On July 28, 2005, the Virginia Beach Circuit Court entered a Final Decree of Divorce. Paragraph 5 of the Decree provided "The Thrift Savings Plans of each party hereto (plaintiff's of \$84,393.23 and defendant's of \$17,902.13) shall be shared equally between them, and the parties shall act to accomplish the foregoing within 30 days after entry of this Decree." Notwithstanding the plain language of the Decree and notwithstanding Mr. Davis's eight or more written requests that

Respondent move for the disbursement of his share of the marital retirement funds, Respondent failed to move for the disbursement from the Thrift Savings Plan ("TSP") until April, 2008. The Court thereafter entered a QDRO on May 2, 2008 which however gave Mr. Davis no interest on his net award of \$33,245.55 pending since July 28, 2005.

4. On or about February 20, 2006, Respondent received a payout of \$46,145.79 representing Ron Davis's marital share of sales proceeds of his marital home. Henry Schwan, counsel for Mr. Davis' ex- spouse Sara Davis, sent Respondent a transmittal letter along with the check written by Sara Davis and made payable to Ron P. Davis. Each contained explanations of the gross amount less set-offs for other marital obligations.
5. Notwithstanding Respondent's receipt and deposit into his attorney escrow account of the \$46,145.79 of Davis' marital share of sales proceeds, Respondent failed to promptly advise Mr. Davis of his receipt of the funds or of the accounting provided by opposing counsel and Sara Davis as to the set-offs against his marital share. Although Respondent received said funds on or about February 20, 2006, Respondent had failed to advise Mr. Davis at any time prior to May 30, 2006.
6. Notwithstanding his failure to present any invoices or evidence that Mr. Davis was indebted to him for further legal fees, by November, 2006, Respondent had withdrawn as his own funds the balance of the \$46,145.79 without advising Mr. Davis-- much less obtaining his consent. Respondent contends that Davis owed him said funds as settlement of his claim for attorneys fees and that he withdrew said funds as earned attorneys fees.
7. In spite of Mr. Davis' repeated written requests and telephone calls to Respondent after November, 2007 inquiring as to the status of his marital share funds, Respondent failed to adequately explain the status of the funds.

5. Steven Lieberman acknowledges that the material facts upon which the allegations of misconduct are predicated are true; and

6. Steven Lieberman submits this Affidavit and consents to the revocation of his license to practice law in the Commonwealth of Virginia effective 05:00 PM,

February 20, 2009 because he knows that if the disciplinary proceedings based on the said alleged misconduct were brought or prosecuted to a conclusion, he could not successfully defend them.

Executed and dated on February 16, 2009.



Steven Lieberman
Respondent

COMMONWEALTH OF VIRGINIA
CITY/COUNTY OF Virginia Beach, to wit:

The foregoing Affidavit Declaring Consent to Revocation was subscribed and sworn to before me by Steven Lieberman on February 16, 2009.



Notary Public

My Commission expires: 10/31/2012.



VIRGINIA:

**BEFORE THE SECOND DISTRICT SUBCOMMITTEE
OF THE VIRGINIA STATE BAR**

**IN THE MATTER OF
STEVEN LIEBERMAN**

VS B Docket No. 08-022-074382

**SUBCOMMITTEE DETERMINATION
(CERTIFICATION)**

On November 12, 2008, a meeting in this matter was held before a duly convened Second District Subcommittee consisting of Paula M. Brody Bruns, Esquire, member, Mr. William W. King, lay member, and Tanya Bullock, Esquire, Chair Presiding.

Pursuant to Part 6, Section IV, Paragraph 13.G.1.c. of the Rules of the Virginia Supreme Court, the Second District Subcommittee of the Virginia State Bar hereby serves upon the Respondent the following Certification:

I. FINDINGS OF FACT

1. At all times relevant hereto, Steven Lieberman was an attorney licensed to practice law in the Commonwealth of Virginia.
2. On December 19, 2002, Respondent formally substituted in as counsel of record for Ron Davis in his divorce action of Sara L. Davis v. Ronald P. Davis then pending in the Virginia Beach Circuit Court.
3. Over the next two years, Mr. Davis paid Respondent at least \$11,000.00 for legal fees and costs, although Respondent never has presented Mr. Davis with any written invoice of his legal fees despite Davis' requests. Moreover, Respondent has no records of the time Respondent spent on the representation.
4. On July 28, 2005, the Virginia Beach Circuit Court entered a Final Decree of Divorce. Paragraph 5 of the Decree provided "The Thrift Savings Plans of each party hereto (plaintiff's of \$84,393.23 and defendant's of \$17,902.13) shall be shared equally between them, and the parties shall act to accomplish the foregoing within 30 days after entry of this Decree." Notwithstanding the plain language of the Decree and notwithstanding Mr. Davis's eight or more written requests that Respondent move for the disbursement of his share of the marital retirement funds, Respondent failed to move for the disbursement from the Thrift Savings Plan ("TSP") until April, 2008. The Court thereafter entered a

QDRO on May 2, 2008 which however gave Mr. Davis no interest on his net award of \$33,245.55 pending since July 28, 2005.

5. On or about February 20, 2006, Respondent received a payout of \$46,145.79 representing Ron Davis's marital share of sales proceeds of his marital home. Henry Schwan, counsel for Mr. Davis' ex-spouse Sara Davis, sent Respondent a transmittal letter along with the check written by Sara Davis and made payable to Ron P. Davis. Each contained explanations of the gross amount less set-offs for other marital obligations. See Schwan letter dated February 20, 2006 and Sara Davis check together attached as **VSB Ex. A**.
6. Notwithstanding Respondent's receipt and deposit into his attorney escrow account of the \$46,145.79 of Davis' marital share of sales proceeds, Respondent failed to promptly advise Mr. Davis of his receipt of the funds or of the accounting provided by opposing counsel and Sara Davis as to the set-offs against his marital share. Although Respondent received said funds on or about February 20, 2006, Respondent had failed to advise Mr. Davis at any time prior to May 30, 2006.
7. From Respondent's escrow account, Respondent paid \$2,000.00 of Mr. Davis' funds over to Sara Davis as a support arrearage on November 2, 2006. Notwithstanding his failure to present any invoices or evidence that Mr. Davis was indebted to him for further legal fees, by November, 2006, Respondent had withdrawn as his own funds the balance of the \$46,145.79 without advising Mr. Davis-- much less obtaining his consent.
8. In spite of Mr. Davis' repeated written requests and telephone calls to Respondent after November, 2007 inquiring as to the status of his marital share funds, Respondent ignored, delayed, and obfuscated to Mr. Davis.

II. NATURE OF MISCONDUCT

Such conduct by Steven Lieberman constitutes misconduct in violation of the following provisions of the Rules of Professional Conduct:

RULE 8.4 Misconduct

It is professional misconduct for a lawyer to:

- (b) commit a criminal or deliberately wrongful act that reflects adversely on the lawyer's honesty, trustworthiness or fitness to practice law;
- (c) engage in conduct involving dishonesty, fraud, deceit or misrepresentation which reflects adversely on the lawyers fitness to practice law;

RULE 1.5 Fees

- (b) The lawyer's fee shall be adequately explained to the client. When the lawyer has not regularly represented the client, the amount, basis or rate of the fee shall be communicated to the client, preferably in writing, before or within a reasonable time after commencing the representation.

RULE 1.15 Safekeeping Property

- (a) All funds received or held by a lawyer or law firm on behalf of a client, other than reimbursement of advances for costs and expenses, shall be deposited in one or more identifiable escrow accounts maintained at a financial institution in the state in which the law office is situated and no funds belonging to the lawyer or law firm shall be deposited therein except as follows:

...

- (2) funds belonging in part to a client and in part presently or potentially to the lawyer or law firm must be deposited therein, and the portion belonging to the lawyer or law firm must be withdrawn promptly after it is due unless the right of the lawyer or law firm to receive it is disputed by the client, in which event the disputed portion shall not be withdrawn until the dispute is finally resolved.

- (c) A lawyer shall:

- (1) promptly notify a client of the receipt of the client's funds, securities, or other properties;

...

- (3) maintain complete records of all funds, securities, and other properties of a client coming into the possession of the lawyer and render appropriate accounts to the client regarding them; and
- (4) promptly pay or deliver to the client or another as requested by such person the funds, securities, or other properties in the possession of the lawyer which such person is entitled to receive.

- (e) Record-Keeping Requirements, Required Books and Records. As a minimum requirement every lawyer engaged in the private practice of law in Virginia, hereinafter called "lawyer," shall maintain or cause to be maintained, on a current basis, books and records which establish compliance with Rule 1.15(a) and (c). Whether a lawyer or law firm maintains computerized records or a manual accounting system, such system must produce the records and information required by this Rule.

- (1) In the case of funds held in an escrow account subject to this Rule, the required books and records include:
 - (i) a cash receipts journal or journals listing all funds received, the sources of the receipts and the date of receipts. Checkbook entries of receipts and deposits, if adequately detailed and bound, may constitute a journal for this purpose. If separate cash receipts journals are not maintained for escrow and non-escrow funds, then the consolidated cash receipts journal shall contain separate columns for escrow and non-escrow receipts;
 - (ii) a cash disbursements journal listing and identifying all disbursements from the escrow account. Checkbook entries of disbursements, if adequately detailed and bound, may constitute a journal for this purpose. If separate disbursements journals are not maintained for escrow and non-escrow disbursements then the consolidated disbursements journal shall contain separate columns for escrow and non-escrow disbursements;
 - (iii) subsidiary ledger. A subsidiary ledger containing a separate account for each client and for every other person or entity from whom money has been received in escrow shall be maintained. The ledger account shall by separate columns or otherwise clearly identify escrow funds disbursed, and escrow funds balance on hand. The ledger account for a client or a separate subsidiary ledger account for a client shall clearly indicate all fees paid from trust accounts;
 - (iv) reconciliations and supporting records required under this Rule;
 - (v) the records required under this paragraph shall be preserved for at least five full calendar years following the termination of the fiduciary relationship.

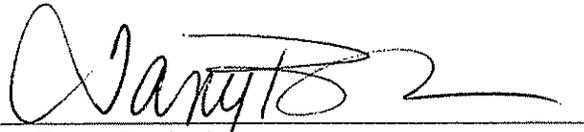
RULE 1.3 Diligence

- (a) A lawyer shall act with reasonable diligence and promptness in representing a client.

III. CERTIFICATION

Accordingly, it is the decision of the Subcommittee to certify the above matters to the Virginia State Bar Disciplinary Board.

**SECOND DISTRICT SUBCOMMITTEE
OF THE VIRGINIA STATE BAR**

By 
Tanya Bullock/
Subcommittee Chair

CERTIFICATE OF SERVICE

I certify that on the 21 day of December, 2008, I mailed by Certified Mail, Return Receipt Requested, a true and correct copy of the foregoing Subcommittee Determination (Certification) to Steven Lieberman, Esquire, Respondent, *pro se*, at Suite 11, 700 Newtown Road, Norfolk, VA 23502-3904, the Respondent's last address of record with the Virginia State Bar.


Paul D. Georgiadis
Assistant Bar Counsel

LAW OFFICES
HENRY M. SCHWAN
ATTORNEYS AND COUNSELLORS AT LAW

HENRY M. SCHWAN
ALLAN D. D. CAHILL

500 E. MAIN STREET
SUITE 808
P. O. BOX 3524
NORFOLK, VIRGINIA 23514
757 625-4221

February 20, 2006

Mr. Steven Lieberman
Attorney at Law
700 Newtown Road, Suite 11
Norfolk, Virginia 23502

Re: Sara L. Davis v. Ronald P. Davis
Circuit Court of the City of Virginia Beach
In Chancery No. CH01-2543

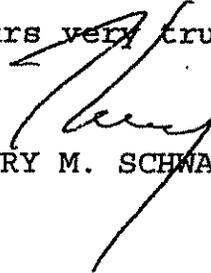
Dear Steve:

I enclose herewith check dated today of Sara Davis numbered 3399 payable to her former husband Ron P. Davis in the amount of \$46,145.79, which is in full for the net amount that she owes him (\$76,906.50 for his half of 1217 Five Forks Road, Virginia Beach, Virginia minus \$30,760.71 which he owes her for the three items listed in detail in the Notice I gave you on January 27, 2006, leaving a net balance of \$46,145.79).

That same Notice (it was returnable before the Court on February 3, 2006) also dealt with the life insurance coverage which Mr. Davis must maintain on his life for the benefit of my client. Since the final divorce decree awarded spousal support to Sara Davis, under the terms of the property settlement agreement incorporated into that decree Mr. Davis must immediately constitute Sara Davis as beneficiary of \$100,000.00 of life insurance insuring his life (if she remarries, then and in that event he is no longer required to maintain such coverage). Please have him produce certification from the insurance carrier(s) that such insurance coverage is in force for her benefit pursuant to the terms of the parties' property settlement agreement; otherwise, we will have to go to Court on that item pursuant to the above-mentioned Notice.

Kindly acknowledge receipt of this by your written advices.

Yours very truly,


HENRY M. SCHWAN

HMS:mlg
Enc. (check)
cc: Ms. Sara L. Davis

V S B
EXHIBIT

A

Amount: \$46,145.79
Account: 1010046056874
Bank Number: 05140054

Sequence Number: 3810141514
Capture Date: 03/29/2006
Check Number: 0

SARA LOU DAVIS
1217 FIVE FORKS RD
VIRGINIA BEACH, VA 23455-4955

3399

2/20/06

88-24/514
BRANCH 27318

Pay to the
Order of

Ron P. Davis

Date
\$46,145.⁷⁹/₁₀₀

Forty six thousand one hundred forty five and 79/100 Dollars



WACHOVIA

Wachovia Bank, N.A.
wachovia.com

76, 906.50 Ron's house
For = 30, 240.71 Ron's m.e. (E.D. Awards)

Sara Lou Davis

⑆05⑆⑆00549⑆⑆10⑆10046056874⑆ 3399 ⑆0004614579⑆

The following security features (not listed) exceed industry standards:
Security Features
Secure Screen
Microprint Signature Line
Character Sensitivity
Padlock Icon
Variable design is a combination of color, pigment, texture, and ink.

Mar 29 06

STATE OF AMERICA NA BAL
⑆360473874⑆ 6874 94 100
03/29/06

⑆04111⑆ 92246

Deposit Trust Account

VIRGINIA:

**BEFORE THE SECOND DISTRICT SUBCOMMITTEE
OF THE VIRGINIA STATE BAR**

**IN THE MATTER OF
STEVEN LIEBERMAN**

VSB Docket No. 07-022-070561

**SUBCOMMITTEE DETERMINATION
(CERTIFICATION)**

On April 9, 2008, a meeting in this matter was held before a duly convened Second District Subcommittee consisting of Lawrence H. Woodward, Jr., Esquire, member, Ms. Dianne B. Frantz, lay member, and Bobby W. Davis, Esquire, chair presiding.

Pursuant to Part 6, Section IV, Paragraph 13.G.1.c. of the Rules of the Virginia Supreme Court, the Second District Subcommittee of the Virginia State Bar hereby serves upon the Respondent the following Certification:

I. FINDINGS OF FACT

1. At all times relevant hereto, Steven Lieberman, ("Respondent"), has been licensed to practice law in the Commonwealth of Virginia.
2. On or about March 8, 1999, Respondent filed a bill of complaint in Portsmouth Circuit Court as counsel for Rodger T. Moloney against Moloney's former business associate Nevin P. Carr. That suit, as well as Carr's separate action against Mr. Moloney, sought to determine the parties' interests in jointly-held real estate. The matters were later consolidated.
3. Respondent did not provide Mr. Moloney with a written fee agreement. Instead, Respondent sent Mr. Moloney periodic written invoices. Typically, Respondent sent Mr. Moloney the invoices within 30 days of the legal fees being incurred at the billable rate of \$150.00 per hour. From the inception of the representation until Mr. Moloney paid Respondent's final bill on April 15, 2003, Mr. Moloney paid Respondent a total of \$10,276.00.
4. The final legal bill that Respondent provided to Mr. Moloney was dated April 11, 2003, stating "Total Due \$650.00", which included "preparation of Exceptions to the Commissioner's Report" and "Hearing April 16, 2003 for the Exceptions." See, Invoice attached hereto as VSB Ex. A. On April 15, 2003, Mr. Moloney paid to Respondent the \$650.00 in full.

5. The April 16, 2003 hearing in Norfolk Circuit Court lasted less than one hour and was the final hearing in Respondent's representation of Mr. Moloney.
6. On June 11, 2003, the litigation concluded with Judge Cales entering a final decree setting forth terms of the dissolution of the parties' interests, attached hereto as VSB Ex. B. The final decree awarded Mr. Moloney \$46,088.25 plus one-half the accrued interest on the proceeds of the sale of the property. The decree directed "Counsel for the parties...to disburse to the parties from the proceeds of sale the amounts prescribed in this Decree..."
7. No appeal was taken, and the decree became final.
8. Respondent did not and has not advised Mr. Moloney of the terms of the final decree nor did he forward a copy of the decree to him.
9. On August 4, 2003, Respondent deposited the decreed proceeds of \$47,555.66 into his escrow account.
10. Notwithstanding receipt of said funds, Respondent failed to advise Mr. Moloney of the receipt of said funds and has failed to disburse said funds to Mr. Moloney as ordered in the court's decree. Instead, Respondent claims he is entitled to 100% of the funds for legal fees. Respondent has no documentation of his entitlement to the funds.
11. Notwithstanding Mr. Moloney's numerous telephone calls over the next several years to Respondent's office requesting the status of the case proceeds, Respondent failed to disclose his receipt of the funds and failed to provide Mr. Moloney with a copy of the court's decree setting forth the accounting of the partnership assets.
12. Without the consent or agreement of Mr. Moloney, Respondent has withdrawn most of the Moloney funds from his escrow account.
13. Notwithstanding Mr. Moloney's payments of \$10,276.00 to Respondent and Respondent's receipt and deposit into escrow of the case proceeds of \$47,555.66, Respondent failed to maintain required records of disbursements from his escrow account on behalf of Mr. Moloney and failed to maintain the required record of a subsidiary ledger of Mr. Moloney's funds in escrow.
14. Respondent's escrow account was solely for retaining and preserving clients' funds. Nonetheless, in the months following Respondent's receipt of the Moloney proceeds, Respondent made payments directly from his escrow account for personal and law firm expenses including check No. 1094 on August 29, 2003 payable to Cypress Point Enterprises for \$4,955.72 for a country club reception; check no. 1101 dated November 17, 2003 payable to American Express for \$1,000.00 for Respondent's American Express credit card; and check no. 1112 dated April 16, 2004 payable to Verizon Information Services for \$6,354 for Respondent's "yellow pages" contract.

15. During this same time period including the months of September, 2003, October, 2003, November, 2003, December, 2003, January 2004, February, 2004, and April 2004, Respondent failed to maintain required escrow account records of a disbursements journal and subsidiary ledgers for other clients. Accordingly, Respondent had and has no record of the reason for least fifteen disbursements from his escrow account nor of the balances of funds held at those times for the particular clients for whom Respondent made the disbursements.
16. On January 20, 2004, Respondent deposited funds from his personal checking account into his escrow account, which funds were then disbursed that same day to client Chantae Agbo Ola as a "Final Settlement" of the client's matter.
17. From November, 2003 to April, 2004, Respondent made at least nine disbursements of client funds from his escrow account on behalf of clients and to clients when he had no funds in escrow for those clients other than funds from the Moloney proceeds deposited on August 4, 2003.

II. NATURE OF MISCONDUCT

Such conduct by Steven Lieberman constitutes misconduct in violation of the following provisions of the Rules of Professional Conduct:

RULE 1.4 Communication

- (a) A lawyer shall keep a client reasonably informed about the status of a matter and promptly comply with reasonable requests for information.

RULE 1.5 Fees

- (b) The lawyer's fee shall be adequately explained to the client. When the lawyer has not regularly represented the client, the amount, basis or rate of the fee shall be communicated to the client, preferably in writing, before or within a reasonable time after commencing the representation.

RULE 1.15 Safekeeping Property

- (a) All funds received or held by a lawyer or law firm on behalf of a client, other than reimbursement of advances for costs and expenses, shall be deposited in one or more identifiable escrow accounts maintained at a financial institution in the state in which the law office is situated and no funds belonging to the lawyer or law firm shall be deposited therein except as follows:
 - (1) funds reasonably sufficient to pay service or other charges or fees imposed by the financial institution may be deposited therein; or

- (2) funds belonging in part to a client and in part presently or potentially to the lawyer or law firm must be deposited therein, and the portion belonging to the lawyer or law firm must be withdrawn promptly after it is due unless the right of the lawyer or law firm to receive it is disputed by the client, in which event the disputed portion shall not be withdrawn until the dispute is finally resolved.
- (b) When in the course of representation a lawyer is in possession of property in which both the lawyer and another person claim interests, the property shall be kept separate by the lawyer until there is an accounting and severance of their interests. If a dispute arises concerning their respective interests, the portion in dispute shall be kept separate by the lawyer until the dispute is resolved.
- (c) A lawyer shall:
 - (1) promptly notify a client of the receipt of the client's funds, securities, or other properties;
 - ...
 - (3) maintain complete records of all funds, securities, and other properties of a client coming into the possession of the lawyer and render appropriate accounts to the client regarding them; and
 - (4) promptly pay or deliver to the client or another as requested by such person the funds, securities, or other properties in the possession of the lawyer which such person is entitled to receive.
- (e) Record-Keeping Requirements, Required Books and Records. As a minimum requirement every lawyer engaged in the private practice of law in Virginia, hereinafter called "lawyer," shall maintain or cause to be maintained, on a current basis, books and records which establish compliance with Rule 1.15(a) and (c). Whether a lawyer or law firm maintains computerized records or a manual accounting system, such system must produce the records and information required by this Rule.
 - (1) In the case of funds held in an escrow account subject to this Rule, the required books and records include:
 - (i) a cash receipts journal or journals listing all funds received, the sources of the receipts and the date of receipts. Checkbook entries of receipts and deposits, if adequately detailed and bound, may constitute a journal for this purpose. If separate cash receipts journals are not maintained for escrow and non-escrow funds, then the consolidated cash receipts journal shall contain separate columns for escrow and non-escrow receipts;

- (ii) a cash disbursements journal listing and identifying all disbursements from the escrow account. Checkbook entries of disbursements, if adequately detailed and bound, may constitute a journal for this purpose. If separate disbursements journals are not maintained for escrow and non-escrow disbursements then the consolidated disbursements journal shall contain separate columns for escrow and non-escrow disbursements;
- (iii) Subsidiary ledger. A subsidiary ledger containing a separate account for each client and for every other person or entity from whom money has been received in escrow shall be maintained. The ledger account shall by separate columns or otherwise clearly identify escrow funds disbursed, and escrow funds balance on hand. The ledger account for a client or a separate subsidiary ledger account for a client shall clearly indicate all fees paid from trust accounts;
- (iv) reconciliations and supporting records required under this Rule;
- (v) the records required under this paragraph shall be preserved for at least five full calendar years following the termination of the fiduciary relationship.

RULE 8.4 Misconduct

It is professional misconduct for a lawyer to:

- (b) commit a criminal or deliberately wrongful act that reflects adversely on the lawyer's honesty, trustworthiness or fitness to practice law;
- (c) engage in conduct involving dishonesty, fraud, deceit or misrepresentation which reflects adversely on the lawyers fitness to practice law;

III. CERTIFICATION

Accordingly, it is the decision of the subcommittee to certify the above matters to the Virginia State Bar Disciplinary Board.

**SECOND DISTRICT SUBCOMMITTEE
OF THE VIRGINIA STATE BAR**

By _____



Bobby W. Davis
Chair Presiding

CERTIFICATE OF SERVICE

I certify that on the 23rd day of September, 2008, I mailed by Certified Mail, Return Receipt Requested, a true and correct copy of the foregoing Subcommittee Determination (Certification) to Steven Lieberman, Esquire, Respondent, *pro se*, at Suite 11, 700 Newtown Road, Norfolk, VA 23502-3904, the Respondent's last address of record with the Virginia State Bar.



Paul D. Georgiadis
Assistant Bar Counsel

STEVEN LIEBERMAN
ATTORNEY AT LAW

287 Independence Boulevard
Pembroke 2, Suite 220
Virginia Beach, VA 23462
Phone (757) 518-8804
Fax (757) 490-2364

February 28, 2003
April 11, 2003

Mr. Rodger T. Moloney
8300 Barron's Court
Williamsburg, VA 23188

STATEMENT FOR LEGAL SERVICES RENDERED
THROUGH FEBRUARY, 2003

Preparation of Exceptions to the Commissioner's Report
Hearing April 16, 2003 for the Exceptions.

TOTAL DUE \$650.00

Mr. Moloney:
We sent this to you in March and have just received it
back from the post office in shreds.....

VSB
EXHIBIT

A

VIRGINIA: IN THE CIRCUIT COURT OF THE CITY OF PORTSMOUTH

RODGER T. MOLONEY,

Complainant,

v.

CHANCERY NO. CH99-180

NEVIN P. CARR,

Respondent.

NEVIN P. CARR,

Plaintiff,

v.

CHANCERY NO. CH99-649

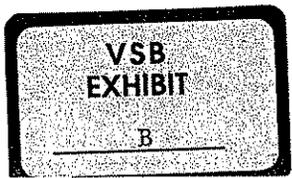
RODGER T. MOLONEY,

Defendant.

FINAL DECREE

THIS CAUSE came on to be heard on the Amended Report dated February 5, 2003, of Jerry M. Wright, Commissioner in Chancery, who was appointed by this Court under a Decree of Reference of June 14, 2001, which was modified September 24, 2001, to determine the respective interests of the parties in Sandpiper Associates, a Virginia general partnership (the "Partnership"); the Exceptions to the Amended Report filed by both parties; and was argued by counsel.

It appears to the Court from the Decree of Reference and the modification that the Commissioner was ordered to (1) cause Moloney to account to Carr for any and all rents, receipts, fees, or income of any kind which Moloney, or any entity on Moloney's behalf, received pertaining to the real estate at 1400 London Boulevard, Portsmouth, Virginia (the "Property") which the Court



previously found was a Partnership asset owned fifty per cent (50%) each by Moloney and Carr; (2) allow Moloney a credit for any and all payments made by Moloney, or any entity on behalf of Moloney, to Carr pursuant to the Purchase Agreement between Moloney and Carr regarding Sandpiper Associates, L.C. (the "L.C."), dated January 22, 1997; and (3) allow Moloney a credit for any and all appropriate expenses paid by Moloney, or by any entity on behalf of Moloney, pertaining to the Property after January 22, 1997.

It further appears to the Court from the Amended Report that the Commissioner found from the evidence presented by the parties at the hearing on August 13, 2002, the following:

(1) Since January 22, 1997, the income from rent, receipts, fees, or income of any kind pertaining to the Property was \$235,580.48; that appropriate expenses since January 22, 1997, were \$113,811; and the net income of the Partnership is \$121,769.48;

(2) Moloney paid to Carr for Carr's interest in the L.C. the sum of \$41,115.15;

(3) The Property was sold before the hearing, netting \$137,457.69, which proceeds are on deposit at a local bank, bearing interest;

(4) Carr's interest in the net income of the Partnership and the proceeds of sale of the Property is \$128,201.83, to which should be added \$1,022.51 for the reimbursement of insurance premiums, but from which should be deducted \$41,115.15 for the payments made to Carr by Moloney for his interest in the L.C., for a total amount due Carr of \$88,109.19;

(5) Carr's interest in the net income of the Partnership and the proceeds of sale of the Property is \$46,525.00;

(6) Both Carr and Moloney own one-half the interest earned on the proceeds of sale held on deposit.

Finally, it appears to the Court that the court reporter's fee is \$873.50, which has been paid by Carr, and the Commissioner's fee is \$1,950.00 which remains unpaid.

Carr argues in his exceptions that the Commissioner erred in the manner in which he credited the payments of principal and interest to him for the purchase of his interest in the L.C. because the payments were made with Partnership funds, half of which belonged to him. Further, he says that Moloney should receive no credit for the interest paid to him by Moloney for the purchase of his interest in the L.C. as the Purchase Agreement provided for the payment of interest at 6.6% per year on the installment purchase price. Carr further cites as error the Commissioner's failure to award him interest on the final installment payment of \$8,949.75 for the purchase of his interest in the L.C., which was due on January 22, 2001, but which was never made. Carr's final assignment of error is the Commissioner's failure to award him interest on his one-half of the Partnership net income.

Moloney cites as error the fact that the Commissioner did not allow the principal payments made on the mortgage on the Property after January 22, 1997, as an appropriate expense.

After careful consideration, it is ADJUDGED, ORDERED and DECREED that the Court confirms the Amended Report in the following respects:

- (1) Carr and Moloney each own fifty per cent (50%) of the Partnership;
- (2) The gross receipts of the Partnership after January 22, 1997, were \$235,580.48;
- (3) The appropriate expenses of the Partnership after January 22, 1997, were \$113,811.00;
- (4) The net income of the Partnership after January 22, 1997, was \$121,769.48;
- (5) The proceeds of sale of the Property is \$137,457.69, plus accrued interest;

(6) The Commissioner's fee is \$1,950.00 which will be paid from the proceeds of sale;

(7) The court reporter's fee is \$873.50 which has been paid by Carr, and his share will be increased by one-half that amount, or \$436.75;

(8) Carr is to receive reimbursement for his insurance premiums paid in the amount of \$1,022.51;

(9) Moloney is to receive a credit for the amounts paid to Carr by the Partnership on Moloney's behalf in the amount of \$41,115.15 for Carr's interest in the L.C.;

(10) The amount due Carr is \$88,545.94, plus one-half the accrued interest on the proceeds of sale of the Property;

(11) The amount due Moloney is \$46,088.25, plus one-half the accrued interest on the proceeds of sale of the Property;

(12) Except for the payment of the court reporter's fee, the exceptions filed by Carr are denied;

(13) The exceptions filed by Moloney are denied;

(14) The parties will bear their own attorneys' fees and costs;

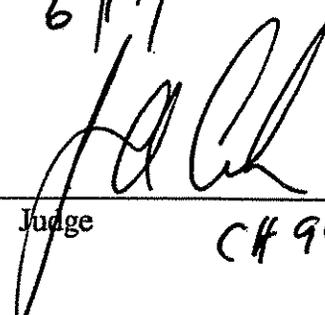
(15) Counsel for the parties are directed to disburse to the parties from the proceeds of sale the amounts prescribed in this Decree, plus accrued interest on the funds of deposit;

(16) The transcript of the hearing of July 18, 2000, the transcript of the hearing of August 13, 2002, and the transcript of the proceedings on the hearing on exceptions are made a part of this record.

It is further ORDERED that this matter be and the same hereby is DISMISSED.

ENTER:

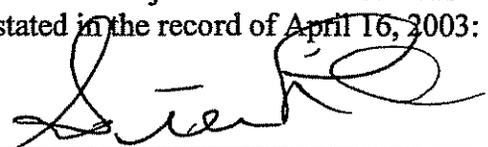
6/11/03



Judge

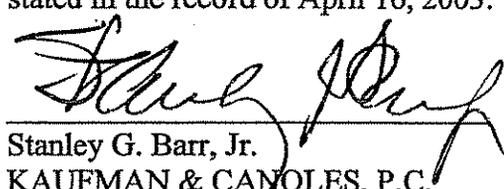
CH 99-180

Seen and objected to for the reasons
stated in the record of April 16, 2003:



Steven Lieberman
Pembroke Two, Suite 220
287 Independence Boulevard
Virginia Beach, VA 23462
Counsel for Rodger T. Moloney

Seen and objected to for the reasons
stated in the record of April 16, 2003:



Stanley G. Barr, Jr.
KAUFMAN & CANOLES, P.C.
P. O. Box 3037
Norfolk, VA 23514-3037
Counsel for Nevin P. Carr

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