

IN THE SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL, : No. 1440 Disciplinary Docket No. 3
Petitioner :
v. : No. 182 DB 2007
ARNOLD YALE STEINBERG, : Attorney Registration No. 26495
Respondent : (Allegheny County)

ORDER

PER CURIAM:

AND NOW, this 30th day of December, 2008, there having been filed with this Court by Arnold Yale Steinberg his verified Statement of Resignation dated April 18, 2008, stating that he desires to resign from the Bar of the Commonwealth of Pennsylvania in accordance with the provisions of Rule 215, Pa.R.D.E., it is

ORDERED that the resignation of Arnold Yale Steinberg is accepted; he is disbarred on consent from the Bar of the Commonwealth of Pennsylvania; and he shall comply with the provisions of Rule 217, Pa.R.D.E. Respondent shall pay costs, if any, to the Disciplinary Board pursuant to Rule 208(g), Pa.R.D.E.

A True Copy John A. Vaskov
As of: December 30, 2008
Attest: *John A. Vaskov*
Deputy Prothonotary
Supreme Court of Pennsylvania

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

OFFICE OF DISCIPLINARY COUNSEL	:	No. 182 DB 2007
Petitioner	:	
	:	
v.	:	Attorney Registration No. 26495
	:	
ARNOLD YALE STEINBERG	:	
Respondent	:	(Allegheny County)

RESIGNATION BY RESPONDENT

Pursuant to Rule 215
of the Pennsylvania Rules of Disciplinary Enforcement

Re: Office of Disciplinary Counsel
v. ARNOLD YALE STEINBERG
No. 182 DB 2007
Attorney Registration No. 26495
(Allegheny County)

RECORD OF PRIOR DISCIPLINE

Ninety-one Day Suspension – Ordered September 9, 1996
No. 232 Disciplinary Docket No. 3

By Order dated September 9, 1996, Arnold Yale Steinberg was suspended from the practice of law in this Commonwealth for a period of ninety-one days. This suspension was reciprocal discipline based on a suspension from the practice of law in the State of Florida by Order of the Supreme Court of Florida. By Order dated January 7, 1997, Respondent was reinstated to active status in this Commonwealth.

BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL, :
: Petitioner : No. 182 DB 2007
: vs. :
: ARNOLD YALE STEINBERG, : Attorney Registration No. 26495
: Respondent : (Allegheny County)

RESIGNATION STATEMENT
UNDER RULE 215, Pa.R.D.E.

Arnold Yale Steinberg hereby states that he is a member of the Bar of the Supreme Court of Pennsylvania and is the Respondent named in the Petition for Discipline filed with the Disciplinary Board of the Supreme Court of Pennsylvania at the number indicated above. In conformity with Rule 215 of the Pennsylvania Rules of Disciplinary Enforcement, he further states as follows:

1. He is an attorney admitted in the Commonwealth of Pennsylvania, having been admitted to the bar on November 9, 1977. His attorney registration number is 26495.

2. He wishes to resign from the Bar, 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 his resignation.

3. He is aware that there is presently pending an investigation into allegations that he has been guilty of misconduct, the nature and specifics of which have been made known to him by the Petition for Discipline filed at the number shown above, a copy of which is attached hereto and incorporated herein as Exhibit 1.

4. He acknowledges that the material facts upon which are

predicated the allegations of professional misconduct so lodged against him in said Petition are true.

5. He submits his resignation because he knows that he cannot successfully defend himself against the said charges of misconduct.

6. He is fully aware that the execution of this Resignation Statement is irrevocable and that once the Supreme Court of Pennsylvania issues an Order disbaring him on consent, he can only apply for reinstatement to the practice of law pursuant to the provisions of Rule 218(b), Pa.R.D.E.

7. He has consulted with counsel in regard to submitting his resignation as is shown by endorsement below.

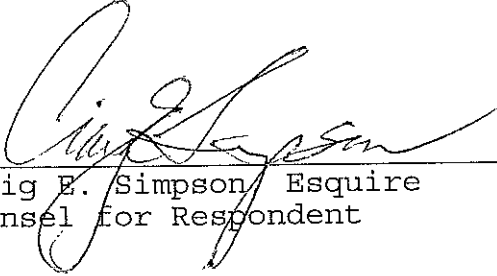
In accordance with Rule 215, Pa.R.D.E., this statement is made by the signatory subject to the penalties of 18 Pa.C.S. §4904 (relating to unsworn falsification to authorities).

Signed this 12th day of April, 2008.


Arnold Yale Steinberg
Respondent

As counsel for Respondent, I, Craig E. Simpson, have reviewed the foregoing Resignation Statement and it has been signed and submitted by Respondent only after he consulted with me concerning it.

April 18, 2008
Date


Craig E. Simpson, Esquire
Counsel for Respondent

ADDENDUM TO RESIGNATION
STATEMENT OF ARNOLD YALE STEINBERG

Respondent, Arnold Yale Steinberg, with joinder of his counsel, Craig E. Simpson, Esquire, and the Office of Disciplinary Counsel, by Mark G. Weitzman, Disciplinary Counsel, agree and understand that the tender herewith of the foregoing executed Resignation Statement is intended to be a definitive delivery of the same to the Disciplinary Board (within the meaning of Rule 215(a), Pa.R.D.E.), and that the execution of the Resignation Statement by Respondent is irrevocable.

It is further agreed and understood that the Office of Disciplinary Counsel will not cause the executed Resignation Statement to be delivered to the Disciplinary Board for filing with the Supreme Court earlier than October 18, 2008, and in consideration therefor, Respondent warrants that:

- (a) He will hereafter not accept or undertake to render legal services for any new clients and he will not take on any new representation for any past or current client;
- (b) He will provide Disciplinary Counsel with a list of the names of all of his current clients and the docket number for each of their pending legal matters no later than Friday, May 2, 2008, based upon Disciplinary Counsel's assurance that no one employed by the Office of Disciplinary Counsel will contact any client on this list without good cause to do so;
- (c) He has four cases presently pending in the United States District Court for the Western District of Pennsylvania, which he anticipates will be concluded by December 1, 2008:

(i) *Nicol et al v. United Steelworkers of America, International* filed at 04-CV-01162;

(ii) *Moeller v. Township of North Strabane, et al*, filed at 05-CV-01352;

(iii) *Zax Environmental, Inc. v. Plant Construction Company, LLC*, filed at 06-CV-01020; and,

(iv) *Cehula et al v. Janus Distributors, LLC*, filed at 07-CV-00113;

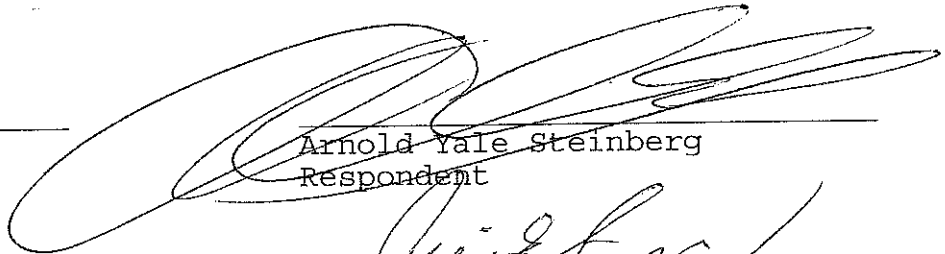
He will notify all of his clients in those four cases by letter sent by regular mail no later than Friday, May 2, 2008, that he will no longer be practicing law as of about December 1, 2008 and his consequent inability to perform any legal services, perform any law-related activity, render any legal advice, or provide any legal representation on their behalf in these cases after that date;

- (d) He will provide Disciplinary Counsel with a copy of each such letter sent by regular mail to these clients no later than Monday, May 5, 2008;
- (e) He hereby consents as of this date to his attorney, Craig E. Simpson, monitoring all activity in his IOLTA Account at Citizens Bank, account number 610127-134-3, including all deposits and withdrawals;
- (f) He will not open a new bank account or use any existing bank account other than the said IOLTA Account for depositing and holding of client funds and funds of third persons in connection with a client-lawyer relationship

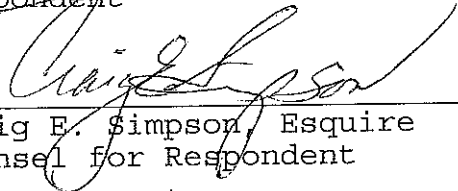
without first obtaining the written authorization of Disciplinary Counsel to do so; and,

- (g) If Disciplinary Counsel determines that Respondent has violated any part of the above agreement and Disciplinary Counsel, upon written request, does not receive a written satisfactory explanation for same from Respondent or his counsel within seven (7) days, Respondent hereby authorizes Disciplinary Counsel to forward the executed Resignation Statement to the Disciplinary Board for filing with the Supreme Court of Pennsylvania, pursuant to Rule 215, Pa.R.D.E.

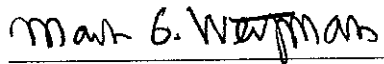
4/18/08
Date


Arnold Yale Steinberg
Respondent

4-18-08
Date


Craig E. Simpson, Esquire
Counsel for Respondent

4/18/08
Date


Mark G. Weitzman
Disciplinary Counsel

BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL, :
: Petitioner : No. 182 DB 2007
: v. :
: ARNOLD YALE STEINBERG, : Attorney Registration No. 26495
: Respondent : (Allegheny County)

PETITION FOR DISCIPLINE

NOTICE TO PLEAD

To: Arnold Yale Steinberg

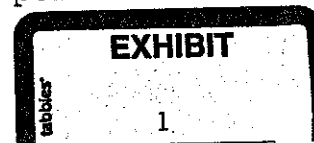
Rule 208(b)(3) of the Pennsylvania Rules of Disciplinary Enforcement provides: Within twenty (20) days of the service of a petition for discipline, the respondent-attorney shall serve an answer upon Disciplinary Counsel and file the original thereof with the Disciplinary Board. Any factual allegation that is not timely answered shall be deemed admitted.

Rule 208(b)(4) provides: Following the service of the answer, if there are any issues raised by the pleadings or if the respondent-attorney requests the opportunity to be heard in mitigation, the matter shall be assigned to a hearing committee or a special master. No evidence with respect to factual allegations of the complaint that have been deemed or expressly admitted may be presented at any hearing on the matter, absent good cause shown.

* * * * *

A copy of your answer should be served upon Disciplinary Counsel at the District IV Office of Disciplinary Counsel, Suite 1300, Frick Building, 437 Grant Street, Pittsburgh, PA 15219-4407, and the original and three (3) conformed copies filed with the Office of the Secretary, the Disciplinary Board of the Supreme Court of Pennsylvania, Two Lemoyne Drive, First Floor, Lemoyne, PA 17043-1226. [Disciplinary Board Rule §89.3(a)(1)]

Further, pursuant to Disciplinary Board Rule §85.13, your answer, if it contains an averment of fact not appearing of record or a denial of fact, shall contain or be accompanied by a verified-statement signed by you that the averment or denial is true based upon your personal knowledge or information and belief.



BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL, :
: Petitioner : No. 182 DB 2007
: v. :
: ARNOLD YALE STEINBERG, : Attorney Registration No. 26495
: Respondent : (Allegheny County)

PETITION FOR DISCIPLINE

Petitioner, Office of Disciplinary Counsel, by Paul J. Killion, Chief Disciplinary Counsel, and Mark G. Weitzman, Disciplinary Counsel, files the within Petition for Discipline, and charges Respondent Arnold Yale Steinberg with professional misconduct in violation of the Rules of Professional Conduct as follows:

1. Petitioner, whose principal office is located at Suite 1400, 200 North Third Street, Harrisburg, Pennsylvania 17101, 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

We hereby certify the within to be
a true and correct copy.

Mark G. Weitzman

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, Arnold Yale Steinberg, was born in 1950. He was admitted to practice law in the Commonwealth of Pennsylvania on November 9, 1977. Respondent's attorney registration mailing address is Washington Plaza #1504, 1420 Center Avenue, Pittsburgh, PA 15219. Respondent is subject to the disciplinary jurisdiction of the Disciplinary Board of the Supreme Court of Pennsylvania.

CHARGE I

3. In October 2003, Daryl B. Hall, Sr., retained Respondent to represent him in an arbitration action regarding a claim Mr. Hall filed against Charles E. Headley and CUNA Brokerage Services, Inc. (hereafter, CUNA) concerning the mishandling of his retirement investments.

4. On about October 9, 2003, Respondent and Mr. Hall entered into a contingent fee agreement whereby Respondent agreed to represent Mr. Hall for a contingent fee of 40 percent of the gross amount received and Respondent acknowledged that Mr. Hall paid him a retainer fee of \$3,000.

5. On January 21, 2004, Respondent represented Mr. Hall at an arbitration hearing under the provisions of the National Association of Securities Dealers (NASD) before a panel of three arbitrators in Pittsburgh.

6. By an Award dated February 17, 2004, the Arbitration Panel awarded Mr. Hall \$28,164.68 in compensatory damages.

7. On February 19, 2004, Attorney Gregory J. Schaefer, who had represented CUNA and Mr. Headley at the arbitration hearing, discussed the arbitration award with Respondent and Respondent told him that the award check should be made payable to Respondent's Trust Account and to Mr. Hall.

8. In about late February 2004, Respondent telephoned Mr. Hall and told him that the arbitrators had awarded him \$28,164.68 but CUNA was contesting the award, or words to that effect.

9. On March 3, 2004, Mr. Schaefer telephoned Respondent and told him he received CUNA's check for the arbitration award and Respondent gave him the address where Respondent wanted the check sent.

10. By letter to Respondent dated March 4, 2004, Mr. Schaefer told Respondent that he enclosed CUNA's check for

\$28,164.68, which was being tendered to Respondent "in satisfaction" of the NASD arbitration panel's February 17, 2004 Award, and the check was made payable to the order of "Arnold Y. Steinberg PC Trust Account and Daryl B. Hall, Sr." in accordance with Respondent's instructions on February 19, 2004.

11. On March 9, 2004, Respondent, or someone at his direction, signed Mr. Hall's name on the back of the check as his endorsement, which was authorized by the fee agreement, and the check proceeds of \$28,164.68 were deposited into Respondent's IOLTA Account at Citizens Bank, account number 610127-134-3 (hereafter, IOLTA Account).

12. Respondent sent Mr. Hall a document entitled "Memorandum," dated March 8, 2004, in which Respondent told Mr. Hall that:

(a) Enclosed is a "Settlement Statement" that Mr. Hall should sign and return to Respondent in the enclosed envelope;

(b) Upon Respondent's receipt of the "Settlement Statement," he "will be able to make distributions from the proceeds check, which will be clearing in my Trust Account until then";

(c) Respondent did considerable research and discovered that "it would not be successful to challenge this award"; and,

(d) Respondent knew that Mr. Hall wanted to recoup more than he did but with the cause of action that was pled in Mr. Hall's Statement of Claim, the maximum relief available was attained.

13. The "Settlement Statement" referenced Mr. Hall's claim against CUNA, was dated March 8, 2004, and stated:

(a) The "Gross Amount Received in Award" was \$28,164.68;

(b) Respondent's fees were \$11,265.87;

(c) A credit of \$3,000 was given for the retainer Respondent received from Mr. Hall;

(d) The "Net Amount Available" was \$19,898.81;

(e) Deducted itemized costs advanced by Respondent totaled \$363.31; and,

(f) The "Net Amount" due Mr. Hall was \$19,535.50.

14. Mr. Hall signed the "Settlement Statement," dated it March 15, 2004, and returned it to Respondent.

15. Respondent did not then promptly deliver to Mr. Hall the arbitration award proceeds he was entitled to receive.

16. In about late March or in April 2004, Respondent represented to Mr. Hall that CUNA had appealed the arbitration award and Mr. Hall would not receive a check from Respondent for the award proceeds due him until the appeal was over, or words to that effect.

17. At no time was an appeal or a Motion to Vacate filed on behalf of CUNA concerning the February 17, 2004 arbitration award.

18. Respondent's representation to Mr. Hall about CUNA having filed an appeal of the arbitration award was false.

19. On April 9, 2004, the balance in Respondent's IOLTA Account was \$15,239.47, which was \$4,296.03 below the \$19,535.50 entrusted to Respondent on behalf of Mr. Hall.

20. From April 9, 2004 through April 27, 2004, the balance in Respondent's IOLTA Account was below the \$19,535.50 entrusted to him on behalf of Mr. Hall, with the lowest balance being \$8,545.22 from April 23, 2004 through April 25, 2004.

21. As of April 12, 2004, Respondent had withdrawn \$11,500 from his IOLTA Account as his total fee for representing Mr. Hall in the arbitration action.

(a) He withdrew \$3,000 by two checks in October 2003; and,

(b) He withdrew the remaining \$8,500 by checks in the amounts of \$2,500, \$2,000 and \$4,000, which cleared his IOLTA Account on March 31, April 2, and April 12, respectively.

22. Between March 9, 2004 and April 22, 2004, nine additional checks totaling \$16,100 that Respondent issued to himself cleared his IOLTA Account.

23. None of the nine checks was issued to or for the benefit of Mr. Hall.

24. On April 23, 2004, Respondent had \$2,500 transferred by checking debit from his IOLTA Account to Citizens Bank Account, number 6200432248 (hereafter, Citizens Bank Account).

25. Respondent's Citizens Bank Account was his business or personal account and not an account to hold funds of clients or third persons in connection with a representation separate from his own funds.

26. No portion of the \$2,500 transferred from Respondent's IOLTA Account to his Citizens Bank Account was utilized for the benefit of Mr. Hall.

27. Respondent did not have Mr. Hall's consent or authorization to utilize any of the proceeds of the nine checks or the transferred \$2,500 for purposes other than for Mr. Hall's benefit.

28. On May 27, 2004, Respondent's check in the amount of \$562.50, dated May 24, 2004, made payable to "N.A.S.D. Resolution" for arbitration costs and expenses in regard to Mr. Hall, cleared Respondent's IOLTA Account.

29. After the check cleared, Respondent was then entrusted with \$18,973 on behalf of Mr. Hall.

30. On July 21, 2004, the balance in Respondent's IOLTA Account was \$3,635.52, which was \$15,337.48 below the amount then entrusted to Respondent on behalf of Mr. Hall.

31. From July 21, 2004 through September 9, 2004, the balance in Respondent's IOLTA Account was below the \$18,973 entrusted to him on behalf of Mr. Hall.

32. On August 10, 2004, the balance in Respondent's IOLTA Account was \$527.52, which was \$18,445.48 below the \$18,973 then entrusted to Respondent on behalf of Mr. Hall.

33. Between July 29, 2004 and August 10, 2004, five checks totaling \$6,500 that Respondent issued payable to himself cleared his IOLTA Account.

34. None of the five checks was issued to or for the benefit of Mr. Hall.

35. Respondent did not have Mr. Hall's consent or authorization to utilize any of the proceeds of the five checks for purposes other than Mr. Hall's benefit.

36. In August 2004, Mr. Hall telephoned Respondent to inform him that he had moved and to provide Respondent with his new mailing address and telephone number.

37. During that telephone conversation, Respondent represented to Mr. Hall that the arbitration award was still being appealed by CUNA and that Mr. Hall should call Respondent in January 2005 about the status of the appeal, or words to that effect.

38. As no appeal or Motion to Vacate was filed on behalf of CUNA, Respondent's representation to Mr. Hall about the status of CUNA's appeal of the arbitration award was false.

39. In January 2005, Mr. Hall telephoned Respondent to inquire when he would receive the arbitration award proceeds due him.

40. During that telephone conversation, Respondent represented to Mr. Hall that the appeal was still ongoing and that Respondent should hear something about the appeal in eight to ten weeks, or words to that effect.

41. As no appeal or Motion to Vacate was filed on behalf of CUNA, Respondent's representation to Mr. Hall about the status of CUNA's appeal of the arbitration award was false.

42. On about April 1, 2005, Mr. Hall spoke with W. Roy Wilkes, who was preparing Mr. Hall's tax returns, about an Internal Revenue Service Form 1099 that Mr. Hall had received and which reflected that in 2004 he was paid \$28,164.68 as income by CUNA.

43. At that time, Mr. Hall told Mr. Wilkes that he had not received any money from CUNA and that Respondent told him that CUNA had appealed the arbitration award, or words to that effect.

44. During a telephone conversation on April 6, 2005:

(a) Mr. Hall told Respondent that he had received the Form 1099 reflecting the payment of the \$28,164.68 from CUNA; and,

(b) Respondent told him that the award was still being appealed by CUNA, or words to that effect.

45. As no appeal or Motion to Vacate was filed on behalf of CUNA, Respondent's representation to Mr. Hall about the status of CUNA's appeal of the arbitration award was false.

46. In early April 2005, Joanna Spain, Mr. Wilkes' secretary, telephoned Respondent. When she was not able to speak with Respondent, she left a message requesting that Respondent provide Mr. Wilkes with a copy of his fee agreement with Mr. Hall.

47. On April 13, 2005, Respondent returned Ms. Spain's telephone call and left her a voicemail message in which he told her that he was holding the arbitration award proceeds due Mr. Hall in his Trust Account and these proceeds were not paid to Mr. Hall because Respondent was concerned about an appeal, or words to that effect.

48. As no appeal or Motion to Vacate was filed on behalf of CUNA, Respondent's representation to Ms. Spain about his being concerned about an appeal was false.

49. In a letter sent to Respondent, dated April 25, 2005, Mr. Hall:

(a) Requested that Respondent "refund" the proceeds of the award being held in his Trust Account to his IRA and not to him so as to avoid any further tax penalties that may be assessed to him;

(b) Told Respondent that he was enclosing a copy of the Form 1099 he had received from CUNA; and,

(c) Asked that Respondent contact Kammie Douglas at CUNA to discuss with her how to correct this matter as he was not in receipt of these proceeds and the proceeds should have been paid directly to his IRA.

50. Respondent did not then contact Mr. Hall or contact Ms. Douglas.

51. On about May 9, 2005, May 23, 2005, and May 24, 2005, Mr. Hall telephoned Respondent to inquire when he would receive the arbitration award proceeds due him.

52. On each occasion, Mr. Hall was unable to speak with Respondent and he left a message for Respondent to return his call.

53. Respondent did not return any of Mr. Hall's calls or otherwise communicate with him.

54. On or about August 8, 2005, after Respondent was notified by the Office of Disciplinary Counsel that Mr. Hall had filed a disciplinary complaint against him, Respondent provided Mr. Hall with a check for \$18,973, drawn on his IOLTA Account, dated August 8, 2005, made payable to "MetLife f/b/o Daryl B. Hall, Sr.," as payment of the award proceeds due him.

55. In about mid-September 2005, Mr. Hall requested that Respondent provide him with another check payable only to him.

56. On October 5, 2005, Respondent's check number 1396 made payable to Mr. Hall in the amount of \$18,973 cleared his IOLTA Account. The check was dated September 29, 2005 and annotated "NASD Proceeds in Full," and provided

Mr. Hall with the proceeds due him from the arbitration award.

57. By his conduct as alleged in Paragraphs 3 through 56 above, Respondent violated the following Rules of Professional Conduct:

(a) Rule of Professional Conduct 1.4(a)(4) (for conduct on and after January 1, 2005) - "A lawyer shall promptly comply with reasonable requests for information."

(b) Rule of Professional Conduct 1.15(a) (for conduct prior to April 23, 2005) - "A lawyer shall hold property of clients or third persons that is in a lawyer's possession in connection with a representation separate from the lawyer's own property. Funds shall be kept in a separate account maintained in the state where the lawyer's office is situated, or elsewhere with the consent of the client or third person. Other property shall be identified as such and appropriately safeguarded. Complete records of such account funds and other property shall be preserved for a period of five years after termination of the representation."

(c) Rule of Professional Conduct 1.15(b) (for conduct prior to April 23, 2005) - "Upon receiving funds or other property in which a client or third person has an interest, a lawyer shall promptly notify the client or third person. Except as stated in this Rule or otherwise permitted by law or by agreement with the client, a lawyer shall promptly deliver to the client or third person any funds or other property that the client or third person is entitled to receive and, upon request by the client or third person, shall promptly render a full accounting regarding such property."

(d) Rule of Professional Conduct 1.15(b) (for conduct on and after April 23, 2005) - "Upon receiving property of a client or third person in connection with a client-lawyer relationship, a lawyer shall promptly notify the client or third person. Except as stated in this Rule or otherwise permitted by law or by agreement with the client or third person, a lawyer shall promptly deliver to the client or third person any property that the client or third person is entitled to receive and, upon request by the client or third person, shall promptly render a full accounting regarding such property."

(e) Rule of Professional Conduct 8.4(c) - "It is professional misconduct for a lawyer to engage in conduct involving dishonesty, fraud, deceit or misrepresentation."

CHARGE II

58. As of April 2, 2004, Respondent was entrusted with at least \$30,868.83 on behalf of two clients:

(a) \$11,333.33 on behalf of Charles Novick, as payment of settlement proceeds due Mr. Novick; and,

(b) The \$19,535.50 on behalf of Mr. Hall.

59. On April 2, 2004, the balance in Respondent's IOLTA Account was \$29,322.80, which was \$1,546.03 below the \$30,868.23 entrusted to him on behalf of Mr. Novick and Mr. Hall.

60. From April 2, 2004 through April 8, 2004, the balance in Respondent's IOLTA Account was below the \$30,868.83 entrusted to him on behalf of Mr. Novick and Mr. Hall, with the lowest balance being \$26,572.80 on April 7.

61. On April 9, 2004, Respondent's check in the amount of \$11,333.33 made payable to Mr. Novick and annotated "Settlement Proceeds - in Full," cleared Respondent's IOLTA Account.

62. From April 9, 2004 through April 27, 2004, the balance in Respondent's IOLTA Account was below the \$19,535.50 entrusted to him on behalf of Mr. Hall, with the lowest balance being \$8,545.22 from April 23 through April 25.

63. On April 28, 2004, Respondent deposited into his IOLTA Account the proceeds of a check in the amount of \$35,000 on behalf of his client Joan Clemons.

64. After deducting Respondent's legal fees in the amount of \$11,570.07, on April 28, 2004 Respondent was entrusted with \$23,429.93 on behalf of Ms. Clemons.

65. On April 28, 2004, Respondent was entrusted with \$19,535.50 on behalf of Mr. Hall and \$23,429.93 on behalf of Ms. Clemons for a total of \$42,965.43.

66. From April 28, 2004 through May 16, 2004, the balance in Respondent's IOLTA Account exceeded the \$42,965.43 entrusted to him on behalf of Mr. Hall and Ms. Clemons.

67. From May 17, 2004 through July 20, 2004, the balance in Respondent's IOLTA Account was below the amount entrusted to him on behalf of Mr. Hall and Ms. Clemons.

(a) From May 17 through May 26, Respondent was entrusted with \$42,965.43 on their behalf and the lowest balance was \$38,345.67 on May 24;

(b) After Respondent's check in the amount of \$562.50 to "NASD Resolution" for the arbitration costs and expenses in regard to Mr. Hall cleared his IOLTA Account on May 27, Respondent was entrusted with \$18,973 on behalf of Mr. Hall and the \$23,429.93 on behalf of Ms. Clemons for a total of \$42,402.93; and,

(c) From May 27 through July 20, the balance was below the \$42,402.93 entrusted to him on behalf of Mr. Hall and Ms. Clemons, with the lowest balance being \$27,065.45 on July 20.

68. Between May 19, 2004 and July 20, 2004, thirteen checks totaling \$16,500 that Respondent issued payable to himself cleared his IOLTA Account.

69. None of the thirteen checks was issued to or for the benefit of Mr. Hall or Ms. Clemons.

70. Between June 25, 2004 and July 20, 2004, Respondent had \$6,000 transferred by four checking debits from his IOLTA Account to his Citizens Bank Account.

71. No portion of the \$6,000 transferred from Respondent's IOLTA Account to his Citizens Bank Account was utilized for the benefit of Mr. Hall or Ms. Clemons.

72. Respondent did not have the consent or authorization of Mr. Hall or Ms. Clemons to utilize any of the proceeds of the thirteen checks or the transferred \$6,000 for purposes other than for their benefit.

73. On July 21, 2004, Respondent's check made payable to Ms. Clemons in the amount of \$23,429.93, dated July 10, 2004, cleared his IOLTA Account.

74. From July 21 through August 19, 2004, the balance in Respondent's IOLTA Account was below the \$18,973 entrusted to him on behalf of Mr. Hall, with the lowest balance being \$527.52 on August 10, 2004.

75. On August 20, 2004, Respondent deposited into his IOLTA Account the proceeds of a check in the amount of \$15,000 made payable to Respondent and his client Donna Campbell.

76. After deducting Respondent's legal fees in the amount of \$5,000, on August 20, 2004 Respondent was entrusted with \$10,000 on behalf of Ms. Campbell.

77. On August 20, 2004, Respondent was entrusted with \$18,973 on behalf of Mr. Hall and \$10,000 on behalf of Ms. Campbell for a total of \$28,973.

78. On August 20, 2004, the balance in Respondent's IOLTA Account was \$15,777.52.

79. From August 20, 2004 through September 9, 2004, the balance in Respondent's IOLTA Account was below the \$28,973 entrusted to Respondent on behalf of Mr. Hall and Ms. Campbell, with the lowest balance being \$1,472.02 from September 7 through September 9, 2004.

80. Between August 20, 2004 and September 9, 2004, five checks totaling \$10,800 that Respondent issued payable to himself cleared his IOLTA Account.

81. None of the five checks was issued to or for the benefit of Mr. Hall or Ms. Campbell.

82. On August 20, 2004, Respondent had \$500 transferred by checking debit from his IOLTA Account to his Citizens Bank Account.

83. On September 3, 2004, Respondent had \$6,000 transferred from his IOLTA Account to his Citizens Bank Account.

84. No portion of the \$6,500 transferred from Respondent's IOLTA Account to his Citizens Bank Account was utilized for the benefit of Mr. Hall or Ms. Campbell.

85. Respondent did not have the authorization or consent of Mr. Hall or Ms. Campbell to utilize any of the proceeds of these five checks totaling \$10,800 or the transferred \$6,500 for purposes other than for their benefit.

86. From September 10, 2004 through September 27, 2004, the balance in Respondent's IOLTA Account exceeded the \$28,973 entrusted to him on behalf of Mr. Hall and Ms. Campbell due to other client funds deposited therein on September 10, 2004.

87. On September 28, 2004, Respondent's check in the amount of \$10,000 made payable to Ms. Campbell, dated September 20, 2004, cleared his IOLTA Account.

88. On September 28, 2004, Respondent was entrusted with \$18,973 on behalf of Mr. Hall.

89. On September 28, 2004, the balance in Respondent's IOLTA Account exceeded the \$18,973 entrusted to him on behalf of Mr. Hall due to other client funds deposited therein on September 10, 2004 and his retention of earned fees.

90. On October 5, 2004, Respondent deposited into his IOLTA Account the proceeds of a check in the amount of \$30,000, made payable to his clients Charles and Regina Bardin.

91. After deducting Respondent's legal fees of \$12,000, on October 5, 2004 Respondent was entrusted with \$18,000 on behalf of the Bardins.

92. On October 5, 2004, Respondent was entrusted with \$18,973 on behalf of Mr. Hall and \$18,000 on behalf of the Bardins for a total of \$36,973.

93. On November 12, 2004, Respondent deposited into his IOLTA Account the proceeds of a check in the amount of \$15,000 made payable to Respondent as attorney for his client Daniel Vucelich.

94. After deducting Respondent's legal fees of \$5,000, on November 12, 2004 Respondent was entrusted with \$10,000 on behalf of Mr. Vucelich.

95. On November 12, 2004, Respondent was entrusted with \$18,973 on behalf of Mr. Hall, \$18,000 on behalf of the Bardins, and \$10,000 on behalf of Mr. Vucelich for a total of \$46,973.

96. From September 28, 2004 through December 15, 2004, the balance in Respondent's IOLTA Account exceeded the amounts then entrusted to him on behalf of Mr. Hall, the Bardins, and Mr. Vucelich due to other client funds deposited therein on September 10, 2004 and his retention of earned fees.

97. From December 16, 2004 through March 21, 2005, the balance in Respondent's IOLTA Account was below the \$46,973 entrusted to him on behalf of Mr. Hall, the Bardins, and Mr. Vucelich, with the lowest balance being \$18,738.33 on March 8 and March 9, 2005.

98. Between December 27, 2004 and March 21, 2005, seventeen checks totaling \$31,100 that Respondent issued payable to himself cleared his IOLTA Account.

99. None of the seventeen checks was issued to or for the benefit of Mr. Hall, the Bardins, or Mr. Vucelich.

100. On February 18, 2005, Respondent had \$2,000 transferred by checking debit from his IOLTA Account.

101. No portion of the \$2,000 transferred from Respondent's IOLTA Account was utilized for the benefit of Mr. Hall, the Bardins, or Mr. Vucelich.

102. Respondent did not have the consent or authorization of Mr. Hall, the Bardins, or Mr. Vucelich to utilize any of the proceeds of the seventeen checks or the transferred \$2,000 for purposes other than for their benefit.

103. On March 22, 2005, Respondent deposited into his IOLTA Account the proceeds of a check in the amount of \$10,000, made payable to Respondent, and drawn on the account of his client Maryann Rose, of which \$3,853.94 was entrusted to him on behalf of Ms. Rose.

104. As of March 22, 2005, Respondent was entrusted with \$18,973 on behalf of Mr. Hall, \$18,000 on behalf of the Bardins, \$10,000 on behalf of Mr. Vucelich, and \$3,853.94 on behalf of Ms. Rose for a total of \$50,826.94.

105. On March 22, 2005, the balance in Respondent's IOLTA Account was \$27,048.33.

106. From March 22, 2005 through March 31, 2005, the balance in Respondent's IOLTA Account was below the \$50,826.94 entrusted to him, with the lowest balance being \$22,717.03 on March 31, 2005.

107. Between March 22, 2005 and March 30, 2005, five checks totaling \$5,750 that Respondent issued payable to himself cleared his IOLTA Account.

108. None of the five checks was issued to or for the benefit of Mr. Hall, the Bardins, Mr. Vucelich or Ms. Rose.

109. Respondent did not have the consent or authorization of Mr. Hall, the Bardins, Mr. Vucelich or Ms. Rose to utilize any of the proceeds of the five checks for purposes other than for their benefit.

110. On April 1, 2005, Respondent deposited into his IOLTA Account the proceeds of a check in the amount of \$25,000 on behalf of Ms. Rose.

111. On April 1, 2005, Respondent was entrusted with \$18,973 on behalf of Mr. Hall, \$18,000 on behalf of the Bardins, \$10,000 on behalf of Mr. Vucelich, and \$28,853.94 (\$3,853.94 and \$25,000) on behalf of Ms. Rose for a total of \$75,826.94.

112. On April 1, 2005, the balance in Respondent's IOLTA Account was \$45,198.88.

113. From April 1, 2005 through June 9, 2005, the balance in Respondent's IOLTA Account was below the

\$75,826.94 entrusted to him, with the lowest balance being \$29,428.88 on June 7, 2005.

114. Between April 1, 2005 and June 3, 2005, eighteen checks totaling \$33,900 that Respondent issued payable to himself cleared his IOLTA Account.

115. None of the eighteen checks was issued to or for the benefit of Mr. Hall, the Bardins, Mr. Vucelich or Ms. Rose.

116. Respondent did not have the consent or authorization of Mr. Hall, the Bardins, Mr. Vucelich or Ms. Rose to utilize any of the proceeds of the eighteen checks for purposes other than for their benefit.

117. On June 10, 2005, Respondent's check made payable to Mr. Vucelich in the amount of \$10,000 cleared his IOLTA Account.

118. On June 10, 2005, Respondent was entrusted with \$18,973 on behalf of Mr. Hall, \$18,000 on behalf of the Bardins and \$28,853.94 on behalf of Ms. Rose for a total of \$65,826.94.

119. On June 10, 2005, the balance in Respondent's IOLTA Account was \$16,928.88.

120. From June 10, 2005 through July 4, 2004, the balance in Respondent's IOLTA Account was below the \$65,826.94 entrusted to him, with the lowest balance being \$14,928.88 on June 20 and June 21.

121. On July 5, 2005, Respondent's check to Capital Bank and Trust Company in the amount of \$25,000 on behalf of Ms. Rose cleared his IOLTA Account.

122. On July 5 and July 6, 2005, Respondent was entrusted with \$18,973 on behalf of Mr. Hall, \$18,000 on behalf of the Bardins and \$3,853.94 on behalf of Ms. Rose for a total of \$40,826.94.

123. On July 5 and July 6, 2005, the balance in Respondent's IOLTA Account was \$3,597.97.

124. On July 7, 2005, Respondent made two deposits into his IOLTA Account totaling \$25,776.29 concerning his representation of the Estate of Ralph Martin (hereafter, the Estate).

(a) One deposit was the proceeds of a cashier's check in the amount of \$24,253.22, made payable to "Arnold Steinberg Trust Account," annotated "Estate of Ralph Martin"; and,

(b) The other deposit was the proceeds of eight checks totaling \$1,523.07 on behalf of Martin's Auto Service.

125. After deducting Respondent's legal fees of \$12,500, on July 7, 2005 Respondent was entrusted with \$13,276.29 on behalf of the Estate.

126. On July 7, 2005, Respondent was entrusted with \$18,973 on behalf of Mr. Hall, \$18,000 on behalf of the Bardins, \$3,853.94 on behalf of Ms. Rose and \$13,276.29 on behalf of the Estate for a total of \$54,103.23.

127. On July 7, 2005, the balance in Respondent's IOLTA Account was \$30,374.26.

128. From July 7, 2005 through July 10, 2005, the balance in Respondent's IOLTA Account was below the \$54,103.23 entrusted to him, with the lowest balance being \$28,374.26 from July 8 through July 10.

129. From July 11, 2005 through July 20, 2005, the balance in Respondent's IOLTA Account was less than the amount entrusted to him on behalf of Mr. Hall, the Bardins, Ms. Rose and the Estate, with the lowest balance being \$26,775.46 from July 13 through July 20.

130. Between July 11 and July 21, 2005, five checks totaling \$1,373.80 that Respondent issued to or for the benefit of the Estate cleared his IOLTA Account so that by July 21, 2005 Respondent was entrusted with \$11,902.49 on behalf of the Estate.

131. On July 21, 2005, Respondent was entrusted with \$18,973 on behalf of Mr. Hall, \$18,000 on behalf of the Bardins, \$3,853.94 on behalf of Ms. Rose and \$11,902.49 on behalf of the Estate for a total of \$52,729.43.

132. On July 21, 2005, the balance in Respondent's IOLTA Account was \$22,615.20.

133. Between July 7, 2005 and July 21, 2005, six checks totaling \$15,800 that Respondent issued payable to himself cleared his IOLTA Account.

134. None of the six checks was issued to or for the benefit of Mr. Hall, the Bardins, Ms. Rose or the Martin Estate.

135. Respondent did not have the consent or authorization of Mr. Hall, the Bardins, Ms. Rose, or a representative of the Martin Estate to utilize any of the proceeds of these six checks for purposes other than for the benefit of these clients.

136. From July 21, 2005 through July 27, 2005, Respondent was entrusted with \$52,729.43 on behalf of Mr. Hall, the Bardins, Ms. Rose and the Estate.

137. From July 21, 2005 through July 27, 2005, the balance in Respondent's IOLTA Account was \$22,615.20.

138. From July 28, 2005 through October 21, 2005, the balance in Respondent's IOLTA Account exceeded the amount he was entrusted with on behalf of Mr. Hall, the Bardins, Ms. Rose and the Estate due to other client funds deposited therein and Respondent's retention of earned fees.

139. On August 1, 2005 and August 4, 2005, two checks totaling \$313.71 that Respondent issued on behalf of the Estate cleared his IOLTA Account.

140. On August 9, 2005, Respondent's check made payable to "Fishkind & Associates," annotated "Charles Bardin in Full," in the amount of \$12,500 cleared his IOLTA Account. The proceeds of the check were for expert witness fees.

141. On August 12, 2005, Respondent's check made payable to Ms. Rose in the amount of \$3,853.94 cleared his IOLTA Account.

142. As of August 12, 2005, Respondent was entrusted with \$18,973 on behalf of Mr. Hall, \$5,500 on behalf of the Bardins, and \$11,588.78 on behalf of the Estate.

143. On September 8, 2005 and September 28, 2005, Respondent deposited \$200 into his IOLTA Account on behalf of the Estate.

144. On September 30, 2005 and October 3, 2005, three checks totaling \$1,100 that Respondent issued on behalf of the Estate cleared his IOLTA Account.

145. As of October 3, 2005, Respondent was entrusted with \$18,973 on behalf of Mr. Hall, \$5,500 on behalf of the Bardins, and \$10,888.78 on behalf of the Estate.

146. On October 5, 2005, Respondent's check made payable to Mr. Hall in the amount of \$18,973 cleared his IOLTA Account.

147. Respondent's check to Mr. Hall cleared his IOLTA Account due to other client funds deposited therein and his retention of earned fees.

148. As of October 5, 2005, Respondent was still entrusted with \$5,500 on behalf of the Bardins and \$10,888.78 on behalf of the Estate.

149. On October 5, 2005, the balance in Respondent's IOLTA Account exceeded the \$16,388.78 entrusted to him on behalf of the Bardins and the Estate due to other client funds deposited therein and his retention of earned fees.

150. On October 21, 2005, a check in the amount of \$5,000 that Respondent issued on behalf of the Estate cleared his IOLTA Account.

151. As of October 21, 2005, Respondent was entrusted with \$5,500 on behalf of the Bardins and \$5,888.78 on behalf of the Estate.

152. On October 21, 2005, the balance in Respondent's IOLTA Account exceeded the \$11,388.78 entrusted to him on behalf of the Bardins and the Estate due to other client funds deposited therein and his retention of earned fees.

153. By his conduct as alleged in Paragraphs 58 through 152 above, Respondent violated the following Rules of Professional Conduct:

(a) Rule of Professional Conduct 1.15(a) (for conduct prior to April 23, 2005) - "A lawyer shall hold property of clients or third persons that is in a lawyer's possession in connection with a representation separate from the lawyer's own property. Funds shall be kept in a separate

account maintained in the state where the lawyer's office is situated, or elsewhere with the consent of the client or third person. Other property shall be identified as such and appropriately safeguarded. Complete records of such account funds and other property shall be preserved for a period of five years after termination of the representation."

(b) Rule of Professional Conduct 1.15(a) (for conduct on and after April 23, 2005) - "A lawyer shall hold property of clients or third persons that is in a lawyer's possession in connection with a client-lawyer relationship separate from the lawyer's own property. Such property shall be identified and appropriately safeguarded. Complete records of the receipt, maintenance and disposition of such property shall be preserved for a period of five years after termination of the client-lawyer relationship or after distribution or disposition of the property, whichever is later."

(c) Rule of Professional Conduct 8.4(c) - "It is professional misconduct for a lawyer to engage

in conduct involving dishonesty, fraud, deceit or misrepresentation."

WHEREFORE, Petitioner prays that your Honorable Board appoint, pursuant to Rule 205, Pa.R.D.E., a Hearing Committee to hear testimony and receive evidence in support of the foregoing charges and upon completion of said hearing to make such findings of fact, conclusions of law, and recommendations for disciplinary action as it may deem appropriate.

Respectfully submitted,

OFFICE OF DISCIPLINARY COUNSEL

PAUL J. KILLION
CHIEF DISCIPLINARY COUNSEL

By MARK G. WEITZMAN
Mark G. Weitzman
Disciplinary Counsel
Attorney Registration No. 26313
The Disciplinary Board of the
Supreme Court of Pennsylvania
Suite 1300, Frick Building
437 Grant Street
Pittsburgh, PA 15219
Telephone: (412) 565-3173

BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL, :
: Petitioner : No. 182 DB 2007
: v. :
: ARNOLD YALE STEINBERG, : Attorney Registration No. 26495
: Respondent : (Allegheny County)

VERIFICATION

The statements contained in the foregoing Petition for Discipline 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.

12/13/07

Date

Mark G. Weitzman

Mark G. Weitzman
Disciplinary Counsel