

## Gregory Stagliano Arrested for Stealing Client Settlement Funds



**Summary:** Gregory Stagliano is yet another attorney to be charged with stealing a significant amount of money from their clients.

A Main Line personal injury lawyer is the latest to be arrested for allegedly stealing \$400,000 in client settlement funds. Sadly, these kinds of accusations and arrests are not uncommon with lawyers. Attorneys are entrusted with a great deal of responsibility when given access to their clients' money. The temptation appears to be too great for a lot of attorneys.

Delaware County District Attorney Jack Whelan announced the arrest of Radnor Township attorney Gregory Stagliano. The 60-year-old was charged with unlawful taking, theft of services, theft by deception and receiving stolen property which are all third-degree felonies.

Whelan stated that Stagliano deposited settlement checks on at least nine cases. The checks, ranging from \$3,000 to \$50,000, were deposited into an Interest on Lawyers Trust Account (IOLTA) that he controlled. He went on to spend most of the funds.

Former Disciplinary Board chairman and Kaufman, Coren & Ress attorney John Morris said, "The board takes it more seriously and attacks it at even less consequential levels than do prosecutors. One of the things you routinely get long-term suspensions and disbarments for is theft of client funds. That's always been an emphasis by the board."

The state Disciplinary Board alerted the prosecutors of the alleged theft, who found the violation "especially disturbing." Whelan said, "Today's arrest of Mr. Stagliano should send a clear message that no one is above the law."

Rules clearly stipulate that attorney and client funds are to be kept in separate accounts. While there may be some attorneys that are ignorant of the rules most are typically struggling with addiction or are just plain thieves. Attorney Sam Stretton, who often represents lawyers before the board, explains that there is another reason that attorneys get caught up in this situation. As solo practitioners, many use client funds to support their businesses with the intent of returning the money. Stretton said, "These are very tough times for lawyers. There's a lot of misuses of funds. It's not intentional, or that they're bad people. You get stuck. Most lawyers don't have any wealth. They've worked real hard, but there's not much to show for it."

Boards have investigators and forensic accountants that will examine client trust fund accounts when an issue arises. If any amount of money is missing or in the wrong account, attorneys can be disciplined. This does not always involve criminal charges. The board will refer matters of significant theft to prosecutors for them to determine if charges are necessary. If the attorney agrees to pay back the money and the amount is low, charges are generally not filed.

Do you think attorneys should have to go through a third party to access client funds? Tell us in the comments below.

**To learn more about attorneys charged with theft, read these articles:**

- [Steven Morelli Believed to Have Stolen from Four Clients, Turns into Over 20 Clients during Investigation](#)
- [NJ Attorney Charged with Fraud; Stole \\$40,000 from Law Firm](#)
- [East Hampton Attorney Stole from Clients and Associates](#)

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