

VIRGINIA:

BEFORE THE VIRGINIA STATE BAR DISCIPLINARY BOARD

**IN THE MATTER OF
GORDON H. SHAPIRO**

**VS B DOCKET NOS. 24-080-131958
24-080-131710**

SECOND AMENDED MEMORANDUM ORDER OF SUSPENSION

THIS MATTER came on to be heard on June 17, 2025, before a panel of the Disciplinary Board consisting of Alison G. M. Martin, Second Vice Chair (the “Chair”), Robin J. Kegley, Adam M. Carroll, Kamala H. Lannetti, and Elisabeth Martingayle, Lay member. The Virginia State Bar (the "VSB") was represented by Tenley C. Seli, Assistant Bar Counsel. Gordon S. Shapiro (the "Respondent") appeared in person and was represented by John E. Lichtenstein, Esquire, and Gregory L. Lyons, Esquire. Beverly Horne, court reporter, Chandler and Halasz, Inc., P.O. Box 1975, Mechanicsville, VA 23777, (804) 730-1222, after being duly sworn, reported the hearing and transcribed the proceedings.

The Chair inquired of the members of the panel whether any of them were aware of any personal or financial interest or bias which would preclude any of them from fairly hearing this matter and serving on the panel, to which inquiry each member responded in the negative.

All legal notices of the date and place were timely sent by the Clerk of the Disciplinary System (“Clerk”) in the manner prescribed by the Rules of the Supreme Court of Virginia, Part Six, Section IV, Paragraph 13-18 of the Rules of Court.

The matter came before the Board on the District Committee Determination for Certification by the District Committee Section 8 pursuant to Part 6, Section IV, Paragraph 13-18 of the Rules of the Supreme Court of Virginia involving misconduct charges against Respondent. At the onset of the hearing, Respondent’s Exhibits 1-13 were admitted without objection by the VSB for Case Numbers 24-080-131958 and 24-080-131710. Respondent withdrew his objections to VSB Exhibits 1-20 (Case No. 24-080-131958) and Exhibits 1-9 (24-080-131710), and the Chair admitted into evidence these exhibits. During the hearing, the Chair admitted into

evidence VSB Exhibit 10 Stipulations (VSB Case No. 24-080-131710) and VSB Exhibit 21 Stipulations (VSB Case No. 24-080-131958), VSB Exhibit 11 Certification and Disciplinary Record (VSB Case No. 24-080-131710) and VSB Exhibit 22 Certification and Disciplinary Record (VSB Case No. 24-080-131958), and Respondent's Exhibit 14 Judgment Order between Receiver and Layman. A motion to seal Respondent's Exhibit 2, Joint Exhibit A, Bates pages 15-23 Petition for the Appointment of a Receiver in Proceedings Pending Disciplinary Action was granted by Chair.

The following witnesses were sworn under oath and offered testimony via the Microsoft Teams platform: Kenetta Moyer, complainant; Dominique Brown, complainant; Kristen Johnstone, Esquire.; Sean Potter, Esquire.; Anthony F. Anderson, Esquire.; Charles Phillips, Esquire.; Julia McAfee, Esquire. VSB Investigator Amanda Miller ("VSB Investigator Miller") and Respondent were sworn under oath and testified in person. The Board found all witnesses to be credible. The Board considered the exhibits introduced by the parties; heard arguments of counsel; and met in private to consider its decision.

I. FINDINGS OF FACT

The Board makes the following findings of fact on the basis of clear and convincing evidence:

1. At all times relevant hereto, Gordon H. Shapiro, hereinafter Respondent, has been an attorney licensed to practice law in the Commonwealth of Virginia and his address of record with the Virginia State Bar has been 1609 Strawberry Mountain Drive, Roanoke, VA 24018-7693 and alternate address of Shapiro Law Firm, P.C., 209 Mountain Avenue, Roanoke, VA 24016. The Respondent received proper notice of this proceeding as required by Part 6, Section IV, Paragraph 13-12 and 13-18.A of the Rules of Virginia Supreme Court.
2. Respondent was licensed to practice law in Virginia in 1968 and, prior to April 2024, Respondent practiced law for approximately 56 years in good standing and without any prior disciplinary record.

3. Although Respondent had worked for various law firms for 56 years, prior to 2019 Respondent had not previously administered a law firm trust account. In 2019, at approximately 76 years of age, Respondent began to practice law as a solo practitioner. Respondent admitted that he did not use computers, computer programs or reconcile trust accounts during his law career and relied on office staff members to do so.
4. In 2019, Respondent hired Amy Padgett (“Padgett”) to be his legal assistant and office manager, and Respondent delegated responsibility for maintaining all of his law firm’s bank accounts to Padgett. Padgett did not have prior experience with law office management. From 2019 through March 2023, Padgett was Respondent’s sole employee. Respondent’s solo law practice quickly grew, and Respondent relied on Padgett to handle the office management and client relations while he handled the Court appearances and legal work.
5. During the COVID pandemic that began in 2020 (several months after Respondent opened his solo practice), Respondent minimized in-person interactions and limited his presence in his law office due to his medical history. During this time, Respondent relied on Padgett to handle most of his law practice management. Between July 1, 2021, and June 20, 2022, Padgett embezzled in excess of \$450,000 from funds held in Respondent’s firm trust account, firm operating account and Respondent’s personal accounts.
6. On April 24, 2024, the VSB Disciplinary Board accepted an Agreed Disposition whereby Respondent’s license to practice law was suspended for a period of sixty months (VSB Docket Nos. 22-080-124926, 23-080-127546, and 23-080-127937) for violations resulting from Padgett’s embezzlement and Respondent’s failure to manage his law office. However, the facts in this Memorandum Order of Suspension actually occurred prior to or simultaneously with the facts in the April 24, 2024, Agreed Disposition.

Complainant: Dominique Brown
VSB Docket No. 24-080-131958

7. On January 28, 2014, Complainant Dominique Brown ("Brown") and her husband were married. Brown and her husband did not have any children in common, and they separated on November 22, 2020. On December 1, 2020, Brown and her Husband executed a separation agreement. Brown and her husband did not have any children.
8. Code of Virginia § 20-91 states that parties with no minor children who have a separation agreement may file for divorce six months after the date of separation.
9. Respondent's wife, who was not associated with Respondent's law office, referred Brown to Respondent for legal representation on her uncontested divorce. On March 24, 2021, Brown retained Respondent to represent her in an uncontested no-fault divorce and paid Respondent \$2,500.00 in advanced legal fees and \$350.00 in expected court costs. These sums were deposited into the trust account Respondent maintained at First Citizens Bank.
10. Respondent did not maintain any records about the legal fees Brown paid, any amounts expended on costs, and any time he may have expended on her case.
11. Brown expected Respondent to file a complaint for divorce and serve her husband after the six-month separation period ended on May 22, 2021. Respondent told Brown that they would meet to sign the necessary documents at the expiration of the six-month separation period.
12. Brown's only means of communication with Respondent was through his office phone and through Padgett's cell phone which Padgett provided to Brown. Padgett was Respondent's only legal assistant, and she was responsible for answering the office phone.

13. For nine months after Brown retained Respondent, he took no action on her case.
14. On November 3, 2021, after several unsuccessful attempts to reach Respondent, Brown sent a text message to Respondent's wife. Brown's text stated, in part, "I have to ask if something odd is happening with your hubby's office? I haven't been able to reach them for a few weeks[.]" Respondent informed VSB Investigator Miller that his wife told him about Brown's contact regarding her case. Respondent did not contact Brown following the above text message. Respondent testified that he had conflicting information from Padgett and was under the impression that Brown had been inconsistent with her intention to file the divorce matter. Respondent also testified that he had the matter calendared to file the divorce action for 12 months after the separation rather than 6 months. Respondent could not recall why he had calendared the case for 12 months rather than 6 months.
15. On December 28, 2021, Respondent filed Brown's complaint for divorce in the Circuit Court for the County of Roanoke ("Roanoke Circuit Court"). Respondent paid \$80 in costs to the Roanoke Circuit Court related to the filing. The cover letter accompanying the filing reflected a copy was sent to Brown. However, Brown did not receive a copy of the complaint for divorce.
16. Respondent did not effectuate service of the complaint on Brown's husband. Respondent did not advise Brown that he had filed the complaint, nor did he provide her with a copy of the complaint.
17. In the 18-month period between November 16, 2021, and May 5, 2023, Brown called Respondent's office and Padgett's cell phone seeking an update on her uncontested no-fault divorce at least 17 times without success. Brown testified that she spoke to Padgett

about the manner in which she had wanted to serve her husband with the divorce suit but insisted that she had not changed her mind about filing for divorce.

18. Brown drove to Respondent's office three times in an attempt to speak with Respondent. The office was closed.
19. Brown's only communication with Respondent during the two-year representation was the initial meeting on March 24, 2021.
20. In late fall of 2022, Brown called Respondent's office and left a voicemail seeking a refund of her unearned legal fees because Respondent had not completed the legal services for which she hired him. Respondent did not return her call. Respondent never provided Brown with any accounting for the legal fees or costs that she paid him. As of the date of the hearing, Brown has not received a refund, and she has been unable to raise funds to hire another attorney to file for divorce.
21. Respondent failed to complete Brown's uncontested no-fault divorce during the two years that he represented her.

Complainant: Kenetta Moyer
VS B Docket No. 24-080-131710

21. On July 15, 2022, Complainant Kenetta Moyer ("Moyer") and her husband separated. Moyer's mother-in-law subsequently obtained temporary custody of Moyer's three minor children.
22. On February 23, 2023, Moyer and her father met with Respondent for a consultation about obtaining a divorce from her husband and representation in a custody matter pending in Henry County Juvenile and Domestic Relations District Court ("Juvenile

Court"). Respondent charged Moyer \$7,850 for the representation, which included \$7,500 in estimated legal fees and \$350 in estimated costs.

23. On February 24, 2023, Moyer's father paid Respondent \$7,850 in cash. Respondent delivered the funds to Padgett to deposit into the trust account, despite being aware of trust account irregularities linked to Padgett.
24. Also on February 24, 2023, Padgett deposited only \$7,350 of the \$7,850 into the trust account, bringing the balance in the trust account to \$7,356.13. That same day, Padgett transferred \$5,000 out of the trust account.
25. On February 27, 2023, Padgett made two \$1,000 transfers out of the trust account. The transfers left only \$350 of the funds paid by Moyer in Respondent's trust account. As of February 27, 2023, Respondent had not performed any legal services for Moyer.
26. On March 1, 2023, Respondent reported to VSB Investigator Miller that "he spent two hours on Moyer's case, to include "reaching out" to the Juvenile Court regarding the status of the custody matter and requesting copies of all pleadings and orders filed in the matter. On March 5, 2023, Respondent sent a letter that noted his appearance as counsel for Moyer with the Juvenile Court."
27. Respondent conducted no further work on Moyer's cases, and he did not complete the legal work for which he was hired.

Respondent Warned about Trust Account Irregularities
VSB Docket Nos. 24-080-131958 & 24-080-131710

28. Respondent told VSB Investigator Miller that beginning in the fall of 2022, he was warned about three instances of trust account irregularities: a) a \$3,000 check to a client from the trust account signed by Padgett, who did not have signatory authority on the account; b) an insufficient funds notification from First Citizens Bank on the trust account for Shapiro Law, which the VSB provided to Respondent in January 2023; and c) a report that Padgett had produced altered bank statements.

29. Respondent did not conduct an independent investigation into the trust account irregularities. Instead, Respondent only spoke with Padgett and was satisfied with her explanations.

30. As of January 6, 2023, Respondent was on notice of multiple trust account irregularities. Even after these irregularities: a) Respondent did not conduct an independent investigation into Padgett's actions; b) Respondent did not supervise Padgett or terminate her employment; c) Respondent took no action to ensure that client funds were disbursed only to the person entitled to the funds; d) Respondent did not maintain a receipts and disbursements journal or client ledgers; e) Respondent did not review his trust account statements or conduct any reconciliations of his trust account; and e) Respondent did not communicate with his bank about his trust account balance.

Appointment of Receiver for Respondent's Law Practice
VSJ Docket Nos. 24-080-131958 & 24-080-131710

31. As of March 3, 2023, Shapiro Law's trust account balance was \$606.13. At that time, Shapiro Law had approximately 70 clients and the trust account balance should have contained significantly more funds.
32. On or about March 7, 2023, Respondent was personally served with a Petition to appoint a receiver for Shapiro Law.
33. Also, on or about March 7, 2023, Respondent terminated Padgett's employment, advising her that "[t]he attorneys are telling me that you can't be in the office anymore."
34. On March 9, 2023, the Circuit Court for Roanoke City entered a Consent Order for the Appointment of a Receiver appointing Julia McAfee, Esquire ("McAfee") as receiver of Shapiro Law pursuant to Code of Virginia § 54.1-3936(B). Respondent was cooperative with McAfee and was devastated when he realized the extent of Padgett's actions.
35. McAfee determined Shapiro Law did not maintain any trust account records in its practice management software, which McAfee identified as Clio. McAfee obtained trust account statements from First Citizens Bank and "quickly determined" that there were inappropriate disbursements from the trust account. McAfee estimated that Padgett embezzled \$125,000 in client funds from the trust account. McAfee estimated that Padgett embezzled in excess of \$450,000 from the Respondent's trust fund, operating fund and personal accounts.
36. On May 11, 2023, McAfee, along with Respondent, filed a Motion for Leave to Withdraw as counsel of record for Brown. On May 15, 2023, the Roanoke Circuit Court

entered an order that relieved Respondent as counsel for Brown.

37. Brown sought a refund of unearned legal fees and costs from Shapiro Law. Respondent advised McAfee that he earned legal fees in the amount of \$1,600 and Brown was only entitled to a refund of \$1,250. Respondent did not produce any documentation in support of his allegation that Brown was only entitled to a partial refund of legal fees and costs.

38. Respondent did not refund any unearned legal fees or unused advanced costs to Brown.

39. On May 11, 2023, Respondent's wife hand delivered to Brown her client file.

40. Moyer learned of the receivership when she called Respondent about her case and McAfee answered the phone. McAfee informed Moyer of the receivership and agreed to meet with Moyer. When they met, Moyer requested a full refund of the legal fees and costs paid to Respondent. McAfee informed Moyer that the funds were "stolen" and Respondent was unable to provide her with a refund. McAfee provided Moyer with her client file.

41. Respondent did not refund unearned legal fees and unused advanced costs to Moyer.

40. On March 28, 2024, Moyer filed a Complaint with the VSB asserting Respondent did not provide any legal services after Moyer paid him \$7,850.

42. On April 11, 2024, Padgett pled guilty to multiple felonies, including credit card fraud, forgery and embezzlement.

43. On April 30, 2024, Brown filed a Complaint with the VSB alleging Respondent "provided no service" and did not return Brown's "constant calls" for more than a year.

44. On July 30, 2024, the Circuit Court for Roanoke City sentenced Padgett to 30 years of incarceration with 25 ½ years suspended. The Court also ordered Padgett to pay restitution

in the amount of \$260,000 by August 1, 2056.

II. NATURE OF MISCONDUCT

The following conduct by Respondent constitutes misconduct in violation of the following provisions of the Rules of Professional Conduct:

VSF Docket No. 24-080-131958
Complainant: Dominique Brown

A. Rule 1.3 Diligence

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

Respondent's actions that violated this rule include, but are not limited to, the following:

1. Respondent failed to monitor Brown's case.
2. Respondent failed to file a complaint for uncontested divorce for over six months as Brown requested.
3. Respondent failed to serve the complaint on Brown's husband.
4. Respondent failed to complete the uncontested no-fault divorce during the two years that he represented Brown.

B. 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.

Respondent's actions that violated this rule include, but are not limited to, the following:

1. Respondent delegated nearly all of the client communication with Brown to his legal assistant, Padgett, and therefore did not have procedures in place that would have alerted him to the fact that Brown had made

multiple attempts over two years to contact and meet with him to get updates on her case status.

2. Respondent failed to inform Brown when he filed the complaint for divorce, and he failed to provide Brown with a copy of the complaint.
3. Respondent failed to respond to Brown's request for a refund

C. Rule 1.15 Safekeeping of Property

(b) Specific Duties. A lawyer shall:

- (3) maintain complete records of all funds, securities, and other properties of a client coming into the possession of the lawyer and render appropriate accountings to the client regarding them.

Respondent's actions that violated this rule include, but are not limited to, the following:

1. Respondent failed to maintain records of his billable time in an hourly rate case.
2. Respondent failed to track the costs of Brown's case.
3. Respondent failed to provide Brown with an accounting even though Respondent disputed the amount of the refund sought by Brown.

D. Rule 1.16 Declining or Terminating Representation

(d) Upon termination of representation, a lawyer shall take steps to the extent reasonably practicable to protect a client's interests, such as giving reasonable notice to the client, allowing time for employment of other counsel, refunding any advance payment of fee that has not been earned and handling records as indicated in paragraph (e).

Respondent's actions that violated this rule include, but are not limited to, the following:

1. Respondent did not refund unearned legal fees and advanced costs to Brown.

E. 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.

Respondent's actions that violated this rule include, but are not limited to:

1. Respondent did not refund unearned legal fees and advanced costs to Brown.

VSF Docket No. 24-080-131710
Complainant: Kennetta Moyer

A. Rule 1.15 Safekeeping of Property

(a) Depositing Funds.

(1) all funds received or held by a lawyer or law firm on behalf of a client or third party, or held by a lawyer as a fiduciary, other than reimbursement of advances for costs and expenses and shall be deposited in one or more identifiable trust accounts; all other property held on behalf of a client should be placed in a safe deposit box or other place of safekeeping as soon as practicable.

Respondent's actions that violated this rule include, but are not limited to, the following:

1. Respondent accepted advanced legal fees and costs in the amount of \$7,850 and failed to deposit \$500 of the unearned fees into a trust account.

B. Rule 1.16 Declining or Termination Representation

(d) Upon termination of representation, a lawyer shall take steps to the extent reasonably practicable to protect a client's interests, such as giving reasonable notice to the client, allowing time for employment of other counsel, refunding any advance payment of fee that has not been earned and handling records as indicated in paragraph (e)

Respondent's actions that violated this rule include, but are not limited to, the following:

1. Respondent failed to refund unearned legal fees and unused advanced costs to Moyer as requested and at the end of the representation when he did not complete the work for which he was hired.

C. Rule 5.3 Responsibilities Regarding Nonlawyer Assistants

(c) a lawyer shall be responsible for conduct of such a person that would be a violation of the Rules of Professional Conduct if engaged in by a lawyer if:

(2) the lawyer is a partner or has managerial authority in the law firm in which the person is employed, or has direct supervisory authority over the person, and knows or should have known of the conduct at a time when its consequences can be avoided or mitigated but fails to take reasonable remedial action.

Respondent 's actions that violated this rule include, but are not limited to, the following:

1. Respondent entrusted Moyer's advanced legal fees and estimated costs to Padgett.
2. Respondent failed to take any remedial action or to conduct an investigation when he was informed of trust accounting irregularities linked to Padgett (which would have constituted violations of Rules 1.15 (a)(1) and 8.4(b) had Padgett been an attorney) when such remedial action could have mitigated or avoided the loss of unearned legal fees and unused advanced costs paid by Moyer.

D. 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[.]

Respondent 's actions that violated this rule include, but are not limited to, the following:

1. Respondent failed to refund unearned legal fees and unused advanced costs to Moyer at the end of the representation when he did not complete the work for which he was hired, by entrusting Moyer's advanced legal fees and estimated costs to Padgett.
2. Respondent took no action to safeguard Moyer's unearned funds after learning of three irregularities linked to Padgett, to include the following: failed to maintain a receipts and disbursements journal or client ledger; failing to review bank statements; failed to conduct reconciliations of the trust account; failing to communicate with his bank about his trust fund

account balance; failing to investigate Padgett's conduct; failing to supervise Padgett; and failing to terminate Padgett's employment.

III. IMPOSITION OF SANCTION

Thereafter, the Board received further evidence and argument in aggravation and mitigation from the Bar and Respondent, including Respondent's prior disciplinary record, which was admitted into evidence as VSB Exhibit 21 (Case No. 24-080-131958) and VSB Exhibit 10 (Case No. 24-080-131710).

Respondent's disciplinary record included a 60-month suspension (the "Suspension") entered April 22, 2024, by Agreed Disposition.

The Board recessed to deliberate what sanction to impose upon its findings of misconduct by Respondent.

The Board noted that the VSB took the position that the April 24, 2024, Agreed Disposition constituted prior disciplinary action that supported a pattern of misconduct and a prior disciplinary offense. However, the Board found that most of the actions in VSB Docket Nos: 24-080-131958 and 24-080-131710 arose from the same issues with Padgett and the Respondent's failure to properly manage his law practice and the client issues happened before or simultaneously with the factual matters in the April 24, 2024, Agreed Disposition. Although the Board recognized that Brown and Moyer had substantial complaints against the Respondent, the Board did not find that the April 24, 2024, Agreed Disposition constituted wholly distinct incidents of misconduct in relation to the Respondent's trust fund accounting and law office management failures.

The Board considered Standard 9.22 of the ABA Standards for Imposing Lawyer Sanctions and found the following factors in aggravation: (D) multiple offenses and (I) substantial practice of law.

The Board considered Standard 9.32 of the ABA Standards for Imposing Lawyer Sanctions and found the following factors in mitigation: (A) absence of prior disciplinary record, (B) absence of dishonest or selfish motive, (E) full and free disclosure to Disciplinary Board or cooperative attitude toward proceedings, (G) character or reputation, (K) imposition of other penalties or sanctions, and (L) remorse.

Following due deliberation, the Board reconvened in open session and announced that by unanimous vote, it is

ORDERED that Respondent's, Gordon H. Shapiro's, license to practice law in the Commonwealth of Virginia be **SUSPENDED** for a period of **FIVE YEARS**, effective June 17, 2025. Such Suspension shall run concurrently with the Five-Year suspension imposed in the April 24, 2024, Agreed Disposition in VSB Docket Nos. 22-080-124926, 23-080-127546, and 23-080-127937. The Chair clarified that it is the Board's intent that Respondent's five year suspension period in this sanction will continue for its duration through June 17, 2030.

Accordingly, it is **ORDERED** that Respondent, Gordon H. Shapiro's license to practice law is suspended for a five-year period effective June 17, 2025.

It is further **ORDERED** that, as indicated in the Board's June 17, 2025, Summary Order in this matter, Respondent has complied with notice provisions of Rules of Court, Part 6, Section IV, Paragraph 13-29 dealing with appropriate notification of Suspension to his clients, Judges and opposing Attorneys in pending litigation.

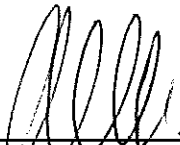
It is further **ORDERED** that pursuant to Part 6, Section IV, Paragraph 13-9.E of the Rules of the Supreme Court of Virginia, the Clerk of the Disciplinary System shall assess all costs against the respondent.

It is further **ORDERED** that an attested copy of this Order be mailed by the Clerk of the Disciplinary System to the Respondent by electronic, first-class and certified mail, return receipt requested, to his address of record with the Virginia State Bar, being 1609 Strawberry Mountain

Drive, Roanoke, VA 24018-7693, and a copy by electronic mail to John Lichtenstein, Esq. and Gregory L. Lyons, Respondent's Counsel, and to Tenley C. Seli, Assistant Bar Counsel.

ENTERED this 17th day of July, 2025.

VIRGINIA STATE BAR DISCIPLINARY BOARD



Alison G. M. Martin, Chair