

IN THE SUPREME COURT OF FLORIDA  
(Before a Referee)

THE FLORIDA BAR  
c/o THOMAS H. BATEMAN, III, ESQ.  
3722 Lifford Circle  
Tallahassee, FL 32308

Complainant,

PUBLIC

vs.

JUSTIN JEROME LIPMAN  
P.O. Box 15229  
Pensacola, FL 32514

Respondent.

CASE NO. 67-262  
TFB CASE NO. 01-81N15  
SID J. WRITT

APR 17 1986

CLERK, SUPREME COURT

By \_\_\_\_\_  
Chief Deputy Clerk

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REPORT OF REFEREE

I. Summary of Proceedings: Pursuant to the undersigned being duly appointed as referee to conduct disciplinary proceedings herein according to Article XI of the Integration Rule of the Florida Bar, hearings were held on September 6, 1985 and January 30, 1986. The Pleadings, Notices, Motions, Orders, Transcripts and Exhibits, all of which are forwarded to The Supreme Court of Florida with this report, constitute the record in this case.

The following attorneys appeared as counsel for the parties:

For The Florida Bar, Thomas H. Bateman, III and Mary Ellen Bateman

For The Respondent, Justin Jerome Lipman, pro se.

II. Findings of Fact as to Each Item of Misconduct of which the Respondent is charged: After considering all the pleadings and evidence before me, pertinent portions of which are commented upon below, I find:

As to Count I

1. Respondent is, and at all times mentioned in the Complaint was, a member of The Florida Bar, subject to the jurisdiction and Disciplinary Rules of The Supreme Court of Florida. (Admitted by Respondent in his Answer.)
2. Sometime prior to April, 1978, Respondent telephoned Mr. Kenneth S. Massoud in Orlando, Florida. (Admitted by Respondent in his Answer). Respondent advised Mr. Massoud that he had a "good deal" which would make both of them rich. (RA-75).
3. Mr. Massoud then flew to Pensacola from Orlando and met with Respondent. (Admitted by Respondent in his Answer.)

4. At this meeting, Respondent proposed to Mr. Massoud that Respondent would rent printing machines for the purpose of printing about five million dollars of which Mr. Massoud would receive ten per cent. (RA-76). Massoud initially rejected the counterfeiting scheme (RA-78), whereupon Respondent began calling him four or five times a day (RA-79); (LCE-State's exhibits 27 & 28).
5. Respondent, in addition to the \$500,000 in counterfeit money, offered to provide \$20,000 to \$25,000 legitimate money with which to get started.(RA-77).
6. Sometime prior to April 13, 1978, Mr. Massoud agreed to join the counterfeiting scheme. (RA-83). At this time Massoud was on probation resulting from a fraud conviction (RA-82) and badly needed money (RA-83). He was engaged in a client-attorney relationship with Respondent (RA-81); (HT-101).
7. On April 13, 1978, Respondent leased a Gestetner printing machine from Pensacola Office Equipment Company and purchased ink and other printing supplies. (Admitted by Respondent in his Answer.)
8. Respondent paid the total advance deposit of \$569.91 for the machine by personal check. By the terms of the lease, the printing machine was to be located at Respondent's law office at 314 S. Baylen Street in Pensacola, Florida, except for a few weeks during which it was to be in Orlando in Massoud's possession. (Admitted by Respondent in his Answer).
9. Mr. Massoud then returned to Orlando with the printing machine and rented an office on South Bumby Street in Orlando. (Admitted by Respondent in his Answer.)
10. Mr. Massoud set up the machine in the Orlando office and began to practice printing counterfeit money. (Admitted by Respondent in his Answer.) He continued to receive money from Respondent (admitted by Respondent in his Answer), which amounted to over \$10,000. (RA-89). Respondent told Massoud that the money was being provided by third parties with whom Respondent was dealing, called by Respondent "the big boys up north." (RA-90)
11. Prior to leasing the machine, Mr. Massoud travelled to West Palm Beach to meet one of the "backers," one Dominic Seberalli (RA-91), who was to show Mr. Massoud what kind of paper should be used to print the counterfeit currency; however, Seberalli failed to show up. (RA-93). While there, Massoud made several telephone calls to Respondent. (RA-92); (LCE-State's exhibit 25).
12. During Mr. Massoud's trip to Pensacola, accompanied by Sharon Sue Garrett and Clarese Wilson, Massoud and Respondent dined at a Pensacola restaurant, during which the two men discussed the counterfeiting scheme. (RA-84). Wilson later advised Garrett that Respondent had told her (Wilson) about the scheme. (LCE-State's exhibit 78,page 11); she also admitted this during her grand jury testimony. (LCE-State's exhibit 78,page 88).

13. Respondent admits that he mentioned the counterfeiting scheme to Wilson, although he claims it was a statement made in jest. (HT-216).
14. Massoud began practicing with the printing machine and made several trips to Pensacola to show Respondent examples of counterfeit money printed by him on it. (RA-100).
15. Shortly after Massoud returned from a trip to Pensacola where Respondent had given him approval to begin the actual counterfeiting operation, he printed about one million dollars in counterfeit money and delivered it to Respondent in Pensacola.(RA-102).
16. While Massoud was delivering the money to Respondent, Massoud's co-worker, Sherry Lynn Smith, was arrested by agents of the Secret Service, after an informant had advised them that she was hiding several boxes of paper scraps from the counterfeiting operation.(RA-110,111);(HT-91).
17. Massoud returned to the Orlando printing office and was on the telephone to Respondent on May 8, 1978 when the agents entered and caught him attempting to burn the remains of genuine currency used in the counterfeit printing operation. (HT-92).
18. During the three-week period from the time the machine was rented until Massoud was arrested, Respondent gave Massoud written authority to sign and use his Diners Club Credit Card, which Massoud used to pay for plane tickets, hotel rooms, car rentals and other expenses. (Admitted by Respondent in his Answer).
19. On June 26, 1980, Respondent was charged in a four count indictment with two counts of being a principal to making instruments for forging bills, contrary to Section 831.18, Florida Statutes, and two counts of aiding and abetting Kenneth Massoud to escape from federal custody, contrary to Section 777.03, Florida Statutes. The latter two counts were dismissed by the trial court. (Admitted by Respondent in his Answer.)
20. On February 20, 1981, Respondent was found guilty of both remaining counts and was sentenced to five years imprisonment. Respondent appealed, and on March 18, 1983, the District Court of Appeal, First District, reversed the judgment and sentence and remanded the case for a new trial. On November 2, 1983, Respondent pleaded no contest to a reduced charge of conspiracy to violate Section 831.18, Florida Statutes. He was later sentenced to six months in the Escambia County Jail. (Admitted by Respondent in his Answer.)

As to Count II

21. On October 10, 1977, a deposit in the amount of \$9,000 was made to Respondent's trust account, No. 00-185-9, Citizens and Peoples National Bank at Pensacola, Florida. (Admitted by Respondent in his Answer.)

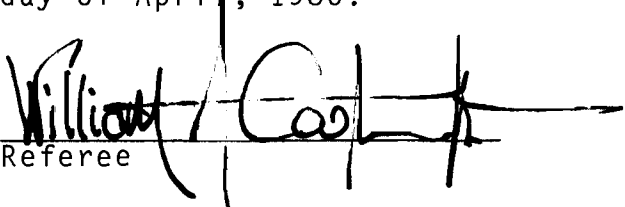
Integration Rules 11.02(4)(c) and 11.02(4)(d)  
Florida Bar Code of Professional Responsibility,  
Disciplinary Rule 9-102(A) and 9-102(B)

V. Recommendation as to Disciplinary measures to be applied:  
I recommend that the Respondent be disbarred from the practice of law in Florida. Even if Respondent were guilty only of those actions he has admitted, he has demonstrated extremely poor judgment by electing to "go into business" with a client on criminal probation, by providing funds to his business partner without any attempt to oversee how that money was spent, and by failing to perceive the extent to which such an association would adversely reflect upon the profession as well as himself. Further, his admission that his only effort to comply with trust procedures consisted of attempting to reconcile his monthly bank statement renders him, in the opinion of this referee, unfit to be entrusted with the money of others.

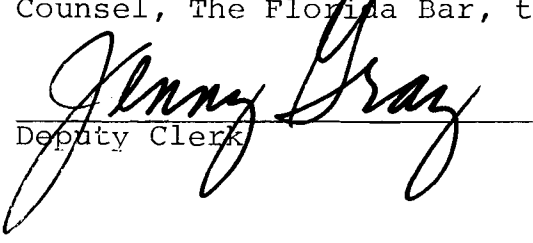
However, the evidence is clear and convincing that Respondent's complicity in the counterfeiting scheme extends to its very core. Far from being a naive financier of a business enterprise that he didn't know to be criminal, Respondent originated the very idea and enticed an individual trying to successfully complete a felony probation to revert to his former criminal ways to do the "dirty work." When his co-conspirator was apprehended, Respondent refused to acknowledge his own guilt and has never expressed any remorse to this day. He has presented to this referee no indication whatsoever of the slightest degree of rehabilitation, and it is apparent that he will never again be fit to practice law in this or any other state.

VI. STATEMENT OF COSTS: I find that costs should be taxed against Respondent in accordance with a statement of costs incurred to be provided by the Complainant.

DATED this eleventh day of April, 1986.

  
Referee

I hereby certify that copies hereof have been furnished by mail to both parties and Staff Counsel, The Florida Bar, this 14th day of April, 1986.

  
Deputy Clerk