

VIRGINIA:

Before the Virginia State Bar Disciplinary Board

In the Matter of

ROBERT EDLEY, JR.

*VSB Docket No. 09-033-076276
09-033-076344
09-033-076751
09-033-077278*

Attorney at Law

On June 15, 2010, came Robert Edley, Jr., and presented to the Board an Affidavit Declaring Consent to Revocation of his license to practice law in the courts of this Commonwealth. By tendering his Consent to Revocation at a time when disciplinary charges are pending, he admits that the charges in the attached Certification document 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 Robert Edley, Jr., be and the same hereby is revoked, and that the name of the said Robert Edley, Jr., be stricken from the Roll of Attorneys of this Commonwealth.

Entered this 16th day of June, 2010

For the Virginia State Bar Disciplinary Board

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

VIRGINIA:

RECEIVED

BEFORE THE VIRGINIA STATE BAR DISCIPLINARY BOARD

JUN 15 2010

IN THE MATTERS OF
ROBERT EDLEY, JR.

VSBS CLERKS OFFICE

VSBS Docket Nos. 09-033-076276, 09-033-076344, 09-033-076751, 09-033-077278

AFFIDAVIT DECLARING CONSENT TO REVOCATION

Robert Edley, Jr., after being duly sworn, states as follows:

1. That Robert Edley, Jr. was licensed to practice law in the Commonwealth of Virginia on October 15, 1996;

2. That Robert Edley, Jr. submits this Affidavit Declaring Consent to Revocation pursuant to Rule of Court, Part 6, Section IV, Paragraph 13-28.

3. That Robert Edley, Jr.'s consent to revocation is freely and voluntarily rendered, that Robert Edley, Jr. is not being subjected to coercion or duress, and that Robert Edley, Jr. is fully aware of the implications of consenting to the revocation of his license to practice law in the Commonwealth of Virginia;

4. Robert Edley, Jr. is aware that there are currently four proceedings alleging misconduct pending before the Virginia State Bar Disciplinary Board, the docket numbers for which are set forth above, and the specific nature of which are here set forth:

09-033-076276 - Eva M.B. Lopes, Complainant: The Complainant and her husband hired the Respondent as an attorney to assist them with a back tax lien and paid an advance fee of \$1,000 that he did not place into his attorney escrow account. The Respondent had no escrow account records other than bank statements. The Complainants tried for fifteen months to reach the respondent for a status of his work on the tax lien but could not reach him. The Respondent had begun working in Connecticut without informing the Complainants. The Respondent did not respond to the complaint from the Virginia State Bar and stated that he had no explanation for not doing so.

09-033-076344 - Kathryn C. Harvey, Complainant: The Complainant and her husband hired the Respondent as their attorney to assist them with a back tax assessment. They paid the

Respondent an advanced fee of \$1,000 that he did not place into his attorney escrow account. The Respondent had no escrow account records other than bank statements. For eight months the Complainants tried to reach the Respondent for a status of his work on the tax assessment but could not reach him and could not find him at his office. The Respondent had begun working in Connecticut without informing the Complainants. Unable to reach the Respondent and being continually dunned by the IRS for payment, the Complainants complained to the Virginia State Bar. The Respondent did not respond to the bar complainant and stated that he had no explanation for not doing so,

09-033-076751 – James R. Bell, Complainant: The Complainant and his wife hired Mr. Edley as their attorney to assist with a back tax assessment from the IRS. They paid an advance fee of \$500 that Mr. Edley did not place into his attorney escrow account. The Respondent had no escrow account records other than bank statements. Two months after being hired the Respondent filed an audit reconsideration letter with the IRS and called the IRS in his client's presence. The IRS continued to dun the Complainant for payment. The Complainant saw the Respondent one last time who promised a refund was forthcoming but it never was. Over the next fifteen months the Complainant could not contact the Respondent, who had begun working in Connecticut without informing his client. The client gave up and paid the assessment, penalties and interest in full and complained to the Virginia State Bar. The Respondent failed to respond to both a proactive request from the bar and to a formal bar complaint. He stated that he had no explanation for not doing so.

09-033-077278 – Robert Larry Kassel, Complainant: The Respondent successfully handled a number of tax compromise and tax levy matters for the Complainant over a period of years until 2008 when the IRS would not consider a compromise because of a missing 2006 tax return. The Respondent repeatedly advised the Complainant by telephone and by text message that he would file the tax return but never did so. Meanwhile \$15,000 in penalties accrued against the complainant who filed a warrant in debt for that amount against the Respondent. Though he filed a response, the Respondent failed to appear for trial and suffered a default judgment. The Respondent could not account for his disposition of the Complainant's fees and had no attorney escrow account records other than bank statements. The Respondent failed to respond to the bar complaint and stated that he had no explanation for not doing so.

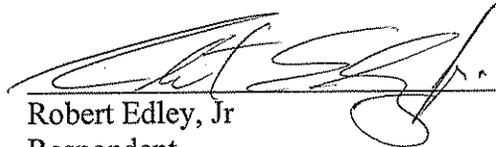
The facts set forth in the foregoing summaries give rise to violations of Rules 1.3 (a) and (b), 1.4 (a) and (b), 1.15 (a) (1) and (2), 1.15 (c) (3), 1.15 (e) (1), and 1.15 (f) (2), (4), (5) and (6) of the Rules of Professional Conduct.

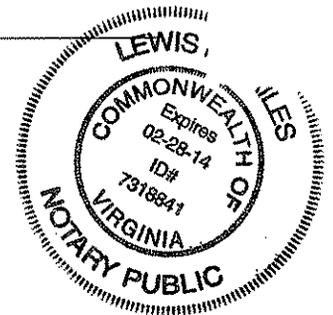
5. Robert Edley, Jr., acknowledges that the material facts upon which the allegations of misconduct are predicated are true; and

6. Robert Edley, Jr submits this Affidavit and consents to the revocation of his license to practice law in the Commonwealth of Virginia 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.

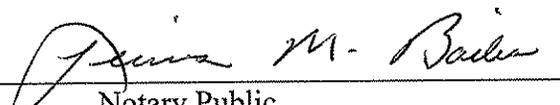
Executed and dated on 6/14/2010.


Robert Edley, Jr
Respondent



COMMONWEALTH OF VIRGINIA
CITY/COUNTY OF Henrico, to wit:

The foregoing Affidavit Declaring Consent to Revocation was subscribed and sworn to before me by Robert Edley, Jr on 14th of June 2010.


Notary Public

My Commission expires: 02/28/2014.

VIRGINIA:

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

**IN THE MATTERS OF
ROBERT EDLEY, JR.**

VSB Docket Nos. 09-033-076276, 09-033-076344, 09-033-076751 and 09-033-077278

**SUBCOMMITTEE DETERMINATION
(CERTIFICATION)**

On October 21, 2009, a meeting in this matter was held before a duly convened Third District Subcommittee consisting of Margaret McDermid ((Lay Member), Cullen D. Seltzer, Esquire, and Karen M. Adams, Esquire, Chair, presiding.

Pursuant to Part 6, Section IV, Paragraph 13-15.B.3 of the Rules of the Virginia Supreme Court, the Third District Subcommittee of the Virginia State Bar hereby serves upon the Respondent the following Certification:

I. FINDINGS OF FACT

1. During all times relevant hereto, the Respondent, Robert Edley, Jr., has been an attorney licensed to practice law in the Commonwealth of Virginia, having been admitted as an Active Member on October 15, 1996. Effective October 9, 2009, Mr. Edley became an Associate Member of the Virginia State Bar.

VSB Docket No. 09-033-076276

Complainant: Eva M.B. Lopes

2. In April 2007, Miguel and Eva Lopes (the Lopes) consulted with Mr. Edley at his office concerning an outstanding tax lien that they wished to resolve.
3. Mr. Lopes recalls Mr. Edley stating that he was a tax attorney, that this should be a simple matter because the tax lien was more than ten years old, and that the Lopes would have to pay nothing to the Internal Revenue Service (IRS).
4. Mr. Edley charged a fee of \$1,000 that Ms. Lopes paid to him in full on April 26, 2007.
5. Mr. Edley delivered an engagement letter to the Lopes that began with the words:

Thank you for retaining me to act as attorney for you with regards to your income tax issues.

and stated further that he would do the following for them:

Representation before the Internal Revenue Service for the years 1991 through 2006. Representation includes a review and analysis of your present situation, and following discussions with you, may include all of the following (where necessary): (1) calls and correspondence with the IRS; (2) filing amended returns; (3) filing an offer in compromise; (4) negotiating installment agreements; (5) preparing for and attending appeals conferences; (6) Tax Court representation; and (7) calls and correspondence with you.

6. Mr. Lopes endorsed the engagement letter on April 26, 2007, and returned it to Mr. Edley.
7. Mr. Lopes also delivered to Mr. Edley a Power of Attorney and Declaration of Representative, dated April 28, 2007, that Mr. Edley sent to the IRS by facsimile on April 30, 2007.
8. Mr. Edley then obtained the Lopes' records from the IRS, and the Lopes provided their tax records including some original tax returns.
9. Having not heard again from Mr. Edley, about three or four months later, Mr. Lopes called Mr. Edley who said that he was working on the matter and would call Mr. Lopes back the following Friday.
10. Mr. Lopes did not hear from Mr. Edley again and, about two to four months later, called Mr. Edley again who said words to the effect that he would get back to them by Friday, but he never did.
11. The Lopes left additional telephone messages for Mr. Edley when his mailbox was not full, and also left messages with his Richmond, Virginia office assistant, but did not hear from him again.
12. On July 30, 2008 (about fifteen months into the representation), Ms. Lopes wrote to Mr. Edley complaining about their inability to reach Mr. Edley or find him at his office, his failure to return their telephone calls, the fact that there had been no progress in their case and that because of this, they were worried about being at risk for penalties and further damages from the IRS.
13. The letter closed by asking Mr. Edley to contact the Lopes by August 8, 2008, or the Lopes would complain to the Virginia State Bar.
14. Mr. Edley did not respond to the letter as requested and on August 13, 2008, the Lopes complained to the Virginia State Bar.
15. On August 14, 2008, the Virginia State Bar mailed a copy of the complaint to Mr. Edley at his address of record with the Virginia State Bar, 1516 West Laburnum Avenue, Richmond, Virginia 23227. Mr. Edley, however, did not respond to the

bar complaint and told the bar's investigator that he had no explanation for not doing so.

16. During 2009, the Lopes retrieved their records from Mr. Edley, which included their original tax returns.
17. Mr. Edley explained that he had been working as a CPA in Connecticut on weekdays and did not inform his clients about this by letter, but said that he mentioned it to Mrs. Lopes during one of his conversations with her.
18. Mr. Edley said that he reviewed the Lopes' tax returns, which had been prepared professionally, and said that he told Mr. Lopes he could not do anything else for him.
19. Mr. Edley said that he did not realize that the Lopes had provided him with the original tax returns or that they had not filed them, but realized this later when Mrs. Lopes asked for and retrieved their materials from Mr. Edley.
20. In response to a subpoena duces tecum, Mr. Edley provided a copy of his case file showing a 2007 assessment against the Lopes for \$10,143.24 deriving from tax years 1993, 1996 and 1997. He also provided copies of the Lopes' tax returns and W-2's for tax years 1998-2002. No correspondence or any materials (such offers in compromise or request for installment payments, for example) from him to the IRS are reflected in his file other than the Power of Attorney, dated April 28, 2007.
21. Mr. Edley said that he did not know into which account he deposited the Lopes' \$1,000 fee, but that he should have placed it in trust.
22. The check bears the stamped endorsement:

*PAY TO THE ORDER OF
BANK OF AMERICA
RICHMOND, VA 23226
FOR DEPOSIT ONLY
ROBERT EDLEY, JR. ATTORNEY, CPA
004129413668*

23. Mr. Edley furnished no trust account records to the bar in response to a subpoena duces tecum specifically requesting copies of his records relating to his handling of the Lopes' \$1,000 fee. The subpoena requested copies of cancelled checks; cash receipts journals, cash disbursement journals, subsidiary ledgers, bank statements and deposit tickets.
24. Bank of America account number 004129413668 into which Mr. Edley deposited the \$1,000 check is not the "Robert Edley Attorney at Law Attorney Trust Account," account number 004134272687, that Mr. Edley maintained at Bank of America at the time.

VSB Docket No. 09-033-076344
Complainant: Kathryn C. Harvey

25. On February 18, 2008, Robert and Kathryn Harvey (the Harvey's) met with Mr. Edley concerning an IRS demand for \$16,000 in back taxes deriving from an audit of their 2004 tax return.

26. On February 22, 2008, Ms. Harvey delivered \$1,000 to Mr. Edley.

27. Mr. Edley delivered an engagement letter to the Harveys that began with the words:

Thank you for retaining me to act as attorney for you with regards to your income tax issues.

and stating further that he would do the following for them at the rate of \$200 per hour:

Representation before the Internal Revenue Service for the tax year 2004. Representation includes a review and analysis of your present situation, and following discussions with you, may include all of the following (where necessary): (1) calls and correspondence with the IRS; (2) filing original or amended returns and/or audit reconsideration requests; (3) filing an offer in compromise or for innocent spouse relief; (4) negotiating installment agreements; (5) preparing for and attending appeals conferences; (6) determining whether the income tax examination changes prepared by the IRS are accurate and correct; (7) Tax Court and audit representation; and (8) calls and correspondence with you.

28. Mr. Edley did not place any of the \$1,000 fee into his attorney escrow account.

29. According to Ms. Harvey, Mr. Edley said that he would contact the IRS and represent her.

30. Over the following eight months, however, the Harveys heard nothing further from Mr. Edley. Meanwhile, in October 2008, the IRS dunned the Harveys for payment. When the Harveys went to his office to look for Mr. Edley, someone there told them that Mr. Edley no longer worked there and that they did not know him. When they tried to call him on his cell phone, the voice mailbox was full. On an unknown date, Ms. Harvey wrote to Mr. Edley expressing these concerns, but received no response.

31. Mr. Harvey had moved to Connecticut where he has worked as a CPA on a contract basis. The Harveys say that he never informed them that he was leaving the area or that he could not handle their matter.

32. Mr. Edley explained to the Virginia State Bar investigator that after reviewing the Harveys' case, he determined that they owed the money to the IRS. He said that he called Mr. Harvey and explained this to him, and told Mr. Harvey that he needed more money if he was to file a tax court petition. He said that Mr. Harvey returned with some additional

documents and paid an additional \$1,000, which he believes he deposited into his trust account.

33. Mr. Edley said that he told Mr. Harvey further that he would charge 10% of the tax owed to file a tax court petition, but, nonetheless, said that he was working in Connecticut and could not file a tax court petition. Mr. Edley said that he thought that this conversation ended the matter.
34. VSB Investigator Robert Heinzman obtained the IRS records in this matter which show no documents from Mr. Edley on behalf of the Harveys or any activity.
35. On October 5, 2009, Investigator Heinzman spoke with Mr. Harvey who was adamant that he and his wife had only two meetings with Mr. Edley - one in which they explained their case and delivered their records (February 18, 2008), and a second during which they executed the fee agreement and paid \$1,000 (February 22, 2008).
36. Contrary to the Respondent's explanation, Mr. Harvey said that he never saw or spoke to Mr. Edley again after February 22, 2008. Mr. Harvey made several unsuccessful attempts to find Mr. Edley at his office. He said that he left several messages for Mr. Edley who never returned his calls. He also said that Mr. Edley never told him that he could file a tax court petition or negotiate an installment payment agreement. He said that Mr. Edley never told Mr. Harvey the results of his research or that he was working in Connecticut.
37. In response to a subpoena duces tecum for his case file and trust account records relating to the disposition of the Harveys' fee (including copies of cancelled checks, cash receipts journals, cash disbursement journals, subsidiary ledgers, bank statements and deposit tickets), Mr. Edley provided the Representation Agreement, dated February 22, 2008, and his trust account bank statements for February and March 2008. The bank statements do not reflect a deposit of the Harveys' \$1,000 fee.
38. Mr. Edley had no further trust account records to provide to the bar in response to the subpoena.
39. On August 27, 2008, the Virginia State Bar mailed a copy of the complaint to Mr. Edley at his address of record with the Virginia State Bar, 1516 West Laburnum Avenue, Richmond, Virginia 23227. Mr. Edley, however, did not respond to the bar complaint and told the bar's investigator that he had no explanation for not doing so.

VSB Docket No. 09-033-076751
Complainant: James R. Bell

40. On March 12, 2007, Complainant James R. Bell paid Mr. Edley \$500 to assist with a back tax assessment from the IRS against him and his wife, Linda Bell (the Bells). The IRS had noticed them of the assessment (\$3,813 in back taxes and \$399 in interest) by letter dated March 5, 2007.

41. Also on March 12, 2007, the Bells and Mr. Edley executed a Power of Attorney and Declaration of Representative authorizing Mr. Edley to act on their behalf before the IRS.
42. According to Mr. Bell, Mr. Edley told him that he had paid too much in taxes, that he would get him a refund and that the matter would be resolved within 60 days.
43. The IRS, however, continued to dun Mr. Bell. For this reason, he saw Mr. Edley in May 2007 who showed him an audit reconsideration letter with attachments that Mr. Edley had sent to the IRS on May 4, 2007.
44. By letter, dated May 25, 2007, however, the IRS continued to dun Mr. Bell for payment. He saw Mr. Edley again who advised him not to pay the taxes and that the matter would be resolved within 60 days.
45. The IRS, however, continued to send letters to Mr. Bell demanding payment. In November 2007, the IRS having sent repeated demand letters with increased penalties, Mr. Bell saw Mr. Edley at his office. Mr. Edley apologized and called the IRS in Mr. Bell's presence. After speaking with the IRS, Mr. Edley told Mr. Bell again that the matter would be resolved within 60 days and asked him how he would like to have his check made out.
46. Mr. Bell said that after this meeting, he never saw Mr. Edley again despite repeated attempts to do so because of many attempts by the IRS to collect from him.
47. Mr. Bell said that when he tried to contact or see Mr. Edley, someone told him that Mr. Edley was not working there and that they did not know how to reach him.
48. Unable to reach Mr. Edley, and having heard nothing more about the audit reconsideration letter, Mr. Bell paid the back taxes and penalties that continued to accrue, and complained to the Virginia State Bar on August 18, 2008.
49. By letter, dated September 26, 2008, the Virginia State Bar sent a proactive request to Mr. Edley asking him to resolve the complaint directly with his client and to report back to the bar within ten days in order to avoid the opening of a formal ethics inquiry. Although the letter was sent to his address of record with the Virginia State Bar, 1516 West Laburnum Avenue, Richmond, Virginia 23227, Mr. Edley did not respond.
50. Therefore, on October 15, 2008, the bar mailed a copy of the complaint to Mr. Edley at his address of record. Mr. Edley, however, did not respond to the bar complaint and told the bar's investigator that he had no explanation for not doing so.
51. Mr. Edley explained that Mr. Bell's fee was in cash (Bell says it was a check) and that he had earned it by the time that he went to the bank.
52. Mr. Bell, however, paid the fee by check on March 12, 2007 at his initial consultation, and Mr. Edley did not send the audit reconsideration to the IRS until two months later on May 4, 2007.

53. In response to a subpoena duces tecum for his trust account records relating to the disposition of Mr. Bell's fee (including copies of cancelled checks, cash receipts journals, cash disbursement journals, subsidiary ledgers, bank statements and deposit tickets), Mr. Edley furnished his attorney trust account bank statement for the period of March 1 through March 31, 2007. The statement reflects no deposit of Bell's fee during the March 2007 time period, the only deposits to the account being interest.
54. Mr. Edley had no other trust account records to furnish to the bar in response to the subpoena.
55. During an interview with the Virginia State Bar investigator, Mr. Edley confirmed that Mr. Bell returned to his office and that Mr. Edley called the IRS in his client's presence.
56. Mr. Edley said that Mr. Bell had already paid the back taxes at the time that he sent his audit reconsideration letter to the IRS. He said that he told Mr. Bell at this meeting that he would answer his questions, but that he would not file a tax court petition for \$500.
57. Mr. Edley said that he did not know why anyone at his office would tell Mr. Bell they did not know where he was because everyone knew he was working in Connecticut.
58. Mr. Bell, however, is adamant that Mr. Edley repeatedly told him not to pay the taxes and that Mr. Bell absolutely did not pay the taxes or penalties before Mr. Edley filed the audit reconsideration letter.
59. Unable to find Mr. Edley after November 2007 and no relief in sight from the back taxes and penalties that continued to accrue, Mr. Bell paid them.

VSB Docket No. 09-033-077278
Complainant: Robert Larry Kassel

60. On December 22, 2005, Complainant Robert Kassel hired Mr. Edley to assist him with some back tax levies originally thought to total about \$30,000. On an unknown date, but at about the time of hire, Mr. Kassel paid Mr. Edley \$1,000 toward a fee of \$3,000 (representing 10% of the tax levy).
61. During the next one-and-a-half years, Mr. Edley worked Mr. Kassel's tax issues, filing a total of three offers of compromise with the IRS, and successfully resisting several IRS levies on Mr. Kassel's bank accounts.
62. Mr. Edley was unsuccessful in having the final IRS levy lifted. None of the offers of compromise were accepted by the IRS.
63. Mr. Edley filed a third offer of compromise with the IRS in May or June 2008

64. Contemporaneous with these services, Mr. Kassel also hired Mr. Edley to file the 2006 tax returns for Mr. Kassel and his wife. Mr. Edley filed the wife's return, but not Mr. Kassel's. Mr. Edley did, however, obtain an extension to October 15, 2007, for Mr. Kassel's return.
65. Mr. Kassel said that he called Mr. Edley two days before the October 15, 2007, due date who assured him that the return was almost ready. Mr. Kassel called him again on October 15, 2007, at which time, according to Mr. Kassel, Mr. Edley told him that he had filed the return electronically and that Mr. Kassel would be receiving a refund.
66. The following year, however (2008), the IRS informed Mr. Kassel that it would not consider the third offer of compromise because he had not filed his 2006 tax return.
67. According to Mr. Kassel, Mr. Edley acknowledged that he had mistakenly failed to file the 2006 return.
68. He said that Mr. Edley promised to file the 2006 and 2007 returns, and to file a new offer of compromise, but he never did. He retrieved his documents from Mr. Edley on September 4, 2008, and complained to the bar in October 2008. He requested a refund from Mr. Edley who refused to do so.
69. Meanwhile, approximately \$15,000 in interest and penalties accrued from the IRS and Commonwealth of Virginia on top of the original \$30,000 levy.
70. On March 23, 2009, Mr. Kassel filed a Warrant in Debt against Mr. Edley in the Richmond General District Court for \$15,000 on the basis that these costs resulted from Mr. Edley's failure to file the 2006 tax return. Mr. Kassel filed a bill of particulars and Mr. Edley filed his grounds of defense. The case was continued, but Mr. Edley failed to appear for the July 13, 2009, trial. The court entered a default judgment against Mr. Edley in favor of Mr. Kassel on August 27, 2009. Mr. Edley explained to the bar that he failed to appear because he entered the wrong date for trial on his calendar.
71. Mr. Edley also explained to the bar that his client actually owed \$90,000 dollars in back taxes for which his fee would have been \$9,000. He said that Mr. Kassel simply failed to withhold enough taxes, and that their relationship deteriorated when discussing the 2006 tax return and Mr. Kassel's failure to disclose a \$30,000 retirement distribution.
72. Mr. Kassel furnished transcripts of text messages between him and Mr. Edley for the period May to November 2008. On May 27, 2008, according to his records, Mr. Kassel informed Mr. Edley about the IRS stating that his 2006 tax return had not been filed.
73. The records indicate that over the course of the next several weeks, the two of them exchanged text messages in which Mr. Edley indicated that he would send Mr. Kassel a copy of his 2006 return. Mr. Edley, however, never did so.
74. On August 18, 2008, Mr. Edley sent a message to the effect that Kassel's return showed an adjusted gross income of \$144,000, exceeding the limit for real estate, and that for this reason he did not send an email to Mr. Kassel.

75. In response to a subpoena duces tecum for his trust account records relating to the disposition of Mr. Kassel's fee, Mr. Edley furnished his attorney trust account bank statements for the period October through December 2006. The statements reflect a \$1,000 deposit in October 2006 (ten months after the date of hire). Mr. Edley had no other records relating to the disposition of Mr. Kassel's \$1,000 fee.
76. On October 30, 2008, the Virginia State Bar mailed a copy of the complaint to Mr. Edley at his address of record with the Virginia State Bar, 1516 West Laburnum Avenue, Richmond, Virginia 23227. Mr. Edley, however, did not respond to the bar complaint and told the bar's investigator that he had no explanation for not doing so.

II. NATURE OF MISCONDUCT

Such conduct by Robert Edley, Jr. in the four cases referenced above constitutes misconduct in violation of the following provisions of the Rules of Professional Conduct (except where indicated):

RULE 1.3 Diligence

- (a) A lawyer shall act with reasonable diligence and promptness in representing a client.
- (b) A lawyer shall not intentionally fail to carry out a contract of employment entered into with a client for professional services, but may withdraw as permitted under Rule 1.16. *(Except for Case No. 09-033-076751, Complainant James R. Bell, in which it appears that the Respondent did what he was initially hired to do.)*

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.
- (b) A lawyer shall explain a matter to the extent reasonably necessary to permit the client to make informed decisions regarding 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.

RULE 1.15 Safekeeping Property

(c) 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 accounts to the client regarding them;

RULE 1.15 Safekeeping Property

(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;

- (ii) 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 1.15 Safekeeping Property

- (f) Required Escrow Accounting Procedures. The following minimum escrow accounting procedures are applicable to all escrow accounts subject to Rule 1.15(a) and (c) by lawyers practicing in Virginia.
 - (2) Deposits. All receipts of escrow money shall be deposited intact and a retained duplicate deposit slip or other such record shall be sufficiently detailed to show the identity of each item;
 - (4) Periodic trial balance. A regular periodic trial balance of the subsidiary ledger shall be made at least quarter annually, within 30 days after the close of the period and shall show the escrow account balance of the client or other person at the end of each period.
 - (i) The total of the trial balance must agree with the control figure computed by taking the beginning balance, adding the total of monies received in escrow for the period and deducting the total of escrow monies disbursed for the period; and
 - (ii) The trial balance shall identify the preparer and be approved by the lawyer or one of the lawyers in the law firm.
 - (5) Reconciliations.
 - (i) A monthly reconciliation shall be made at month end of the cash balance derived from the cash receipts journal and cash disbursements journal total, the escrow account checkbook balance, and the escrow account bank statement balance;

- (ii) A periodic reconciliation shall be made at least quarter annually, within 30 days after the close of the period, reconciling cash balances to the subsidiary ledger trial balance;
 - (ii) Reconciliations shall identify the preparer and be approved by the lawyer or one of the lawyers in the law firm.
- (6) Receipts and disbursements explained. The purpose of all receipts and disbursements of escrow funds reported in the escrow journals and subsidiary ledgers shall be fully explained and supported by adequate records.

RULE 8.1 Bar Admission And Disciplinary Matters

An applicant for admission to the bar, or a lawyer already admitted to the bar, in connection with a bar admission application, any certification required to be filed as a condition of maintaining or renewing a license to practice law, or in connection with a disciplinary matter, shall not:

- (c) fail to respond to a lawful demand for information from an admissions or disciplinary authority, except that this Rule does not require disclosure of information otherwise protected by Rule 1.6;

III. CERTIFICATION

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

THIRD DISTRICT SUBCOMMITTEE
OF THE VIRGINIA STATE BAR

By 

Karen M. Adams, Esquire
Chair

CERTIFICATE OF SERVICE

I certify that on the 23rd day of March, 2010, I mailed by Certified Mail, Return Receipt Requested, a true and correct copy of the foregoing Subcommittee Determination (Certification) to Robert Edley, Jr., Esquire, Respondent, [*pro se*,] at 1516 West

Laburnum Avenue, Richmond, VA 23227, the Respondent's last address of record with the Virginia State Bar.

A handwritten signature in cursive script, appearing to read "William J. Davis", is written above a horizontal line.
