VIRGINIA:

BEFORE THE THIRD DISTRICT SUBCOMMITTEE
OF THE VIRGINIA STATE BAR

IN THE MATTER OF
Vaughan Christopher Jones

VSB Docket No. 13-033-093486

SUBCOMMITTEE DETERMINATION
(PUBLIC REPRIMAND WITHOUT TERMS)

On February 19, 2013, a meeting was held in this matter before a duly convened Third District Subcommittee consisting of Raymond R. Ratke (lay member), Donita M. King, Esquire, and Michael S. Huberman, Esquire, Chair, presiding. During the meeting, the Subcommittee voted to approve an agreed disposition for a Public Reprimand without Terms pursuant to Part 6, § IV, ¶ 13-15.B.4. of the Rules of the Supreme Court of Virginia if the Respondent were willing to do so. Thereafter, the agreed disposition was entered into by the Virginia State Bar, by Edward L. Davis, Bar Counsel; Vaughan Christopher Jones, the Respondent; and Michael L. Rigsby, Esquire, counsel for the Respondent.

WHEREFORE, the Third District Subcommittee of the Virginia State Bar hereby serves upon Respondent the following Public Reprimand without Terms:

FINDINGS OF FACT

1. During all times relevant hereto, the Respondent, Vaughan Christopher Jones, has been a member of the Virginia State Bar.

2. On October 10, 2012, Union First Market Bank reported to the Virginia State Bar an overdraft in the amount of $93.40 on one of Mr. Jones' attorney trust accounts.

3. The trust account in question was one that Mr. Jones opened for the sole purpose of receiving credit card payments from clients. He would transfer these payments to his regular attorney trust account where he maintained the fees until earned.

4. In managing the account, Mr. Jones knew that all credit card payments were subject to a merchant's fee that was withdrawn before he received the payments.

5. There was an additional fee that Mr. Jones did not note in managing the account – a monthly fee in varying amounts charged against the account by the processor based upon the volume of funds in the trust account each month.

6. The overdraft occurred on October 5, 2012, when his processor withdrew $114.07 against a balance of $52.67, creating a negative balance of $61.40. with an overdraft fee of $32, the total negative balance reported to the bar by the bank was $93.40.

7. During the course of the bar's investigation Mr. Jones reviewed the bank statements on the account and noted that there were monthly withdrawals by the credit card processor in varying amounts.

8. Mr. Jones acknowledged to the bar's investigator that he was unaware of the monthly processor fees, but said that it must have been in the agreement that he endorsed.

9. Mr. Jones also explained that he did not view the account as an attorney trust account, but a repository for credit card payments that he would transfer to his regular attorney trust account.

10. The account, however, was for the deposit of unearned fees paid by credit care, and his bank clearly identified it as an IOLTA trust account.

11. Mr. Jones acknowledged that he presumed all money in the credit card bank account was unearned.

12. Mr. Jones now keeps additional funds of his own in the account to defray against these fees in accordance with Rule 1.15 of the Rules of Professional Conduct.

I. NATURE OF MISCONDUCT

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

In failing to note his credit card processor's monthly withdrawal of fees from his trust account, resulting in all fees in the account being disbursed to the credit card processor, and creating a negative balance, Mr. Jones was in violation of the following Rules of Professional Conduct:

RULE 1.15 Safekeeping Property

(b) Specific Duties. A lawyer shall:

(5) not disburse funds or use property of a client or third party without their consent or convert funds or property of a client or third party, except as directed by a tribunal.

(d) Required Trust Accounting Procedures. In addition to the requirements set forth in Rule 1.15 (a) through (c), the following minimum trust accounting procedures are applicable to all trust accounts.

(3) Reconciliations.

(ii) A monthly reconciliation shall be made of the cash balance that is derived from the cash receipts journal, cash disbursements journal, the trust account checkbook balance and the trust account bank statement balance.

II. PUBLIC REPRIMAND WITHOUT TERMS

Accordingly, having approved the agreed disposition, it is the decision of the Subcommittee to impose a Public Reprimand Without Terms and Vaughan Christopher Jones is hereby so reprimanded. Pursuant to Part 6, § IV, ¶ 13-9.E of the Rules of the Supreme Court of Virginia, the Clerk of the Disciplinary System shall assess costs.

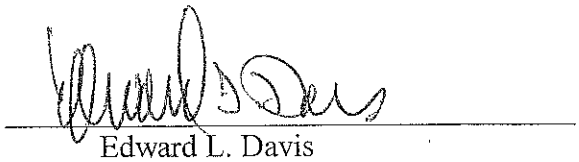
THIRD DISTRICT SUBCOMMITTEE
OF THE VIRGINIA STATE BAR

By: _____
Michael Stuart Huberman
Subcommittee Chair

CERTIFICATE OF MAILING

I certify that on February 10, 2014, a true and complete copy of the Subcommittee Determination (Public Reprimand Without Terms) was sent by certified mail to Vaughan Christopher Jones, Respondent, at 1622 West Main Street, Richmond, Virginia 23220, Respondent's last address of record with the Virginia State Bar, and by first class mail, postage

prepaid to Michael L. Rigsby, Esquire, counsel for Respondent, at Post Office Box 29328, Henrico, Virginia 23242.



Edward L. Davis
Bar Counsel