

**VIRGINIA:**

**BEFORE THE VIRGINIA STATE BAR DISCIPLINARY BOARD**

**IN THE MATTER OF**

**KAREN G. KIRKPATRICK LAGUNA, Respondent**

**VSB Docket Number: 12-070-090391**

**ORDER OF SUSPENSION**

On December 12<sup>th</sup>, 2014, the above-referenced matter was heard by the Virginia State Bar Disciplinary Board (Board). The matter was considered by a duly-convened panel of the Virginia State Bar Disciplinary Board consisting of Tyler E. Williams, III, Chair, Richard J. Colten, Tony H. Pham, Samuel R. Walker, and Sandra W. Montgomery, Lay Member. Alfred L. Carr, Assistant Bar Counsel, represented the Virginia State Bar and the Respondent, Karen G. Kirkpatrick Laguna, was present and was represented by her counsel, Timothy J. Battle. The court reporter for the proceeding was Tracy J. Stroh, of Chandler and Halasz Stenographic Court Reporters, P.O. Box 9349, Richmond, VA 23227, (804) 730-1222, who was duly sworn by the chair at the beginning of the hearing.

The Chair opened the hearing by polling the Board members to ascertain whether any member had any personal or financial interest or bias which would interfere with or influence such member's determination, and each member responded that he had no such conflicts.

This matter came before the Board on the District Subcommittee Determination for Certification by a duly convened Seventh District Subcommittee of the Virginia State Bar which met on March 5, 2014. It subsequently issued the following certification to the Virginia State Bar Disciplinary Board:

1. At all relevant times, Respondent was a duly licensed attorney in the state of Virginia.

2. On November 15, 2005, Respondent, Complainant, and Complainant's father (hereinafter "Ted") attended a meeting at the home of Respondent's father. At that meeting, Ted<sup>1</sup> executed a Durable General Power of Attorney (hereinafter "DGPOA") drafted by Respondent's father naming Complainant as the Attorney-In-Fact (hereinafter "AIF") for Ted. Respondent was the alternate AIF in the event Complainant met an untimely demise.
3. The November 15, 2005 DGPOA provided the AIF with the right to manage Ted's property, make investments, receive and/or collect payments owed to Ted, receive negotiable instruments, to borrow, deposit, or withdraw money from Ted's accounts, hire attorneys, file income taxes, and to make medical and health care decisions for Ted.
4. Ted signed the DGPOA on November 15, 2005, but the Notary Public was not present and Ted's signature was not notarized at that time. Respondent had the document notarized on a later date without Ted's presence.
5. The November 15, 2005 DGPOA only had 13 sections. The language in the 13 sections was silent as to whether the AIF had to produce monthly, quarterly, or annual reports to Ted or Ted's heirs and did not state who had authority to request a report of the AIF's activities performed for the benefit of Ted.
6. Respondent stated that the November 15, 2005 DGPOA authorized her to act as she saw fit to protect Ted's interests because Complainant had left town to pursue his career in Chicago.
7. On February 17, 2006, Respondent drafted a new DGPOA that named Respondent as the AIF and Complainant as the alternate. In contrast to the November 15, 2005 DGPOA, the February 17, 2006 DGPOA significantly expanded Respondent's duties as the AIF. Specifically, Paragraph XIV added new language that granted Respondent the duties and powers of a ". . . guardian, trustee, conservator,

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<sup>1</sup> Ted started exhibiting signs of a Bi-Polar disorder in 1999, as well as experiencing common ailments associated with aging and required his son's assistance to oversee his finances and medical decisions. Complainant stated that Ted's mental health started to deteriorate and Ted suffered from dementia in 2005, which is why he hired Respondent for assistance.

committee, or other similar fiduciary for [Ted's] affairs by any court proceedings." Respondent stated her husband, Carlos Laguna, acted as the Notary Public on the second DGPOA.

8. Respondent added new language in Paragraph XIV of the February 17, 2006 DGPOA specifically providing that the "[Respondent] shall not be required to make disclosure or to permit inspection of any of my affairs, or any of the said attorney-in-fact's actions under this instrument, to any third party." Moreover, the language stated that "[Respondent] exercising sole discretion . . . [Respondent] shall not: (1) disclose to any person the extent to which [Respondent] has chosen to act and the actions taken on my behalf under this instrument; or (2) permit inspection of records pertaining to any such actions by any person . . ."
9. Under the February 17, 2006 DGPOA, Ted<sup>2</sup> was the only individual who could "demand" that Respondent make an accounting of "all receipts, disbursements, and significant actions taken hereunder."
10. On February 17, 2006, Respondent drafted a Retainer Agreement that set forth the scope of the attorney-client relationship and established a \$30,000 annual retainer fee. Respondent's and Ted's signatures are the only signatures on the Retainer Agreement.
11. Complainant, the AIF under the November 15, 2005 DGPOA, had no knowledge of the February 17, 2006 DGPOA or the Retainer Agreement authorizing Respondent to pay herself \$30,000.00 per year for Ted's care. Complainant stated to the VSB investigator that he did not offer or agree to pay Respondent \$30,000.00 annually to handle Ted's financial affairs.
12. Ted did not enter a date next to his signature, so Respondent had Ted execute the February 17, 2006 DGPOA, again, on November 19, 2006.

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<sup>2</sup> The purpose of the November 15, 2005 DGPOA was to manage Ted's medical and financial affairs because he was incapable of doing without the assistance of Complainant.

13. The three DGPOA's drafted by Respondent did not meet the statutory requirements under the Virginia Notary Act in effect in 2005 as follows:
- a. A Notary Public did not witness Ted's signature on the November 15, 2005 DGPOA;
  - b. Ted was not present when the Notary Public notarized the November 15, 2005 DGPOA;
  - c. Ted did not enter a date when he signed the February 17, 2006 DGPOA;
  - d. Respondent's spouse, Carlos Laguna, performed the notarial act on the February 17, 2006 DGPOA that gave Respondent a direct financial interest; and
  - e. The Notary Public is not properly identified on any of the three DGPOA's.
14. In response to questions from the VSB Investigator, Respondent stated Ted was in "good mental and physical health and competent to make decisions about things."<sup>3</sup>
15. On December 15, 2005, Respondent opened account number 010129280311 (hereinafter "0311"), with \$20,000.00 for the benefit of Ted.
16. In response to questions from the VSB investigator, Respondent stated that she did not know the source of the \$20,000.00 used to open the account. Respondent stated that she did not keep a copy of the deposit slip as required under the *Virginia Rules of Professional Conduct*.
17. Respondent admitted she did not perform any of the required record keeping duties required under Rule of Professional Conduct 1.15. Respondent stated to the VSB investigator that she was "not familiar with Rule 1.15 [Safekeeping Property]."
18. Respondent stated the following to the VSB investigator during the interview:
- a. She had been in practice for twenty (20) years,

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<sup>3</sup> This comment is contrary to the stated purpose of Complainant's hiring of Respondent – to handle Ted's financial and personal affairs because Ted was incompetent to do so himself.

- b. That neither account number 0311 nor any other accounts she set up were in compliance with the *Virginia Rules of Professional Conduct*,
  - c. She did not prepare a list of Ted's assets when she became the AIF,
  - d. She did not provide an annual report of the accounts,
  - e. She did not perform the required reconciliations under the *Virginia Rules of Professional Conduct*, and
  - f. She comingled personal funds in all accounts she had opened for the benefit of Ted.
19. On August 15, 2006, Respondent opened account number 101152326074 (hereinafter "6074") for Ted. The \$100.00 deposit used to open the account was transferred from account 0311. The purpose of this account was to obtain a debit card for Ted. Ted's unsupervised use of the debit card caused numerous overdrafts and overdraft fees. Ted, having unsupervised access to this account, went to the bank and withdrew \$52,000.00 in cash. By the time Respondent learned of the \$52,000.00 cash withdrawal, Ted had spent \$2,000.00 of it.
20. On September 28, 2006, Respondent transferred \$1,805.00 into account 6074 from account number 1062817899894 (hereinafter "9894"). Respondent stated that account 9894 is her personal account at Wells Fargo bank. Respondent could offer no reason for making the transfer from her personal account 9894 into Ted's account 6074.
21. The records show that on October 4, 2006, Respondent had transferred the \$1,805.00 to Ted's account 0311 from her personal account 9894. The bank statement showed this notation to document the transfer - REASON: TO COVER ACCOUNT OVERDRAWN.
22. On or before July 22, 2009, Respondent changed account 6074 into a trust account. The account became the "Theodore T. Nieh Trust."
23. On November 11, 2009, Respondent made a counter deposit of \$8,550.00 into Ted's trust account 6074. In response to questions asked by the VSB investigator, Respondent stated that the source of the

\$8,500.00 was a payment she had received from a criminal client unrelated to Ted's financial affairs. Respondent stated she knew the \$8,500.00 were her personal funds, but used Ted's trust account because that was the only account number she could remember.

24. The records show that the \$8,550.00 check was from a claim, totally unrelated to Ted's affairs, Respondent made against the Estate of Lindsay Mark Freburg in Flagler County, Florida, for legal services provided at decedent's request prior to their death. On November 18, 2009, Respondent paid "Ocwen"<sup>4</sup> \$8,550.00 from trust account 6074. The hand written memo line on the check reads "Loan # 0040646176." In response to questions, Respondent stated the \$8,500.00 check went to pay her mortgage.
25. On November 29, 2007, Respondent opened account 101195356768 (hereinafter "6768") with a \$100.00 cash deposit for Ted's benefit. In response to questions from the VSB Investigator, Respondent stated that the \$100.00 cash was from her personal funds and she did not have a good reason for using her personal funds to open this account for Ted.
26. On December 3, 2011, Respondent deposited \$18,957.85 into account 6768. The \$18,957.85 check was the final distribution from Ted's Teachers Insurance and Annuity Association.
27. The VSB investigator asked Respondent for an explanation for check number 96 dated April 30, 2008, for \$4,000.00, made payable to "Ventura" and check number 97, dated May 13, 2008, for \$9,000.00, made payable to "Ventura Concrete," drawn on account 6768.
28. In response to the VSB investigator's questions, Respondent stated check numbers 96 and 97, drawn on account number 6768, were for work done on the garage of her personal home. Respondent further explained that the \$13,000.00 (\$4,000.00 + \$9,000.00) were her earned fees under the Retainer Agreement.

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<sup>4</sup> Ocwen is a loan servicing company that can found on the Internet at URL <http://www.ocwen.com/mortgage-customers>

29. The VSB investigator asked Respondent for an explanation for check number 98, dated May 17, 2008, for \$2,425.00, made payable to “Sergio Flores.” In response, Respondent stated that Sergio Flores had also performed work on her garage at her personal home.
30. In response to the VSB investigator’s question as to who signed check number 98 drawn on account 6768, Respondent stated that her husband, Carlos Laguna, had signed the check under a POA she had executed. Carlos Laguna is not a signatory on account 6768.
31. On November 11, 2007, Respondent created a receipt titled “Donation.” The receipt lists the Donee as “Gospel Ministries International, Inc., P.O. Box 506, Collegedale, TN 37315.” Check number 1462 to pay the Donee is on drawn on Respondent’s personal banking account. The preprinted Donor box on the receipt lists “Carlos R & Karen K. Laguna, 16063 Hamilton Stn Rd, Waterford, VA 20197,” which is Respondent’s home address. Respondent struck through the names of Carlos R & Karen K. Laguna, with a dark line and hand wrote the name of Theodore T. Nieh. There is a handwritten note that reads “Charitable Donation from Ted’s 2007 taxes. Reimbursed by Ted’s Acct# 6768, 05/16/08 Ck# 97 for \$9,000 fbo K[E]K and 06/02/08 Ck# 100 for \$1,000 fbo K[E]K.”<sup>5</sup>
32. The records show that check 1462 is dated November 15, 2007, and drawn on Carlos R. Laguna and Karen Kirkpatrick Laguna’s First Union National Bank personal account (1062817899894) for \$10,000 made payable to “Gospel Ministries International Demaris Robertson.” The check’s memo line reads “Mexico Health Outreach to Kelly Duloc.”
33. In response to questions from the VSB investigator for an explanation of the donation receipt, Respondent stated that she had the impression that these deductions were “fungible,” and she thought she could let someone else claim it. Respondent further stated the handwritten statement on the receipt “is something she wrote on it trying to make it make sense [and] the two checks were for her legal fees

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<sup>5</sup> See paragraphs 26 and 27 where Respondent explained that check 97 drawn on account 6768 was for work performed by Ventura Concrete on the garage on her personal home in Waterford, VA.

[because she was] just trying to make it balance.” Respondent admitted that Ted had nothing to do with the \$10,000.00 donation.

34. The HUD-1 Settlement Statement shows Respondent sold Ted’s home on January 18, 2007, for a gross sales price of \$535,000.00. There were \$272,594.42 in expenses that Ted had to pay at closing; therefore, the sale of Ted’s home netted \$262,405.58 in proceeds.
35. Respondent stated that she opened account number 1010195356797 (hereinafter “6797”) titled “Theodore T Nieh Trust” on December 3, 2007, for the benefit of Ted using the proceeds from the sale of Ted’s home on January 18, 2007.
36. The HUD-1 settlement statement dated January 18, 2007, shows that “Cash To Seller” was \$262,405.58. Respondent, however, did not provide the VSB with any records to confirm the deposit of the \$262,405.58 into an account established for the benefit of Ted.
37. Respondent did not provide the VSB with any records that show which account she had or when she had deposited the \$262,405.58 received on or about January 18, 2007. <sup>6</sup>
38. The records show the opening balance in account 0311 on February 7, 2007 was \$245,680.19, however, Respondent did not provide the VSB with any deposit slips or records of any type to show the source of the \$245,680.19 balance in this account opened for Ted’s benefit.
39. Respondent stated that she used \$130,000.00 of the profit from the sale of Ted’s home to purchase a certificate of deposit (hereinafter “CD”) and when this CD had matured, she used \$60,273.25 of it to open account 6797 and put the balance in another CD that was not disclosed or accounted for.
40. On November 9, 2009, Respondent stated that she closed 6797 and moved the balance of \$71,622.41 to account number 2000037270047 (hereinafter “0047”) titled “Theodore T Nieh Trust.”

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<sup>6</sup> The Fairfax County Attorney’s Office hired a forensic accountant and reported the matter to the Fairfax County Police Department for investigation. Due to Respondent’s lack of proper record keeping as required by a fiduciary under Rule of Professional Conduct 1.15, the forensic accountant or the police department could not account for the discrepancies.

41. Respondent stated she “eyeballed it” when it came time to pay herself from Ted’s accounts.  
Respondent admitted there was no rationale as to when or how much she took. Respondent further stated that she never really had any thoughts as to when legal fees were earned or transferred into her personal accounts.
42. Respondent admitted that in 2007 she overpaid herself by \$10,000.00, above the \$30,000.00 annual fee. Respondent refunded the \$10,000.00 to account 0311 in December 2013, during the course of the VSB investigation. Respondent stated that many of the payments for legal fees were made to others for her benefit so Marjorie, Ted’s sister, would not see them.
43. On December 21, 2011, Respondent’s husband, Carlos Laguna, sent Complainant an email stating that he “wasted two days in Chicago” trying to get Complainant to sign a letter that memorialized the meeting that occurred on November 15, 2005.
44. Complainant stated that Mr. Laguna, without prior notice, appeared at Complainant’s place of employment in Chicago and insisted on speaking with Complainant. Complainant had Mr. Laguna removed from the premises.
45. Mr. Laguna’s purpose for the unannounced visit was to obtain Complainant’s signature on a document titled ‘AFFIDAVIT of JULIAN NIEH.’ The affidavit contained the following language:
  - a. I, Julian Nieh, only son of Theodore T. Nieh, hereby acknowledge that my father and I hired Karen Kirkpatrick to work as his personal attorney and to take care of all of his business, personal, and financial affairs, effective November 15, 2005 for annual fee of Thirty Thousand Dollars (\$30,000.00), said compensation to be made either directly to or indirectly for the benefit of Karen Kirkpatrick. I further acknowledge that I am aware that my father’s assets are, at this time, almost completely dissipated and that he will soon be a Medicaid recipient. I have received a copy of the Master Accounting prepared by Karen Kirkpatrick in December, 2011, which accounting covers the periods December, 2005, to present. I hereby approve of all payments, disbursements, and distributions listed in the accounting. With specific reference to the legal fees paid to Ms. Kirkpatrick, all payments made have been consistent with the contract my father and I entered into for her services, and I approve of them both individually and as a whole as being consistent with our employment contract.

46. In December 2013, Respondent refunded \$500.00 to Ted for her husband's, Carlos Laguna, trip to Chicago. The purpose Mr. Laguna's two-day trip to Chicago was to obtain Complainant's signature on the affidavit that consented to all of Respondent's heretofore undisclosed activities as Ted's AIF. The affidavit Respondent wanted Complainant to sign falsely stated that Complainant approved Respondent's dissipation of Ted's assets.
47. Complainant hired Richard Mendelson, Esquire, to assist with the investigation of Respondent's activities. Mr. Mendelson referred the matter to Fairfax County Adult Protective Services.
48. On June 29, 2012, the Fairfax County Circuit Court, after due consideration of the medical evidence presented by the Fairfax County Attorney's Office, removed Respondent as the AIF and appointed Valerie Geiger, Esquire, as the conservator and guardian for Ted because the Court found Ted incompetent and unable to handle his medical and financial affairs.
49. On October 26, 2012, Ms. Geiger filed the first inventory of Ted's estate. The total value of Ted's estate was \$2,841.38.

#### **FINDINGS OF FACT AND NATURE OF MISCONDUCT**

There were no stipulations. The Virginia State Bar's Exhibit A, Parts 1-41, was admitted along with the Respondent's Exhibits A, Parts 1-9, at the pre-hearing conference. Further, the Board, at the hearing, was presented with the Videotaped Deposition of Julian Nieh, taken November 25, 2014, in Phoenix, Arizona (VSB Exhibit B), which was viewed in its entirety and accompanied by a transcript, and also an excerpt from Section 7202 of Title 26, Internal Revenue Code, pages 3541 and 3543, (VSB Exhibit C). Respondent's additional Exhibit A, Parts 10-14, was also admitted by the Chair at the hearing.

#### **FINDINGS AS TO MISCONDUCT**

The Board finds by clear and convincing evidence that such conduct by Respondent constitutes misconduct in violation of the following provisions of the Rules of Professional Conduct:

#### **Rule 1.1      Competence**

A lawyer shall provide competent representation to a client. Competent representation requires the legal knowledge, skill, thoroughness and preparation reasonably necessary for the representation.

**RULE 1.3 Diligence**

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

**RULE 1.5 Fees**

- (b) The lawyer's fee shall be adequately explained to the client. When the lawyer has not regularly represented the client, the amount, basis or rate of the fee shall be communicated to the client, preferably in writing, before or within a reasonable time after commencing 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.
- (c) A lawyer shall:
  - (1) promptly notify a client of the receipt of the client's funds, securities, or other properties;
  - (2) identify and label securities and properties of a client promptly upon receipt and place them in a safe deposit box or other place of safekeeping as soon as practicable;
  - (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; and

- (4) promptly pay or deliver to the client or another as requested by such person the funds, securities, or other properties in the possession of the lawyer which such person is entitled to receive.
- (d) Funds, securities or other properties held by a lawyer or law firm as a fiduciary shall be maintained in separate fiduciary accounts, and the lawyer or law firm shall not commingle the assets of such fiduciary accounts in a common account (including a book-entry custody account), except in the following cases:
  - (1) funds may be maintained in a common escrow account subject to the provisions of Rule 1.15(a) and (c) in the following cases:
    - (i) funds that will likely be disbursed or distributed within thirty (30) days of deposit or receipt;
    - (ii) funds of \$5,000.00 or less with respect to each trust or other fiduciary relationship;
    - (iii) funds held temporarily for the purposes of paying insurance premiums or held for appropriate administration of trusts otherwise funded solely by life insurance policies; or
    - (iv) trusts established pursuant to deeds of trust to which the provisions of Code of Virginia §§ 55-58 through 55-67 are applicable;
  - (2) funds, securities, or other properties may be maintained in a common account:
    - (i) where a common account is authorized by a will or trust instrument;
    - (ii) where authorized by applicable state or federal laws or regulations or by order of a supervising court of competent jurisdiction; or
    - (iii) where (a) a computerized or manual accounting system is established with record-keeping, accounting, clerical and administrative procedures to compute and credit or charge to each fiduciary interest its pro-rata share of common account income, expenses, receipts and disbursements and investment activities (requiring monthly balancing and reconciliation of such common accounts), (b) the fiduciary at all times shows upon its records the interests of each separate fiduciary interest in each fund, security or other property held in the common account, the totals of which assets reconcile with the totals of the common account, (c) all the assets comprising the common account are titled or held in the name of the common account, and (d) no funds or property of the lawyer or law firm or funds or property held by the lawyer or the law firm other than as a fiduciary are held in the common account.

For purposes of this Rule, the term "fiduciary" includes only personal representative, trustee, receiver, guardian, committee, custodian, and attorney-in-fact.

- (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;
  - (iii) 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 early 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 record required under this Rule;
  - (v) the records required under this subsection shall be preserved for at least five full calendar years following the termination of the fiduciary relationship.
- (2) in the case of funds or property held by a lawyer or law firm as a fiduciary subject to Rule 1.15(d), the required books and records include:

- (i) an annual summary of all receipts and disbursements and changes in assets comparable to an accounting that would be required of a court supervised fiduciary in the same or similar capacity. Such annual summary shall be in sufficient detail as to allow a reasonable person to determine whether the lawyer is properly discharging the obligations of the fiduciary relationship;
- (ii) original source documents sufficient to substantiate and, when necessary, to explain the annual summary required under subsection (i), above
- (iii) the records required under this subsection shall be preserved for at least five full calendar years following the termination of the fiduciary relationship.

#### **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 as a lawyer;
- (c) engage in professional conduct involving dishonesty, fraud, deceit or misrepresentation;

#### **DISPOSITION**

The Board, after a lengthy hearing, a review of all evidence presented, the argument of counsel, and the presentation of the Respondent's prior disciplinary record as evidenced in the Bar's Exhibit D, duly deliberated and it was decided to impose the following sanction upon the findings of misconduct described above. It is hereby ORDERED that the license of the Respondent, Karen Kirkpatrick Laguna, to practice law in the Commonwealth of Virginia shall be SUSPENDED FOR A PERIOD OF TWELVE MONTHS. Upon the request of the Respondent, the effective date of the suspension is delayed until January 12, 2015.

It is further ordered pursuant to the provisions of Part Six, §IV, ¶13-29 of the Rules of the Supreme Court of Virginia, as amended, that the Respondent shall forthwith give notice by certified mail of the Suspension of her license to practice law in the Commonwealth of Virginia, to all clients for whom she

is currently handling matters and to all opposing attorneys and presiding judges in pending litigation. The Attorney shall also make appropriate arrangements for the disposition of matters then in her care in conformity with the wishes of her clients. The Respondent shall give such notice within 14 days of the effective date of the Suspension, and make such arrangements as are required by the Rules within 45 days of the effective date of the suspension. The Respondent shall also furnish proof to the Bar within 60 days of the effective date of the Suspension that such notices have been timely given and such arrangements made for the disposition of matters.

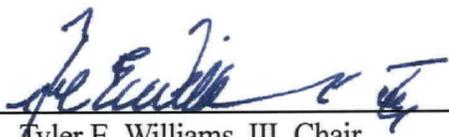
It is further ORDERED that if the Respondent is not handling any client matters on the effective date of January 12, 2015, Respondent shall submit an affidavit to that effect to the Clerk of the Disciplinary System at the Virginia State Bar within 60 days of the effective day of January 12, 2015. All issues concerning the adequacy of the notice and arrangements required by Paragraph 13-29 shall be determined by the Virginia State Bar Disciplinary Board, which may impose a sanction of Revocation or additional Suspension for failure to comply with the requirements of this subparagraph.

It is further ORDERED that pursuant to Part Six §IV, ¶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 a teste copy of this Order shall be mailed by Certified Mail, Return Receipt requested, to the Respondent, Karen Kirkpatrick Laguna, at her last address of record with the Virginia State Bar, 16063 Hamilton Station Road, Waterford, VA 20197-1104, by regular mail to Timothy Joseph Battle, Respondent's Counsel, at the Law Office of Timothy J. Battle, P. O. Box 320593, Alexandria, VA 22320-0593, and hand-delivered to Alfred L. Carr, Assistant Bar Counsel, 1111 East Main Street, Suite 700, Richmond, VA 23219.

ENTERED THIS 20th DAY OF JANUARY, 2015.

VIRGINIA STATE BAR DISCIPLINARY BOARD

BY  \_\_\_\_\_  
Tyler E. Williams, III, Chair