VIRGINIA:

BEFORE THE VIRGINIA STATE BAR DISCIPLINARY BOARD

IN THE MATTER OF	**VSB DOCKET NOS. 11-033-086969**
LEROY WENDELL ALLEN, JR.	**AND 11-033-088198**

AGREED DISPOSITION MEMORANDUM ORDER

These matters came to be heard on September18, 2013, by the Virginia State Bar Disciplinary Board upon the joint request of the parties for the Board to accept the Agreed Disposition signed by the parties and offered to the Board as provided by the Rules of the Supreme Court of Virginia. The panel consisted of Pleasant S. Brodnax, III, Chair, John S. Barr, J. Casey Forrester, R. Lucas Hobbs, Anderson W. Douthat, IV, Lay Member. The Virginia State Bar was represented by Edward L. Davis, Bar Counsel. Leroy Wendell Allen, Jr. was present and was not represented by counsel. The Chair polled the members of the Board as to whether any of them were aware of any personal or financial interest or bias which would preclude any of them from fairly hearing the matter to which each member responded in the negative. Court Reporter, Terry S. Griffith, Chandler and Halasz, P.O. Box 9349, Richmond, Virginia 23227, telephone (804) 730-1222, after being duly sworn, reported the hearing and transcribed the proceedings.

WHEREFORE, upon consideration of the Agreed Disposition, the Certification, Respondent's Disciplinary Record and any responsive pleadings of counsel,

It is **ORDERED** that the Virginia State Bar Disciplinary Board accepts the Agreed Disposition and the Respondent shall receive a Public Reprimand with Terms as set forth in the Agreed Disposition, which is attached and incorporated in this Memorandum Order.

It is further **ORDERED** that the sanction is effective September 18, 2013.

The Clerk of the Disciplinary System shall assess costs pursuant to ¶ 13-9 E. of the Rules.

A copy teste of this Order shall be mailed by Certified Mail to Leroy Wendell Allen, Jr., at his last address of record with the Virginia State Bar, Suite 200, 4906 Fitzhugh Avenue, Richmond, Virginia 23230-3519, and hand-delivered to Edward L. Davis, Bar Counsel, 707 East Main Street, Suite 1500, Richmond, Virginia 23219.

ENTERED THIS 18th DAY OF SEPTEMBER, 2013

VIRGINIA STATE BAR DISCIPLINARY BOARD

Pleasant S. Brodnax III

Pleasant S. Brodnax, III, Chair

VIRGINIA:

BEFORE THE DISCIPLINARY BOARD
OF THE VIRGINIA STATE BAR

SEP 24 2013

IN THE MATTER OF
LEROY WENDELL ALLEN, JR.

VSB Docket No. 11-033-086969

11-033-088198

AGREED DISPOSITION
(Public Reprimand with Terms)

Pursuant to the Rules of the Virginia Supreme Court Rules of Court Part 6, Section IV, Paragraph 13-6.H., the Virginia State Bar, by Edward L. Davis, Bar Counsel and Leroy Wendell Allen, Jr., Respondent, hereby enter into the following Agreed Disposition arising out of the referenced matter.

I. STIPULATIONS OF FACT

1. During all times relevant hereto, the Respondent, Leroy Wendell Allen, Jr., has been an attorney licensed to practice law in the Commonwealth of Virginia.

11-033-086969
Complainant: Joey Hinton-Bey

2. In August 2010, Joey Hinton-Bey, an inmate at the Greensville Correctional Center, hired Mr. Allen to investigate Mr. Hinton-Bey's potential for a parole hearing and a civil matter regarding injuries he had sustained. Mr. Allen would say that it was explained to Mr. Hinton-Bey that instead of charging full price and later determining that Mr. Hinton-Bey did not have a case, that Mr. Allen's firm would investigate for a set fee and then advise the client.

3. The client had been referred to Mr. Allen by a non-lawyer, Joe Martin, who worked at a different law firm from Mr. Allen's.

4. The client paid Mr. Allen $4,000 on August 27, 2010.

5. Mr. Allen explained to the bar that he agreed to review the cases and make a determination/recommendation for a fee of $2,500 per case to be credited against the overall fee if the client chose to continue with the representation. (Mr. Allen and his client later agreed to reduce the fee to $2,000 per case.)

6. Mr. Allen avers that the fee structure was explained to Mr. Hinton-Bey on several occasions. The client, however, alleged that no one explained to him that the $2,000 for each case was merely to investigate and make recommendations.

7. Mr. Allen recommended that they proceed with the parole matter first, but the client wanted to pursue the medical action first. Mr. Allen asked for more money to hire an

independent medical expert. The client, believing that he paid Mr. Allen in full, complained to the bar.

8. Mr. Allen explained to the bar his thought that Joe Martin, the nonlawyer who referred the case to Mr. Allen, had written a letter to the client explaining the fee structure. Neither Mr. Allen nor Mr. Martin, however, could find a copy of a letter explaining the fee structure to the client, and there is no record of such a letter being sent. (Mr. Allen and Mr. Martin, however, aver that they verbally explained the fee structure to the client.)

9. As stated above in (4), Mr. Allen received the $4,000 advanced fee on August 27, 2010. Four months later in December, 2010 Mr. Allen, with the assistance of another nonlawyer, Dennis Austin, finished his investigation and review of the cases and made a recommendation to his client.

10. Mr. Allen's trust account records, however, reflect that he disbursed the entire $4,000 fee within 17 days of receipt - $2,000 the same day that he made the deposit in August 2010 and the rest 17 days later in September 2010.

11. Further, the first check drawn against the funds, number 5676, dated 8/27/2010, in the amount of $2,000 and bearing the annotation "Hinton" is made payable not to Mr. Allen but to nonlawyer Dennis Austin.

12. Mr. Allen's invoice, however, dated April 1, 2011, and produced in response to the bar complaint, does not reflect $2,000 of work by Mr. Austin, but reflects five hours and 35 minutes of work by Mr. Austin between August and September 2010 at $100 per hour, for a total of only $559.

13. Mr. Allen's automated ledger indicates that he withdrew the second $2,000 by check, number 5598, on September 13, 2010, 17 days after the deposit.

14. Mr. Allen denies that these disbursements were without client authorization.

15. Mr. Allen acknowledged to the bar's investigator that he cannot rely upon a nonlawyer to prepare and provide his client with a written explanation of his fees.

16. In response to a subpoena from the bar, Mr. Allen produced an automated ledger card for "Hinton Joey" but did not provide other requested records, such as proof of reconciliations

II. NATURE OF MISCONDUCT
(Joey Hinton Bey Complaint)

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

In leaving it to a nonlawyer employed by a law firm different from his own to draft and send a written explanation of his fee structure to his imprisoned client; in not reviewing the letter or ensuring that it was sent to his client; in dividing a total of $4,000 in advanced legal fees down

the middle with a non-lawyer, and in doing so when his records do not reflect $2,000 of work by the nonlawyer, but only $559 of work by the nonlawyer; in disbursing the fees to himself and the nonlawyer months before they were earned, according to his accounting; and in failing to maintain the required trust account records or furnish them to the bar in response to subpoena; the Respondent was in violation of the following Rules of Professional Conduct:

Rule 1.5 Fees

(a) 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 5.3 Responsibilities Regarding Nonlawyer Assistants

With respect to a nonlawyer employed or retained by or associated with a lawyer:

(b) a lawyer having direct supervisory authority over the nonlawyer shall make reasonable efforts to ensure that the person's conduct is compatible with the professional obligations of the lawyer; and

Rule 5.4 Professional Independence Of A Lawyer

(a) A lawyer or law firm shall not share legal fees with a nonlawyer, except that:

(1) an agreement by a lawyer with the lawyer's firm, partner, or associate may provide for the payment of money, over a reasonable period of time after the lawyer's death, to the lawyer's estate or to one or more specified persons;

(2) a lawyer who undertakes to complete unfinished legal business of a deceased, disabled, or disappeared lawyer may pay to the estate or other representative of that lawyer that portion of the total compensation that fairly represents the services rendered by the deceased, disabled or disappeared lawyer;

(3) a lawyer or law firm may include nonlawyer employees in a compensation or retirement plan, even though the plan is based in whole or in part on a profit sharing arrangement; and

(4) a lawyer may accept discounted payment of his fee from a credit card company on behalf of a client.

1.15 Safekeeping Property *(Pre-June 21, 2011 Version)*

(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 accountings to the client regarding them;

(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.

(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 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.

(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;

(3) Deposit of mixed escrow and non-escrow funds other than fees and retainers. Mixed escrow and non-escrow funds shall be deposited intact to the escrow account. The non-escrow portion shall be withdrawn upon the clearing of the mixed fund deposit instrument;

(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;

(iii) 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; or

For other Misconduct occurring on or after June 21, 2011 that affects Rule 1.15, such as ongoing trust account records maintenance violations and nonissue of a refund, as set forth above, the Respondent was in violation of the following Rule of Professional Conduct:

RULE 1.15 Safekeeping Property (June 21, 2011 Revision)

(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;

(c) Record-Keeping Requirements. A lawyer shall, at a minimum, maintain the following books and records demonstrating compliance with this Rule:

(1) Cash receipts and disbursements journals for each trust account, including entries for receipts, disbursements, and transfers, and also including, at a minimum: an identification of the client matter; the date of the transaction; the name of the payor or payee; and the manner in which trust funds were received, disbursed, or transferred from an account.

(2) A subsidiary ledger containing a separate entry for each client, other person, or entity from whom money has been received in trust.

The ledger should clearly identify:

(i) the client or matter, including the date of the transaction and the payor or payee and the means or methods by which trust funds were received, disbursed or transferred; and

(ii) any unexpended balance.

(3) In the case of funds or property held by a lawyer as a fiduciary, the required books and records shall include an annual summary of all receipts and disbursements and changes in assets comparable in detail to an accounting that would be required of a court supervised fiduciary in the same or similar capacity; including all source documents sufficient to substantiate the annual summary.

(4) All records subject to this Rule shall be preserved for at least five calendar years after termination of the representation or fiduciary responsibility.

(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.

(i) At least quarterly a reconciliation shall be made that reflects the trust account balance for each client, person or other entity.

(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.

(iii) At least quarterly, a reconciliation shall be made that reconciles the cash balance from (d)(3)(ii) above and the subsidiary ledger balance from (d)(3)(i).

(iv) Reconciliations must be approved by a lawyer in the law firm.

(4) The purpose of all receipts and disbursements of trust funds reported in the trust journals and ledgers shall be fully explained and supported by adequate records.

11-033-088198
Complainant: David A. Barner

17. In March 2010, David A. Barner, an inmate at the Deep Meadow Correctional Center, hired Mr. Allen to pursue a civil action against the prison. The client alleged that he was in pain because of the prison's refusal to remove a bullet from his body, and wanted an attorney to help.

18. Joe Martin, a nonlawyer employed by different law firm from Mr. Allen's, referred Mr. Barner to Mr. Allen.

19. On March 8, 2010, Mr. Allen received the client's $5,000 advanced fee from Marjorie Dame, a friend of the client who with the client's authorization participated in future telephone discussions between the client and Mr. Allen.

20. By letter, dated March 11, 2010, Mr. Allen provided Mr. Barner with a written explanation of the $5,000 fee specifically providing for (1) $2,500 to be used to investigate, obtain the client's records, and research the best way to proceed; and (2) the remaining $2,500 for the second stage. The letter provided that in the second stage, "...we will draft and file any and all legal documents on your behalf in an effort to get the Virginia Department of Corrections to remove the bullet. That stage will be billed hourly. Mr. Austin's time will be at $150 per hour and my time will be billed at $300 per hour."

21. Mr. Allen investigated the case and determined that the client had already seen four or five physicians outside of the prison who determined that removal of the bullet was not appropriate. He advised the client to hire another physician for an independent medical evaluation to determine whether the bullet should be removed. The client thought that he had paid Mr. Allen in full and would not hire an expert.

22. Mr. Allen did not return the other $2,500 paid to him in anticipation of the second stage.

23. The bar's investigation revealed that Mr. Allen paid all of the client's advances to himself less than two months into the case well before he had finished the work on stage 1 and without progressing to stage 2.

24. Specifically, on March 9, 2010, the day after he received the $5,000 advance, Mr. Allen deposited the funds into his trust account. He then paid $2,500 to himself 20 days later on March 29, 2010. Then 10 days later, on April 8, 2010, he paid another $1,500 to himself and an additional $500 to Dennis Austin, a nonlawyer. On April 29, 2010, he paid another $150 to Dennis Austin and the remaining $350 of the client's advanced fee to himself on April 30, 2010, although he never progressed beyond the initial $2,500 investigation phase.

25. Mr. Allen acknowledged that he never prepared or filed any pleadings (stage 2), and that normally the investigation stage is the time when he decides whether to go forward and file suit. He said that in this case he had gone way beyond using up the $2,500 allotted for the investigation stage and that he more than earned the $5,000 fee based upon investigation and research.

26. Mr. Jones did not refund any of the advanced fee to Mr. Barner.

27. During the bar investigation, however, Mr. Allen said that if the bar thought that some money should be returned, that it should go to Ms. Dame.

28. Mr. Allen furnished the bar with bank statements, cancelled checks, client subsidiary ledgers, and a hand-written disbursement ledger. He did not furnish the bar with all of the records required by Rule 1.15 of the Rules of Professional Conduct.

II. NATURE OF MISCONDUCT
(David Barner Complaint)

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

In disbursing $2,500 of the $5,000 fee to himself within 20 days of receipt before he had completed the first phase of the case for which $2,500 was earmarked, according to his written explanation to his client; in disbursing a total of $4,350 of the entire $5,000 advance fee to himself and the remaining $650 to nonlawyer Dennis Austin within two months of receipt, when $2,500 of the funds were clearly earmarked for the second phase of the case, according to his written explanation, but when he had never progressed to the second phase of the case; in disbursing the entire $5,000 advanced fee without earning it and without client authorization in failing to maintain the required trust account records or furnish them to the bar in response to subpoena;, the Respondent was in violation of the following Rules of Professional Conduct:

RULE 1.15 Safekeeping Property (pre-June 2011 revision)

(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 accountings to the client regarding them;

(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.

(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 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.

(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;

(iii) 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; or

For other Misconduct occurring on or after June 21, 2011 that affects Rule 1.15, such as ongoing trust account records maintenance violations and nonissue of a refund, as set forth above, the Respondent was in violation of the following Rule of Professional Conduct:

RULE 1.15 Safekeeping Property (June 21, 2011 Revision)

(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;

(c) Record-Keeping Requirements. A lawyer shall, at a minimum, maintain the following books and records demonstrating compliance with this Rule:

(1) Cash receipts and disbursements journals for each trust account, including entries for receipts, disbursements, and transfers, and also including, at a minimum: an identification of the client matter; the date of the transaction; the name of the payor or payee; and the manner in which trust funds were received, disbursed, or transferred from an account.

(2) A subsidiary ledger containing a separate entry for each client, other person, or entity from whom money has been received in trust.

The ledger should clearly identify:

(i) the client or matter, including the date of the transaction and the payor or payee and the means or methods by which trust funds were received, disbursed or transferred; and

(ii) any unexpended balance.

(3) In the case of funds or property held by a lawyer as a fiduciary, the required books and records shall include an annual summary of all receipts and disbursements and changes in assets comparable in detail to an accounting that would be required of a court supervised fiduciary in the same or similar capacity; including all source documents sufficient to substantiate the annual summary.

(4) All records subject to this Rule shall be preserved for at least five calendar years after termination of the representation or fiduciary responsibility.

(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.

(i) At least quarterly a reconciliation shall be made that reflects the trust account balance for each client, person or other entity.

(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.

(iii) At least quarterly, a reconciliation shall be made that reconciles the cash balance from (d)(3)(ii) above and the subsidiary ledger balance from (d)(3)(i).

(iv) Reconciliations must be approved by a lawyer in the law firm.

(4) The purpose of all receipts and disbursements of trust funds reported in the trust journals and ledgers shall be fully explained and supported by adequate records.

III. PROPOSED DISPOSITION

Accordingly, Bar Counsel and the Respondent tender to the Disciplinary Board for its approval the agreed disposition of a Public Reprimand with Terms as representing an appropriate sanction if this matter were to be heard through an evidentiary hearing by a panel of the Disciplinary Board. The terms with which the Respondent must comply are as follows:

1. By December 1, 2013, the Respondent will refund $2,500 (two thousand five hundred dollars) to Marjorie Dame.

2. Within 90 (ninety) days of the date that the Board enters an order approving this agreed disposition, the Respondent will provide the Virginia State Bar with proof that he is maintaining all of the records for the handling of client funds required by Rule 1.15 of the Rules of Professional Conduct, including but not limited to:
   - Maintaining subsidiary ledgers for all clients
   - Showing proof of periodic reconciliations of his attorney trust account
   - Maintaining a cash receipts and cash disbursements journal for his attorney trust account

3. The Respondent indicates that he has received the handbook, *Lawyers and Other People's Money,* Appendix 3, available to him on the Virginia State Bar's web site at http://www.vsb.org/docs/Lawyers_OPM_electronic.pdf, a reference he may use to implement any changes needed.

4. If the Virginia State Bar discovers any areas in the management or reconciliation of the Respondent's attorney trust account that require improvement or revision, the Respondent will make such revisions or improvements as directed by the Virginia State Bar.

Upon satisfactory proof that such terms and conditions have been met, this matter shall be closed. If, however, all the terms and conditions are not met by the deadlines imposed above, the Respondent agrees that the Disciplinary Board shall impose a Six-Month Suspension of his License to Practice Law in the Commonwealth of Virginia pursuant to Rules of Court, Part Six, Section IV, Paragraph 13-18.O.

If the Agreed Disposition is approved, the Clerk of the Disciplinary System shall assess an administrative fee.

THE VIRGINIA STATE BAR

By: _____
Edward L. Davis, Bar Counsel

_____
Leroy Wendell Allen, Jr., Respondent