

VIRGINIA:

BEFORE THE VIRGINIA STATE BAR DISCIPLINARY BOARD

**IN THE MATTERS OF
ANNA HUGHES MYERS**

**VSB DOCKET NOS.: 19-021-112027; 19-021-113670; &
19-021-115847**

**AGREED DISPOSITION MEMORANDUM ORDER
TWO YEAR SUSPENSION WITH TERMS**

On Wednesday, August 19, 2020 this matter was heard 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 Part Six, Section IV, Paragraph 13-6.H of the *Rules of the Supreme Court of Virginia*. The panel consisted of Yvonne S. Gibney, Chair; Devika E. Davis; Kamala H. Lannetti; David J. Gogal; and Tammy D. Stephenson, Lay Member. The Virginia State Bar was represented by Paulo E. Franco, Jr., Assistant Bar Counsel. Respondent Anna Hughes Myers (“Respondent”) was present and was represented by counsel Mary Teresa Morgan, Esq. 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 Jacquelin Longmire, 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 Answer, Respondent’s Disciplinary Record, the arguments of the parties, and after due deliberation,

It is **ORDERED** that the Disciplinary Board accepts the Agreed Disposition and the Respondent shall receive a Two-Year Suspension 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 August 28, 2020.

It is further **ORDERED** that:

The Respondent must comply with the requirements of Part 6, Section IV, Paragraph 13-29 of the *Rules of the Supreme Court of Virginia*. 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 Respondent 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 herein 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 day 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 the Suspension, she shall submit an affidavit to that effect within 60 days of the effective date of the Suspension to the Clerk of the Disciplinary System at the Virginia State Bar. 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.

The Clerk of the Disciplinary System shall assess costs pursuant to Part Six, Section IV, Paragraph 13-9.E. of the *Rules*.

It is further ORDERED that an attested copy of this Order be mailed to the Respondent by certified mail, return receipt requested, and by regular mail to her last address of record with the Virginia State Bar at Anna Hughes Myers, Esq., 4009 Flowerfield Road, Apt. A, Norfolk, VA 23518, and a copy to Mary Teresa Morgan, Esq., Respondent's counsel at Golightly Mulligan & Morgan, PLC, Suite 441, 1244 Perimeter Parkway Virginia Beach, VA 23454, and a copy hand-delivered to Paulo E. Franco, Jr., Assistant Bar Counsel, Virginia State Bar, Suite 700, 1111 E. Main Street, Richmond, VA 23219.

Entered this 19th day of August, 2020

VIRGINIA STATE BAR DISCIPLINARY BOARD

Yvonne S. Gibney

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Gibney

Date: 2020.08.19 16:28:04 -04'00'

Yvonne S. Gibney, Chair

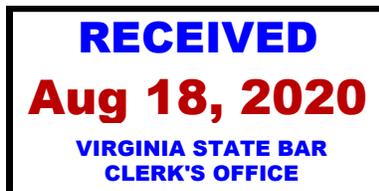


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DaVida M. Davis

**Clerk of the Disciplinary System
Virginia State Bar**



VIRGINIA:

**BEFORE THE DISCIPLINARY BOARD
OF THE VIRGINIA STATE BAR**

**IN THE MATTERS OF
ANNA HUGHES MYERS**

VS **Docket Nos. 19-021-112027, 19-021-113670
19-021-115847**

**AGREED DISPOSITION
(TWO YEAR SUSPENSION WITH TERMS)**

Pursuant to the Rules of the Supreme Court of Virginia, Part 6, Section IV, Paragraph 13-6.H, the Virginia State Bar, by Paulo E. Franco, Jr., Assistant Bar Counsel, and Anna Hughes Myers, Respondent, and Mary T. Morgan, Esquire, Respondent's counsel, hereby enter into the following Agreed Disposition arising out of the referenced matters.

VS **DOCKET NO: 19-021-112027**

COMPLAINANT: Jeffrey Etter

VS **DOCKET NO: 19-021-113670**

COMPLAINANT: Charles J. Hastings

I. STIPULATIONS OF FACT

1. At all times relevant, Respondent was admitted to practice law in the Commonwealth of Virginia.
2. Respondent was admitted to the Bar of the Commonwealth of Virginia on October 9, 1997.
3. Complainants, Mr. Jeffrey Etter ("Mr. Etter") and Dr. Charles Hastings ("Dr. Hastings"), along with John Clay ("Mr. Clay"), were business partners (collectively, the "Parties") who owned an interest in a company known as Pivot Point Complete Fitness, LLC ("Pivot Point") that owns and operates several fitness and wellness centers in the Tidewater area of Virginia.
4. In 2014 Respondent was engaged to form and organize Pivot Point as a corporate entity. Dr. Hastings and Mr. Clay each had a one-half ownership interest in Pivot Point.
5. In November 2017, Mr. Etter purchased a one-third ownership interest in Pivot Point from Mr. Clay and Dr. Hastings.

6. Respondent represented Pivot Point in the purchase agreement that allowed Mr. Etter to become an owner of Pivot Point and agreed to prepare the necessary documentation to complete the purchase.

7. Due to Mr. Etter's purchase of an interest in Pivot Point, a new operating agreement needed to be drafted.

8. According to Mr. Etter and Dr. Hastings, Respondent never completed the new operating agreement. The Respondent prepared a draft operating agreement, but the Parties could not reach an agreement on the terms of the agreement, especially with regard to the specific duties and responsibilities of each partner. As a result, the Respondent could not finalize the agreement.

9. At the end of December of 2017, and before the Parties had reached an agreement with respect to the specific duties and responsibilities of each partner such that the Respondent could finalize the operating agreement, Mr. Clay announced to Dr. Hastings and Mr. Etter that he no longer wanted to remain a member of Pivot Point.

10. The original operating agreement required all partners' consent for any withdrawal.

11. Unbeknownst to the Respondent, on January 8, 2018, Mr. Clay made an unauthorized withdrawal of \$13,791.00 from Pivot Point's corporate account.

12. Despite demand from Dr. Hastings and Mr. Etter, Mr. Clay did not return the \$13,791.00.

13. Mr. Clay conditioned the return of the money upon Dr. Hastings and Mr. Etter buying out Mr. Clay's interest in Pivot Point.

14. During the course of the investigation of these complaints, Respondent advised the Virginia State Bar's investigator that Mr. Clay told her that he took the money in question as leverage against Mr. Etter and Dr. Hastings.

15. From early January of 2018 through March of 2018, Mr. Clay, Mr. Etter and Dr. Hastings had discussions about how they would resolve the dispute.

16. During this period, Respondent represented to Dr. Hastings and Mr. Etter via correspondence on several occasions that she represented Pivot Point and not the individual members.

17. On or before January 18, 2018, the partners entered into an agreement, which was reduced to writing on January 18, 2018 ("Buyout Agreement"). The Buyout Agreement provided that Dr. Hastings and Mr. Etter would buy out Mr. Clay's interest in Pivot Point and further provided that Respondent would hold the \$13,791.00 in her trust account until the matter was resolved.

18. Respondent agreed to hold the \$13,791.00 in her trust account, and on January 16, 2018, Respondent deposited \$13,791.00 in her trust account.

19. The parties agreed that with respect to the \$13,791.00 that Respondent was holding in trust, she receive a \$2,000.00 payment for legal fees, Mr. Clay would receive \$11,000.00 provided that he satisfy his obligations under the Buyout Agreement, and Pivot Point would receive \$791.00 once the Buyout Agreement closed.

20. In text and email communications with Dr. Hastings, Mr. Etter, and Mr. Clay, Respondent represented to each that she was holding the money as an escrow agent and that she had placed the money in her trust account.

21. Over the course of January 2018, and prior to satisfaction of the other conditions, Respondent made several transfers from her trust account to her personal accounts totaling \$1,600.00. The transfers that occurred in January 2018 were for payment of Respondent's legal fees.

22. On February 16, 2018, Respondent represented to Dr. Hastings that the money was still secure in her trust account. At that time, except for the legal fees that had been transferred, the funds were still in Respondent's account.

23. On February 20 and 24, 2018, Respondent confirmed by text that she was holding the disputed funds in her trust account. At that time, except for the legal fees that had been transferred, the funds were still in Respondent's account.

24. From February 21 through the end of February, Respondent represented in several emails that she was acting as an escrow agent in connection with the Buyout Agreement.

25. Despite her representations that she was acting as an escrow agent, Respondent did not disburse the funds in accordance with the terms of the Buyout Agreement. Initially, the Respondent did not disburse because the Parties were not in agreement.

26. From December 2017 through February 2018 and beyond, the Respondent was attending therapy with a licensed Professional Counselor and Professional Psychologist related to the severe domestic violence to which she was being subjected. On or around February 14, 2018, the Respondent experienced a particularly violent verbal and physical altercation after which time, she seriously feared for her life, and the violence in her life continued to escalate during 2018.

27. In March 2018, unbeknownst to the parties and contrary to her representations and the Buyout Agreement, Respondent transferred portions of the \$13,791.00 into her operating account as follows:

- a. From March - May 2018, Respondent made several transfers totaling \$11,293.59 from her trust account to her operating account and personal account, eventually leaving a zero balance in her trust account on May 9, 2018.
- b. On July 31, 2018, the balance in Respondent's operating account was -\$2,922.01.

- c. On August 28, 2018, Towne Bank issued a Charge Off to the account. The Respondent deposited sufficient funds to zero out the balance in her operating account and on September 5, 2018 the balance in Respondent's trust account was \$0.00.

28. From March of 2018 through June of 2018, Respondent's operating account reflects that she spent money for purchases of goods and services not related to Pivot Point or the Buyout Agreement, and resulting in a closing balance on June 30, 2018 of -\$4,270.01. Respondent's account resulted in a negative balance when she disbursed the \$11,000 to Mr. Clay.

29. With the exception of the transfers for Respondent's legal fees, neither Mr. Etter nor Dr. Hastings authorized the other transfers from Respondent's trust account into her operating account.

30. During this same time frame, between May and June 2018, the Respondent attempted marital counseling with her husband, the aggressor, in addition to her individual sessions. The counselor ultimately discharged the couple, advising that they separate, and expressing concern for the Respondent's safety and well-being.

31. By letter dated March 9, 2018, counsel for Mr. Clay requested Respondent pay the \$11,000.00 as required under the Buyout Agreement, but as of March 9, 2018, Dr. Hastings and Mr. Etter had not yet agreed to the payout to Mr. Clay

32. Respondent did not make the payment to Mr. Clay until sometime in May of 2018. Mr. Clay has never made a complaint against the Respondent or expressed dissatisfaction with her services.

33. In June and July 2018, the Respondent's psychologist noted a marked decrease in her emotional functioning based on her husband's verbal aggression and degradation. The Respondent was listless, withdrawn, and unable to speak. She was barely functioning. In July 2018, the Respondent suffered from a significant bout of depression which undoubtedly affected her practice and her judgment.

34. Despite representations to Mr. Etter and Dr. Hastings in June and August of 2018 that she would disburse the \$791.00 owed to Pivot Point, Respondent did not disburse the funds at that time.

35. When Pivot Point did not receive the \$791.00 owed to it, Mr. Etter and Dr. Hastings filed the instant bar complaints against Respondent.

36. In her written response to the instant bar complaints dated November 19, 2018, Respondent advised the Virginia State Bar that she would immediately pay to Pivot Point the \$791.00 it was owed by depositing the payment by first class mail. The Respondent had every intention of making the payment but was unable to do so.

37. In her interview with the Virginia State Bar's investigator, Respondent admitted that she did not have the \$791.00 either in trust or in her possession.

38. Respondent has repaid the \$791.00 owed to Pivot Point.

39. When asked by the Virginia State Bar's investigator to explain why it took so long to pay Mr. Clay, Respondent stated that it was due to disputes between Mr. Clay, Mr. Etter and Dr. Hastings.

40. The record reflects that Respondent had disbursed the funds she was to hold in trust, and she no longer held the funds in her trust account.

41. During a subsequent interview with the Virginia State Bar, Respondent explained further that the delay in paying the \$11,000.00 to Mr. Clay was due to the fact that Mr. Clay had loaned her some of that money that was being held in escrow.

42. When pressed by the investigator for the terms of the loan she allegedly received from Mr. Clay, Respondent was unable to do so.

43. Respondent admitted to the Virginia State Bar's investigator that there was no promissory note or other documentary evidence of the loan she alleged that Mr. Clay made to her.

44. Respondent further admitted to the Virginia State Bar's investigator that she did not give Mr. Clay an opportunity to consult with independent counsel before he allegedly decided to lend her the money.

45. In responding to the Certification, Respondent admitted that, despite her prior representations to the Virginia State Bar investigator, she did not receive a loan from Mr. Clay. Rather, she stated that she had discussions with Mr. Clay that never resulted in an actual loan.

46. During 2017 and 2018, Respondent failed to maintain her attorney trust account in compliance with Virginia Rule of Professional Conduct 1.15.

47. The Virginia State Bar's investigator reviewed Respondent's bank account information concerning her trust and operating accounts for the year 2018.

48. Respondent indicated that she would provide documentation to the Virginia State Bar to evidence her compliance with the requirements of Rule 1.15 but failed to turn over satisfactory records.

49. As mitigation, Respondent can demonstrate a level of abuse that was extraordinary. Indeed, her counselor has indicated that during the time frame in which the Respondent represented Pivot Point, accepted the funds into her trust account and during the subsequent investigation, she was essentially in the fight of her life. The persistent aggression continued and eventually shifted to not only include her, but her son. Ultimately, a number of protective orders were put into place to protect the Respondent and her son and daughter.

50. The Respondent submits that the abuse affected her judgment with respect to the manner in which she conducted herself in the above referenced cases.

51. Prior to the time frames referenced herein, the Respondent was an established attorney with a stellar reputation.

52. Respondent expresses her remorse and takes full responsibility for her actions in these matters.

II. NATURE OF MISCONDUCT

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

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.

* * * *

RULE 1.7 Conflict of Interest: General Rule.

(a) Except as provided in paragraph (b), a lawyer shall not represent a client if the representation involves a concurrent conflict of interest. A concurrent conflict of interest exists if:

(2) there is significant risk that the representation of one or more clients will be materially limited by the lawyer's responsibilities to another client, a former client or a third person or by a personal interest of the lawyer.

* * * *

RULE 1.15 Safekeeping Property

(a) Depositing Funds.

(1) All funds received or held by a lawyer or law firm on behalf of a client or a third party, or held by a lawyer as a fiduciary, other than reimbursement of advances for costs and expenses shall be deposited in one or more identifiable trust accounts; all other property held on behalf of a client should be placed in a safe deposit box or other place of safekeeping as soon as practicable.

(3) No funds belonging to the lawyer or law firm shall be deposited or maintained therein except as follows:

(ii) funds in which two or more persons (one of whom may be the lawyer) claim an interest shall be held in the trust account until the dispute is resolved and

there is an accounting and severance of their interests. Any portion finally determined to belong to the lawyer or law firm shall be withdrawn promptly from the trust account.

(b) Specific Duties. A lawyer shall:

(2) identify and label securities and properties of a client, or those held by a lawyer as a fiduciary, promptly upon receipt;

(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 that such person is entitled to receive; and

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

(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.

(1) Insufficient Fund Reporting. All accounts are subject to the requirements governing insufficient fund check reporting as set forth in the Virginia State Bar Approved Financial Institution Agreement.

(2) Deposits. All trust funds received shall be deposited intact. Mixed trust and non-trust funds shall be deposited intact into the trust fund and the non-trust portion shall be withdrawn upon the clearing of the mixed fund deposit instrument. All such deposits should include a detailed deposit slip or record that sufficiently identifies each item.

(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.

* * * *

RULE 1.16 Declining or Terminating Representation

(a) Except as stated in paragraph (c), a lawyer shall not represent a client or, where representation has commenced, shall withdraw from the representation of a client if:

(2) the lawyer's physical or mental condition materially impairs the lawyer's ability to represent the client;

* * * *

RULE 4.1 Truthfulness in Statements to Others

In the course of representing a client, a lawyer shall not knowingly:

(a) make a false statement of fact or law

* * * *

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:

(a) knowingly make a false statement of material fact;

(b) fail to disclose a fact necessary to correct a misapprehension known by the person to have arisen in the matter;

* * * *

RULE 8.4 Misconduct

It is professional misconduct for a lawyer to:

(c) engage in conduct involving dishonesty, fraud, deceit or misrepresentation which reflects adversely on the lawyer's fitness to practice law.

* * * *

VSb DOCKET NO: 19-021-115847
COMPLAINANT: Terry James McCoy

I. STIPULATIONS OF FACT

1. At all times relevant, Respondent was admitted to practice law in the Commonwealth of Virginia.
2. Respondent was admitted to the Bar of the Commonwealth of Virginia on October 9, 1997.
3. Complainant Terry McCoy retained Respondent to represent his interests in two matters 1) to finalize divorce proceedings and 2) to file suit against the City of Newport News for his unlawful arrest and the imposition of a protective order against him.
4. Mr. McCoy paid Respondent various amounts in 2018. Receipts from the Respondent indicate that Mr. McCoy paid \$700.00 plus what appears to be receipt of an additional \$850 in previous payments on September 28, 2018, \$425.00 on November 23, 2018, and \$500.00 on March 13, 2019.

5. Respondent began working on the matters while a solo practitioner.
6. On August 27, 2018, Respondent sent Mr. McCoy a text message saying that she was notifying the City of Newport News of his allegations.
7. Unbeknownst to Mr. McCoy, Respondent not ever file suit against the City of Newport News.
8. Respondent sent Mr. McCoy a text message that she was planning to mail a letter to the City of Newport News on October 29, 2018 and provided him with a draft to review.
9. In the course of the investigation, Respondent provided a copy of a letter dated November 23, 2018 to the City of Newport News that she states she never sent.
10. Respondent subsequently associated with The Law Office of Stephanie Johnson.
11. On March 13, 2019, Respondent and Mr. McCoy executed a representation agreement on letterhead of The Law Office of Stephanie Johnson.
12. That agreement called for a flat fee of \$2,000.00 for finalization of his divorce in Norfolk and for filing suit against the City of Newport News for \$2,000,000.00 in damages related to false family abuse accusations.
13. According to a receipt bearing Respondent's name, Mr. McCoy made an additional payment of \$500.00 on March 19, 2019. A notation that appears to be in Respondent's handwriting indicates that Mr. McCoy owed Respondent no further amounts.
14. Respondent did not file suit for divorce or take any further steps in finalizing the divorce as she agreed to do.
15. Respondent did not file suit against the City of Newport News despite her representation to Mr. McCoy that she would do so in April 2019.
16. During April and May of 2019, Mr. McCoy asked for a refund of his fees.
17. During her interview with the Virginia State Bar's investigator, Respondent was advised that Mr. McCoy paid her \$500.00 on March 13, 2019.
18. Respondent stated to the Virginia State Bar's investigator that she had already spent the money that Mr. McCoy had paid because she claimed it was earned.
19. When the Virginia State Bar's investigator requested that Respondent provide evidence of the fees being earned, she advised him that she had a spreadsheet showing the work that had been done on Mr. McCoy's cases.
20. Respondent did not provide such a spreadsheet in response to a subpoena, nor was she able to produce such a spreadsheet for the Virginia State Bar's investigator.

21. However, during the same interview, Respondent told the Virginia State Bar's investigator that she did not pursue Mr. McCoy's divorce because she was afraid of Mr. McCoy, who was a very large and volatile individual. It was during this same time frame that the Respondent was undergoing emotional, verbal and physical abuse at the hands of her husband who was also large in stature.

22. The Respondent also told the Virginia State Bar's investigator that she had refunded \$800 to Mr. McCoy but was not able to offer any proof of the same.

23. During 2017 and 2018, Respondent failed to maintain her attorney trust account in compliance with Virginia Rule of Professional Conduct 1.15.

24. The Virginia State Bar's investigator reviewed Respondent's bank account information concerning her trust and operating accounts for the year 2018.

25. Respondent indicated that she would provide documentation to the Bar to evidence her compliance with the requirements of Rule 1.15 but failed to turn over satisfactory records.

26. In fact, Respondent's trust account had been closed by her financial institution and her operating closed out due to numerous overdrafts.

27. The Virginia State Bar's investigator reviewed with the Respondent bank records related to Respondent's trust account.

28. Respondent acknowledged transfers from her trust account into her personal account but had no records to substantiate the reason for the transfers.

29. When asked about several deposits into the trust account in March of 2017 on behalf of clients, Respondent acknowledged she had no client ledgers.

30. The Respondent submits that the abuse affected her judgment with respect to the manner in which she conducted herself in the above referenced cases.

31. Prior to her the time frames referenced herein, the Respondent was an established attorney with a stellar reputation.

32. Respondent expresses her remorse and takes full responsibility for her actions in these matters.

II. NATURE OF MISCONDUCT

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

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.

* * * *

RULE 1.7 Conflict of Interest: General Rule.

(a) Except as provided in paragraph (b), a lawyer shall not represent a client if the representation involves a concurrent conflict of interest. A concurrent conflict of interest exists if:

(2) there is significant risk that the representation of one or more clients will be materially limited by the lawyer's responsibilities to another client, a former client or a third person or by a personal interest of the lawyer.

* * * *

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(a) Depositing Funds.

(1) All funds received or held by a lawyer or law firm on behalf of a client or a third party, or held by a lawyer as a fiduciary, other than reimbursement of advances for costs and expenses shall be deposited in one or more identifiable trust accounts; all other property held on behalf of a client should be placed in a safe deposit box or other place of safekeeping as soon as practicable.

(3) No funds belonging to the lawyer or law firm shall be deposited or maintained therein except as follows:

(ii) funds in which two or more persons (one of whom may be the lawyer) claim an interest shall be held in the trust account until the dispute is resolved and there is an accounting and severance of their interests. Any portion finally determined to belong to the lawyer or law firm shall be withdrawn promptly from the trust account.

(b) Specific Duties. A lawyer shall:

(2) identify and label securities and properties of a client, or those held by a lawyer as a fiduciary, promptly upon receipt;

(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 that such person is entitled to receive; and

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

(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.

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

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(a) Except as stated in paragraph (c), a lawyer shall not represent a client or, where representation has commenced, shall withdraw from the representation of a client if:

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* * * *

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In the course of representing a client, a lawyer shall not knowingly:

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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:

(a) knowingly make a false statement of material fact;

(b) fail to disclose a fact necessary to correct a misapprehension known by the person to have arisen in the matter;

* * * *

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It is professional misconduct for a lawyer to:

(c) engage in conduct involving dishonesty, fraud, deceit or misrepresentation which reflects adversely on the lawyer's fitness to practice law.

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PROPOSED DISPOSITION

Accordingly, Assistant Bar Counsel and the Respondent, together with her counsel, tender to the Disciplinary Board for its approval the agreed disposition of Suspension for two years 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. Respondent shall be in compliance with all the requirements of Part 6, § IV, Para. 13-25.D of the Rules of the Supreme Court of Virginia prior to her reinstatement to the practice of law;
2. For a period of 3 years following her reinstatement to the practice of law ("Probation Period"), the Respondent shall not engage in any conduct that violates the following provisions of the Virginia Rules of Professional Conduct, including any amendments thereto, and/or which violates any analogous provisions, and any amendments thereto, of the disciplinary rules of another jurisdiction in which the Respondent may be admitted to practice law. The terms contained in this paragraph shall be deemed to have been violated when any ruling, determination, judgment, order, or decree has been issued against the Respondent by a disciplinary tribunal in Virginia or elsewhere, containing a finding that Respondent has violated one or more provisions of the Rules of Professional Conduct referred to above, *provided, however*, that the conduct upon which such finding was based occurred within the period referred to above, and provided, further, that such ruling has become final;
3. If Respondent is found to have violated the provisions of Rules 1.15, 8.1 or 8.4 of the Virginia Rules of Professional Conduct during the Probation Period, the Respondent agrees that the alternative sanction shall be the automatic revocation of her license to practice law; and

4. If Respondent is found to have violated the provisions of any other of the Virginia Rules of Professional Conduct during the Probation Period not enumerated in Paragraph 3 of these terms, the Respondent agrees that the alternative sanction shall be a hearing before the Disciplinary Board to determine an appropriate sanction for violation of the terms of this Agreed Disposition. Such sanction shall be in addition any sanction given in the matter giving rise to a violation of this provision.

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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 the alternative sanction set forth herein 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 costs pursuant to ¶ 13-9.E of the Rules.

THE VIRGINIA STATE BAR

By: *Paulo E. Franco, Jr.*
Paulo E. Franco, Jr., Assistant Bar Counsel

Anna Hughes Myers
Anna Hughes Myers, Respondent

Mary T. Morgan
Mary T. Morgan, Respondent's Counsel