

**VIRGINIA:**

**BEFORE THE VIRGINIA STATE BAR DISCIPLINARY BOARD**

**IN THE MATTER OF  
RAYMOND LEWIS PALMER**

**VS B DOCKET NO. 19-033-115044**

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

On Friday, May 15, 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, § IV, ¶ 13-6 H of the Rules of the Supreme Court of Virginia. The panel consisted of Michael A. Beverly, Chair, Stephanie G. Cox, Kamala H. Lannetti, Steven B. Novey and Nancy L. Bloom, Lay Member. The Virginia State Bar was represented by Renu M. Brennan, Bar Counsel. Raymond Lewis Palmer was present and was represented by counsel Irving M. Blank. 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 Lisa Wright, 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, Notice of Representation, 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 One Year Suspension with Terms, as set forth in the Agreed Disposition and Terms-Compliance Period, which is attached and incorporated in this Memorandum Order.

It is further **ORDERED** that the sanction is effective September 15, 2020.

It is further **ORDERED** that the Respondent must comply with the requirements of Part Six, § IV, ¶ 13-29 of the Rules of the Supreme Court of Virginia. The Respondent shall forthwith give notice by certified mail of the Revocation or Suspension of his or her license to practice law in the Commonwealth

of Virginia, to all clients for whom he or 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 his or her care in conformity with the wishes of his or her clients. The Respondent shall give such notice within 14 days of the effective date of the Revocation or Suspension, and make such arrangements as are required herein within 45 days of the effective date of the Revocation or Suspension. The Respondent shall also furnish proof to the Bar within 60 days of the effective day of the Revocation or 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 Revocation or Suspension, he or she shall submit an affidavit to that effect within 60 days of the effective date of the Revocation or 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 ¶ 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, at his last address of record with the Virginia State Bar at The Law Offices of Raymond L. Palmer, Sr., 100 N. 5th Street, Richmond, VA 23219, and a copy to Irving M. Blank, Respondent's counsel at Blank & Marcus LLC., 1st Floor, 1804 Staples Mill Road, Richmond, VA 23230, and a copy hand-delivered to Renu M. Brennan, Bar Counsel, Virginia State Bar, Suite 700, 1111 E. Main Street, Richmond, VA 23219.

Enter this Order this 22nd day of May, 2020

VIRGINIA STATE BAR DISCIPLINARY BOARD



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Michael A. Beverly  
First Vice Chair

**VIRGINIA:**

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

**IN THE MATTER OF  
RAYMOND LEWIS PALMER**

**VS** **Docket No. 19-033-115044**

**AGREED DISPOSITION  
ONE 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 ("VSB"), by Renu M. Brennan, Bar Counsel, and Raymond Lewis Palmer, Respondent, and Irving M. Blank, Respondent's counsel, hereby enter into the following Agreed Disposition, for a One-Year Suspension with Terms, arising out of the referenced matter.

**I. STIPULATIONS OF FACT**

1. On May 28, 1981, Respondent was licensed to practice law in the Commonwealth of Virginia. At all relevant times, Respondent was a member in good standing of the VSB.
2. Respondent is a solo practitioner who practices criminal defense and personal injury law.
3. From 2007 to May 2018, Respondent maintained an escrow account ending in #7688 at SunTrust.
4. As of January 16, 2018, the balance in Respondent's escrow account was \$1,503.65.
5. On January 18, 2018, Respondent deposited his own personal injury settlement proceeds (a check in the amount of \$15,778 from Allstate payable to him as claimant) in his escrow account.
6. On January 24, 2018, Respondent deposited an additional \$1,000 of his personal funds into his escrow account.
7. On January 26, 2018, the IRS levied Respondent's escrow account \$4,581.65 for personal taxes owed by Respondent. Respondent was also assessed a \$100 legal order processing fee. Prior to the levy, Respondent's escrow account balance was \$5,131.65. After the levy, the escrow account balance was \$450.
8. Respondent did not, and, in his interview with the VSB investigator asserted he could not, identify when the IRS levied the funds from the escrow account, how much was

taken, or which clients were affected. Respondent told the VSB investigator that he would "go back and try to determine that" and that he had not previously tried to determine which clients were affected because he repaid the clients.

9. Respondent advised the VSB investigator that as of May 2018 he stopped using the escrow account because of the IRS levy.
10. As of May 1, 2018, according to Respondent's client ledger cards, Respondent's escrow account balance should have been \$57,881.34 for six clients. Despite inquiry from the VSB, Respondent has not provided any information to the contrary.
11. As of May 1, 2018, the balance in Respondent's escrow account was only \$26,871.58. Respondent cannot account for the additional \$31,009.76 that Respondent's client ledgers reflect should have been in the escrow account as of May 1, 2018.
12. On May 1, 2018, Respondent transferred \$25,000 from his escrow account to open an IOLTA account. Respondent could not identify to the VSB investigator which clients' funds were used to open the IOLTA account.
13. Bank records reflect that Respondent made payments from the IOLTA account to clients who did not have client ledger cards reflecting that they had funds in the escrow account or corresponding deposits in the IOLTA account.

**Respondent's Handling Of Client JH's Personal Injury Case**

14. On May 16, 2018, Respondent deposited a settlement check dated May 11, 2018, for \$300,000 for client JH into Respondent's IOLTA account.
15. On May 21, 22, and 29, 2018, Respondent disbursed \$30,000 to himself leaving a client ledger balance of \$270,000. The checks were dated May 21, 22, and 26, 2018 (nos. 3011, 3013, and 3014) and negotiated May 21, 22, and 29, 2018.
16. By check no. 3061 dated August 7, 2018, and negotiated September 12, 2018, Respondent disbursed \$89,500 to JH, leaving a client ledger balance of \$180,500.
17. By check no. 3072 referencing JH, dated September 19, 2018, and negotiated September 25, 2018, Respondent paid \$105,000 to the Treasurer of Virginia, leaving a client ledger balance of \$75,500.
18. On March 1, 2019, the Richmond Ambulance Authority cashed check no. 3070 referencing JH, dated September 10, 2018, in the amount of \$666.00, leaving a client ledger balance of \$74,834.
19. From June 1, 2018 to February 2019 Respondent transferred \$59,850 to himself as his fee on the JH case as follows:

June 1, 2018:           \$5,000

June 11, 2018:	\$5,000
June 11, 2018:	\$10,000
June 26, 2018:	\$5,000
June 29, 2018:	\$5,000
July 3, 2018:	\$2,500
July 6, 2018:	\$2,500
July 16, 2018:	\$2,500
August 6, 2018:	\$2,500
September 14, 2018:	\$5,000
September 27, 2018:	\$1,000
October 9, 2018:	\$ 750
October 10, 2018:	\$1,000
January 31, 2019:	\$ 600
February 1, 2019:	\$2,000
February 4, 2019:	\$2,000
February 8, 2019:	\$1,000
February 11, 2019:	\$ 500
February 12, 2019:	\$1,000
February 14, 2019:	\$2,000
February 19, 2019:	\$ 200
February 22, 2019:	\$2,800

Respondent thus received a total of \$89,850 as his fee. Respondent's client ledger reflects that his fee should have been \$89,834.

20. On March 4, 2019, SunTrust Bank notified the VSB that a check (#3069) dated September 10, 2018, made payable to MCV Associated Physicians for client JH in the amount of \$15,000, was presented for payment. Respondent's escrow account balance as of that date was only \$3,840.76.
  
21. The balance in Respondent's IOLTA account from September 10, 2018, to March 2019 dipped below \$15,000 several times:
  - October 12, 2018 to October 17, 2018.
  
  - January 22, 2019 to January 25, 2019.
  
  - January 28, 2019 to April 2, 2019.
  
  - April 4, 2019 to April 30, 2019.
  
22. In response to the VSB inquiry about the overdraft, Respondent stated that he wrote the check on September 9, 2018, but the check was not presented for payment until six months later. Respondent asserts that the check was mistakenly marked as paid in his records. Respondent asserts he was unable to reconcile the IOLTA account during September thru December 2018 because he did not receive paper or online statements. The bank sent Respondent's statements to an incorrect address in

Alexandria<sup>1</sup>. Respondent received statements as of January 2019 but did not reconcile his IOLTA account during that time or ensure that there were sufficient funds in the account to pay MCV's lien.

23. Respondent did not issue another check to MCV for seven months after SunTrust returned the \$15,000 check due to insufficient funds in the IOLTA account. When asked in an interview on September 26, 2019, why Respondent did not pay MCV the \$15,000 after the check was dishonored, Respondent stated he did not have the funds to pay MCV.

#### IOLTA Review

24. Respondent's IOLTA account records reflect systemic lack of attention to detail and continued commingling through piecemeal disbursement of fees. With respect to the handling of settlement funds and payments to clients and third parties in several matters, Respondent's client ledger reflects that checks were written, but the checks were not issued. According to Respondent's client ledger, these clients should have balances in the IOLTA account, but they do not. In one matter, Respondent's settlement statement and client ledger reflect that he received \$2,800 in fees, but he received \$3,340 in fees and \$95 in costs.
25. Respondent's client ledgers often lack the data (dates, check number) required by Rule 1.15 or sufficient detail to adequately reconcile the records.

#### Respondent's Efforts Subsequent to VSB Investigation and Respondent's Representations Regarding Prospective Trust Account Management and Additional Stipulations

26. In December 2019 Respondent engaged a Certified Public Accountant (CPA) to review his trust account and conduct a forensic analysis to verify his assertion that no clients were harmed by his Misconduct, and to make sure that Respondent was in compliance with Rule 1.15. Respondent requested the CPA complete the review by May 2020. The CPA has not done so. As set forth in the Terms below, Respondent will provide the VSB the CPA's report no later than July 1, 2020. If the CPA's report reflects that any client was harmed as a result of any of the above Misconduct then Respondent acknowledges and agrees that the VSB is not precluded by this Agreed Disposition from investigating and charging or certifying the Misconduct in a separate matter. Any evidence that a client was harmed as a result of the Misconduct will not constitute a violation of the Terms below.
27. Respondent acknowledges that he has reviewed Rule 1.15 as of the date of this disposition, and that he has been directed to review Rule 1.15 as a term of prior discipline. Respondent acknowledges that it is his duty to understand and comply with Rule 1.15 and all subparts, including not commingling his personal funds in his trust account, and complying with all recordkeeping provisions. Respondent

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<sup>1</sup> Respondent's signature card, which he signed, identified the VSB under his name and identified the VSB phone number as his phone number.

acknowledges that he cannot delegate his obligations under Rule 1.15 and affirms that if he continues to practice law he is responsible to ensure that he complies with Rule 1.15 and all subparts.

## **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.

### **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:

(i) funds reasonably sufficient to pay service or other charges or fees imposed by the financial institution or to maintain a required minimum balance to avoid the imposition of service fees, provided the funds deposited are no more than necessary to do so; or

(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:

(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.

(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.

### **III. PROPOSED DISPOSITION**

Accordingly, Bar Counsel and the Respondent tender to the Disciplinary Board for its approval the Agreed Disposition of a One-Year Suspension 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. For a period of three (3) years following reinstatement of Respondent's license, from September 15, 2021 to September 15, 2024, the Respondent hereby authorizes a VSB Investigator to conduct unannounced personal inspections of his trust account books, records, and bank records to ensure his compliance with all of the provisions of Rule 1.15 of the Rules of Professional Conduct and shall fully cooperate with the VSB investigator.
2. Respondent has engaged the services of a CPA. Respondent shall be obligated to pay when due the CPA's fees and costs for services, including provision to the VSB and to Respondent of information concerning this matter. Respondent shall provide the CPA with a copy of the Memorandum Order approving this Agreed Disposition upon its entry. On or before July 1, 2020, the CPA will: (a) certify familiarity with the requirements of Rule 1.15 of the Rules of Professional Conduct; (b) review Respondent's attorney trust account record-keeping, accounting, and reconciliation methods and procedures to ensure compliance with Rule 1.15 of the Rules of Professional Conduct; and (c) conduct a forensic examination of Respondent's account to verify that no clients were harmed as a result of his Misconduct.
3. In the event the CPA determines that the Respondent is in compliance with Rule 1.15, then on or before July 1, 2020, the CPA shall so certify in writing to Respondent and Bar Counsel. In the event the CPA determines Respondent is NOT in compliance with Rule 1.15, then on or before July 1, 2020, the CPA shall issue a written statement of the measures Respondent must take to comply with Rule 1.15, and Respondent shall have forty-five (45) days following the issuance of the statement to bring himself into compliance. The CPA shall then be granted access to Respondent's office, books, and records, following the passage of the forty-five (45) day period, to determine whether Respondent has brought himself into compliance as required. On or before August 30, 2020, the CPA shall certify in writing to Bar Counsel and to Respondent either that Respondent has brought himself into compliance with Rule 1.15 within the forty-five (45) day period, or that he has failed to do so. Respondent's failure to bring himself into

compliance with Rule 1.15 as of the conclusion of the forty-five (45) day period shall be considered a violation of these Terms.

4. The CPA shall provide Bar Counsel with a written copy of the forensic examination conducted pursuant to Paragraph 2(c) above on or before September 15, 2020. If the analysis reveals that clients were or may have been harmed, Respondent acknowledges the VSB will investigate the matter and proceed as appropriate. Any Misconduct discovered regarding Respondent's trust accounting prior to the approval of this Agreed Disposition will be pursued separately and not as a Terms violation.
5. Respondent agrees that he will not accept any new clients from today, May 15, 2020, to September 15, 2020, the effective date of his one-year suspension.

Upon satisfactory proof that these Terms and conditions have been met, this matter shall be closed. If, however, any of the Terms and conditions is not met by the deadlines imposed above, the Respondent agrees that the Disciplinary Board shall impose a three-year suspension 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: \_\_\_\_\_  
Renu M. Brennan, Bar Counsel



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Raymond Lewis Palmer, Respondent



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Irving M. Blank, Respondent's Counsel

**VIRGINIA:**

**BEFORE THE VIRGINIA STATE BAR DISCIPLINARY BOARD**

**IN THE MATTER OF  
RAYMOND LEWIS PALMER**

**VS B DOCKET NO. 19-033-115044**

**TERMS – COMPLIANCE TIME PERIOD**

1. For a period of three (3) years following reinstatement of Respondent's license, from September 15, 2021 to September 15, 2024, the Respondent hereby authorizes a VSB Investigator to conduct unannounced personal inspections of his trust account books, records, and bank records to ensure his compliance with all of the provisions of Rule 1.15 of the Rules of Professional Conduct and shall fully cooperate with the VSB investigator.
2. Respondent has engaged the services of a CPA. Respondent shall be obligated to pay when due the CPA's fees and costs for services, including provision to the VSB and to Respondent of information concerning this matter. Respondent shall provide the CPA with a copy of the Memorandum Order approving this Agreed Disposition upon its entry. On or before July 1, 2020, the CPA will: (a) certify familiarity with the requirements of Rule 1.15 of the Rules of Professional Conduct; (b) review Respondent's attorney trust account record-keeping, accounting, and reconciliation methods and procedures to ensure compliance with Rule 1.15 of the Rules of Professional Conduct; and (c) conduct a forensic examination of Respondent's account to verify that no clients were harmed as a result of his Misconduct.
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4. The CPA shall provide Bar Counsel with a written copy of the forensic examination conducted pursuant to Paragraph 2(c) above on or before September 15, 2020. If the analysis reveals that clients were or may have been harmed, Respondent acknowledges the VSB will investigate the matter and proceed as appropriate. Any Misconduct discovered regarding Respondent's trust accounting prior to the approval of this Agreed Disposition will be pursued separately and not as a Terms violation.
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