

VIRGINIA:

BEFORE THE VIRGINIA STATE BAR DISCIPLINARY BOARD

**IN THE MATTER OF
CHARLES GREGORY PHILLIPS**

**VS
VSB DOCKET NO. 23-000-129036**

CONSENT TO REVOCATION ORDER

On October 17, 2023, came Charles Gregory Phillips and presented to the Board an Affidavit Declaring Consent to Revocation (hereinafter "Affidavit") of his license to practice law in the courts of this Commonwealth. By tendering his Consent to Revocation at a time when a disciplinary complaint, Investigation or Proceeding is pending, the nature of which is specifically set forth in the attached Affidavit, Respondent acknowledges that the material facts contained in the pending disciplinary complaint, Investigation or Proceeding are true.

The Board having considered the Affidavit, and Bar Counsel having no objection, the Board accepts his Consent to Revocation.

Upon consideration whereof, it is therefore ordered that Charles Gregory Phillips' license to practice law in the courts of this Commonwealth be and the same hereby is revoked, and that the name of Charles Gregory Phillips be stricken from the Roll of Attorneys of this Commonwealth.

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 Revocation of his license to practice law in the Commonwealth of Virginia, to all clients for whom he 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 care in conformity with the wishes of his clients. The Respondent shall give such notice immediately and in no event later than 14 days of the effective date of the Revocation, and make such arrangements as are required herein as soon as is practicable and in no event later than 45 days of the effective date of the Revocation. The Respondent shall also furnish proof to the Clerk of the Disciplinary System of

the Virginia State Bar within 60 days of the effective date of the Revocation that such notices have been timely given and such arrangements have been 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, he shall submit an affidavit to that effect within 60 days of the effective date of the Revocation to the Clerk of the Disciplinary System at the Virginia State Bar. The Board shall decide all issues concerning the adequacy of the notice and arrangements required herein. The burden of proof shall be on the Respondent to show compliance.

It is further ORDERED that the Clerk of the Disciplinary System shall mail an attested copy of this order by electronic, regular and certified mail, return receipt requested, to the Respondent, Charles Gregory Phillips at his address of record with the Virginia State Bar, being, 110 East Main St, Ste 101, Salem, VA 24153 and a copy sent by electronic mail to Richard W. Johnson, Jr, Assistant Bar Counsel.

Entered this 18th day of October, 2023

Virginia State Bar Disciplinary Board

By Jennifer D. Royer
Jennifer D. Royer
Second Vice Chair



Virginia State Bar

1111 East Main Street Suite 700
Richmond, Virginia 23219-0026
Telephone: (804) 775-0500

Fax: (804) 775-0597 TDD: (804) 775-0502

October 17, 2023

CONFIDENTIAL

Ms. Joanne Fronfelter
Clerk, Disciplinary System
Virginia State Bar
1111 East Main Street, Suite 700
Richmond, VA 23219

Re: In the Matter of Charles Gregory Phillips
VSB Docket No. 23-000-129036

Dear Ms. Fronfelter,

Enclosed please find an endorsed Affidavit Declaring Consent to Revocation in the above styled matter that I ask you please present to the board for entry.

Do not hesitate to reach out with any questions or concerns. Thank you for your courtesy and consideration.

Very truly yours,

Richard W. Johnson, Jr.
Assistant Bar Counsel

RWJ/kj

Enclosure

Cc: Charles Gregory Phillips, Respondent
Robert Baker, Investigator

VIRGINIA:

BEFORE THE VIRGINIA STATE BAR DISCIPLINARY BOARD

IN THE MATTER OF
CHARLES GREGORY PHILLIPS

VSB DOCKET NO. 23-000-129036

AFFIDAVIT DECLARING CONSENT TO REVOCATION

Charles Gregory Phillips, after being duly sworn, states as follows:

1. That I was licensed to practice law in the Commonwealth of Virginia on September 30, 1991;
2. That I submit this Affidavit Declaring Consent to Revocation pursuant to Rule of Court, Part 6, Section IV, Paragraph 13-28;
3. That my consent to revocation is freely and voluntarily rendered, that I am not being subjected to coercion or duress, and that I am fully aware of the implications of consenting to the revocation of my license to practice law in the Commonwealth of Virginia;
4. I am aware that there is currently pending a complaint, an investigation into, or a proceeding involving, allegations of misconduct, the docket numbers for which is set forth above, and the specific nature of which is here set forth in the attached **Notice of Show Cause** submitted as Exhibit A;
5. I acknowledge that the material facts upon which the allegations of misconduct are predicated are true; and
6. I submit this Affidavit and consent to the revocation of my license to practice law in the Commonwealth of Virginia because I know that if the disciplinary proceedings based on the said alleged misconduct were brought or prosecuted to a conclusion, I could not successfully

defend them.

Executed and dated on 10/16/23

Charles G Phillips
Charles Gregory Phillips
Respondent

COMMONWEALTH OF VIRGINIA
CITY/COUNTY OF Salern, to wit:

The foregoing Affidavit Declaring Consent to Revocation was subscribed and sworn to before me by Charles Gregory Phillips on October 16, 2023.

Karin Elizabeth Anderson
Notary Public

My Commission expires: 9/30/2026

Karin Elizabeth Anderson
NOTARY PUBLIC
Commonwealth of Virginia
Reg. #7839074
My Commission Expires September 30, 2026

Certified Article Number

9414 7266 9904 2208 3949 48

SENDER'S RECORD



VSB
EXHIBIT

A

Virginia State Bar

1111 East Main Street Suite 700
Richmond, Virginia 23219-0026
Telephone: (804) 775-0500

Fax: (804) 775-0597 TDD: (804) 775-0502

June 30, 2022

PERSONAL AND CONFIDENTIAL

NOTICE OF SHOW CAUSE HEARING

BY CERTIFIED MAIL
RETURN RECEIPT REQUESTED
EMAIL: gregphillipslaw@gmail.com

Charles Gregory Phillips
GP Law Professional, LLC
110 East Main Street, Suite 101
Salem, Virginia 24153

Re: In the Matter of Charles Gregory Phillips
VSB Docket No. 23-000-129036

Dear Mr. Phillips:

Pursuant to Part Six, Section IV, Paragraph 13-18.O of the Rules of the Supreme Court of Virginia, I hereby serve you with this Notice of Show Cause Hearing requiring you to appear, to show cause why the alternative disposition of REVOCATION contained in the Memorandum Order of the Disciplinary Board of the Virginia State Bar dated May 17, 2023, attached as Exhibit A ("Suspension with Terms"), should not be imposed for your failure to comply with Terms 3 and 4, as set forth below. See Exhibit A.

The hearing will be held on October 27, 2023 at 9:00 a.m., at the State Corporation Commission, Courtroom, A, 1300 East Main Street, Richmond, Virginia 23219.

At that time, you will have the opportunity to show cause by clear and convincing evidence why the Disciplinary Board of the Virginia State Bar should not impose the alternative disposition for your failure to comply with the terms in the Suspension with Terms, as set forth below.

1. On May 17, 2023, the Disciplinary Board of the Virginia State Bar accepted an Agreed Disposition entered into between Charles Gregory Phillips ("Respondent"), his attorney, and Assistant Bar Counsel imposing a one year suspension with terms in

Return Receipt (Sender's Record)

9590 9266 9904 2208 3949 41

VSB Docket No. 23-080-127641, and five year suspension in VSB Docket No. 23-000-128929. The suspensions are to run concurrently. See Exhibit A.

2. Term 3 of the Suspension with Terms provides as follows:

On or before May 19, 2023, Respondent shall provide the Office of Bar Counsel with a list of current clients with active matters pending, including the court in which such matters are pending and opposing counsel in all such matters.

3. As of the date of this pleading, the Office of Bar Counsel has received no such list.

4. Term 4 of the Suspension with Terms provides as follows:

On or before May 24, 2023, Respondent shall provide notice, in writing, of his suspension to all clients and to all opposing counsel and presiding judges in pending litigation. Respondent shall provide the Office of Bar Counsel with copies of all such notices by the close of business on May 26, 2023

5. As of the date of this pleading, the Office of Bar Counsel has not received copies of the notices that Respondent was required to provide.

6. On or about May 25, 2023, the Office of Bar Counsel received a telephone call from one of Respondent's active clients, Nicholas Quesenberry. Mr. Quesenberry advised that he paid Respondent \$800 in February of 2023 to handle his divorce and that he has not been able to communicate with Respondent.

7. Mr. Quesenberry states he did not receive a notice of suspension from Respondent.

8. On June 26, 2023, the VSB received a complaint from Anthony Lee, who had previously retained Respondent in April of 2023 to represent him in a divorce action. Mr. Lee paid Respondent \$800.

9. On June 27, 2023, the VSB contacted Mr. Lee who confirmed that that he too has been unable to contact Respondent, and further that Respondent failed to provide him notice of his suspension.

10. Respondent acknowledged and agreed that in the event he did not comply with terms and conditions by the deadlines set forth in the Agreed Disposition, the Disciplinary Board must impose an alternative disposition of revocation of the Respondent's license to practice law.

WHEREFORE, pursuant to Part Six, Section IV, Paragraph 13-18.O of the Rules of the Supreme Court of Virginia, you bear the burden of proof, by clear and convincing evidence, to show that you complied with Terms 3 and 4 of the Agreed Disposition accepted by the Disciplinary Board, as set forth in its Memorandum Order of May 17, 2023. If the Disciplinary

Board finds that you violated Terms 3 and/or 4, then the Disciplinary Board shall impose the alternative sanction of REVOCATION of your license to practice law.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. W. Johnson, Jr.", with a long horizontal flourish extending to the right.

Richard W. Johnson, Jr.
Assistant Bar Counsel

RWJ/scm
Enclosure

cc: Joanne Fronfelter, Clerk of the Disciplinary System, by email only

VIRGINIA:

BEFORE THE VIRGINIA STATE BAR DISCIPLINARY BOARD

**IN THE MATTER OF
CHARLES GREGORY PHILLIPS**

**VSB DOCKET NOS. 23-080-127641
23-000-128929**

**AGREED DISPOSITION MEMORANDUM ORDER
SUSPENSION**

On Wednesday, May 17, 2023 this matter was heard, telephonically, 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 6, Section IV, Paragraph 13-6.H of the Rules of the Supreme Court of Virginia. The panel consisted of Carolyn V. Grady, Chair Designate, Robin J. Kegley, Bretta M. Z. Lewis, Joseph D. Platania and Tammy D. Stephenson, Lay Member. The Virginia State Bar was represented by Paulo E. Franco, Jr., Assistant Bar Counsel. Charles Gregory Phillips 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 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, and Respondent's Disciplinary Record , the arguments of the parties, and after due deliberation,

It is **ORDERED** that the Disciplinary Board accepts the Agreed Disposition, as Amended, and the Respondent shall receive Suspension of One Year with Terms in VSB Docket No. 23-080-127641, and a Suspension of Five Years, to run concurrently in VSB Docket No. 23-000-128929, as set forth in the Amended Agreed Disposition, which is attached and incorporated in this Memorandum Order.

It is further **ORDERED** that the sanction is effective June 22, 2023.

**VSB Exhibit
A**

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 his license to practice law in the Commonwealth of Virginia, to all clients for whom he 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 care in conformity with the wishes of his clients. The Respondent shall give such notice immediately and in no event later than 7 days from May 17, 2023, per the terms of the Amended Agreed Disposition, and make such arrangements as are required per the Amended Agreed Disposition, as soon as is practicable and in no event later than the effective date of the Suspension, June 22, 2023. The Respondent shall also furnish proof as required by the Amended Agreed Disposition to the Clerk of the Disciplinary System of the Virginia State Bar within 60 days of May 17, 2023, that such notices have been timely given and such arrangements have been 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, he shall submit an affidavit to that effect within 60 days of the effective date of the Suspension, of the Suspension to the Clerk of the Disciplinary System at the Virginia State Bar. The Board shall decide all issues concerning the adequacy of the notice and arrangements required herein. The burden of proof shall be on the Respondent to show compliance. If the Respondent fails to show compliance, the Board may impose a sanction of Revocation or additional Suspension for failure to comply with the requirements of subparagraph 13-29.

The Clerk of the Disciplinary System shall assess costs pursuant to Part 6, 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 electronic, first-class and certified mail, return receipt requested, at his last address of record

with the Virginia State Bar at , and a copy by electronic mail to Paulo E. Franco, Jr., Assistant Bar Counsel.

ENTER THIS ORDER THIS 17th DAY OF MAY 2023

VIRGINIA STATE BAR DISCIPLINARY BOARD

**Carolyn V.
Grady**

Digitally signed by Carolyn V.
Grady
Date: 2023.05.17 16:38:17
-04'00'

Carolyn V. Grady
Chair Designate



A COPY TESTE

Joanne "Jo" Fronfelter

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

AFFIDAVIT

I, _____, hereby certify that within the 14 day time period prescribed by Part 6, Section IV, Paragraph 13-29 of the Rules of Court, I have notified all clients for whom I was handling matters, all opposing counsel and presiding judges in pending litigation that my license to practice law has been suspended/revoked.

I also certify that I have made appropriate arrangements within the 45 day time period prescribed by Part 6, Section IV, Paragraph 13-29 for the disposition of client matters in my care in conformity with my former clients' wishes.

As proof that notice has been timely given and arrangements made for the disposition of client matters, I submit a copy of each notice letter that I sent pursuant to the requirements of Part 6, Section IV, Paragraph 13-29 and the original certified mail receipts for each letter.

COMMONWEALTH OF VIRGINIA
CITY/COUNTY OF _____

The foregoing affidavit was acknowledged before me this _____ day of _____, 20____, by _____.

Notary Public

My commission expires on _____, 20____.

CERTIFIED MAIL

#

RE: _____
(Case Name)

Dear _____:

Pursuant to the Rules of Court, Part 6, Section IV, Paragraph 13-29, I am hereby notifying you that my license to practice law in the Commonwealth of Virginia was suspended, on _____ for a period of _____. Please contact me as soon as possible to make arrangements for the handling of your case.

By copy of this letter, I am also notifying the opposing counsel and the presiding judge, if any, of this matter.

Sincerely,

cc: Judge _____, Certified Mail,
_____, Esquire, Certified Mail,

Joanne "Jo" Fronfelter, Clerk of the Disciplinary System, Virginia State Bar

FAQS FOR LAWYERS UNDER A SUSPENSION OR REVOCATION IMPOSED BY THE DISCIPLINARY BOARD*



**Mailing Address:
Virginia State Bar**

1111 E. Main St., 7th Floor
Richmond, VA 23219

Joanne "Jo" Fronfelter
Clerk of the Disciplinary System
Clerk's Office Direct Line: 804-775-0539
E-mail: clerks@vsb.org

*The answers are the opinion of the Virginia State Bar Ethics Department and Office of Bar Counsel.

1. May I endorse and file a motion to withdraw or for substitution of counsel? **Yes.** A suspended attorney who endorses and/or files a motion to withdraw or a motion for substitution of counsel does not engage in the unauthorized practice of law. Such conduct is consistent with the suspended lawyer's obligation to make appropriate arrangements for the disposition of matters in the lawyer's care in conformity with the clients' wishes. See, [Part Six, Section IV, Paragraph 13-29](#) of the Rules of the Supreme Court of Virginia.

2. May I make a court appearance in conjunction with a motion to withdraw or for substitution of counsel? **Yes.** A suspended attorney who makes a court appearance on a motion to withdraw or a motion for substitution of counsel does not engage in the unauthorized practice of law. Such conduct is consistent with the suspended lawyer's obligation to make appropriate arrangements for the disposition of matters in the lawyer's care in conformity with the clients' wishes. See, [Part Six, Section IV, Paragraph 13-29](#) of the Rules of the Supreme Court of Virginia.

3. May I continue to work at my firm as a paralegal? **No. Doing so would violate Rule 5.5(a) of the Rules of Professional Conduct.** If not, may I work at the firm in any capacity (office manager, receptionist, file clerk, IT consultant)? **No. Rule 5.5(a) forbids the firm from employing the suspended lawyer "in any capacity."**

4. May I work at a new firm as a paralegal? **Yes.** As long as the new firm does not represent any client previously represented by the suspended lawyer or by any other lawyer with whom the suspended lawyer practiced Court of Virginia, on or after the date of the acts which resulted in the suspension. See [Rule 5.5\(b\)](#) of the Rules of Professional Conduct.

5. May I continue to receive a paycheck from my firm? **Yes,** if the paycheck is for legal work performed prior to the suspension or if the paycheck is for work performed during the suspension in a non-legal capacity.

6. If I am a shareholder in the firm, may I continue to receive revenues from my firm? **A suspended lawyer may receive revenues only for work performed by him or other members of his firm during a period which predated the effective date of the lawyer's suspension. See Rule 5.4.**

7. If my name is in the firm's name, must the firm change the name while I am suspended? If so, must the firm print new letterhead, get a new sign, new website, etc.? **It is considered the unauthorized practice of law for a suspended lawyer to hold himself out as authorized to practice law.** It is also "false and misleading" for a suspended lawyer to continue advertising and using letterhead, notices, and signage which state or that

letterhead, notices, and signage which state or imply that he is available to perform legal services. A lawyer should therefore take all practical steps to alter the content, or to discontinue use, of any medium of communication which advertises the suspended lawyer's availability. Firm names which are "trade names" containing the last name of a suspended lawyer, along with one or more other lawyers' last names, need not be changed during the period of the lawyer's suspension. However, a firm must amend its letterhead and all website and other advertising to either delete the name of the suspended lawyer or otherwise indicate his ineligibility to practice.

8. May I continue to manage my firm's trust account? **No. It would be unethical for a suspended lawyer to manage a law firm's trust account. See Rule 1.15 of the Rules of Professional Conduct.** Business account? **Yes. The Rules of Professional Conduct do not prohibit a suspended lawyer from managing a firm's business account.**

9. May I negotiate liens on cases I settled prior to the suspension? **No.** The negotiation of a lien can involve the application of law to fact, and requires that the lawyer consult with and advise the client of the legal consequences which attend the client's decision to authorize, or refuse to authorize, a proposed settlement of a third party's claim against the client.

10. May I represent myself *pro se* in a court proceeding, i.e., to collect fees owed by a former client? **Yes.**

11. May I perform *pro bono* work? **No.** Such conduct by a suspended lawyer would constitute the unauthorized practice of law.

12. May I, with client consent, and having informed the client of my suspension, file a motion to continue the client's matter to a later date after which my suspension has been lifted? **No.** A lawyer who is counsel of record in a case has continuing duties to the client of competence, diligence, and communication. A lawyer identified in a case file as counsel of record holds himself out as authorized to practice law and to receive notices and pleadings from the court and others. A suspended lawyer is not the proper recipient of pleadings filed in a case, or of other communications by or on behalf of the court and/or other litigants in pending litigation. A suspended lawyer may not respond as a client's lawyer to other parties' actions and filings in a pending case, and may not give legal advice to the client during the period of suspension. Accordingly, a suspended attorney must withdraw from every case in which he is counsel of record since counsel of record must at all times during the pendency of a case be authorized to practice law. Following reinstatement, the formerly suspended lawyer may resume representation by substituting himself as counsel of record for the pro se

client or for a licensed attorney who served as counsel of record for the client on an interim basis.

13. May I refer a client to another lawyer and collect a referral fee? **No. Rule 7.3(b)** prohibits a lawyer from giving anything of value to a person for referring a case. A referral fee is permitted if the requirements of [Rule 1.5\(c\)](#) are satisfied, but the sharing of fees as permitted by that Rule is not possible when one of the lawyers is suspended.

14. May I prepare an affidavit for my client's successor lawyer for work performed and fees earned before my suspension on that client's matter? **Yes.** Such conduct does not constitute the unauthorized practice of law.

15. May I bill and collect fees for work performed before my suspension? **Yes.** Such conduct does not constitute the unauthorized practice of law.

16. What do I need to do to have my license reinstated? **It depends upon whether the suspension is with or without terms and whether the duration of the suspension exceeds one year.** All suspended lawyers must comply with [MCLE requirements.](#) Lawyers who are suspended for more than one year must pass the Multistate Professional Responsibility Examination before reinstatement. A lawyer may not return to good standing unless he or she has paid full dues for all years in which the lawyer was active or eligible to return to active practice. For more information about reinstatement following a misconduct suspension, see [Part Six, Section IV, Paragraph 13-25](#) of the Rules of the Supreme Court of Virginia. The Virginia State Bar Membership Department may answer questions about [MCLE compliance and dues payment.](#) The number is (804) 775-0530.

17. May my office set up appointments with clients for dates after my suspension has expired? **Yes.** A suspended lawyer must notify all clients in writing of the suspension, pursuant to [Part Six, Section IV, Paragraph 13-29](#) of the Rules of the Supreme Court of Virginia. No misrepresentations may be made regarding the lawyer's suspension.

18. During my suspension, may I respond to or meet with clients having questions about my bills for past services rendered before my suspension? **Yes, as long as the discussion does not involve the suspended lawyer providing legal advice.**

VIRGINIA :

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

**IN THE MATTERS OF
CHARLES GREGORY PHILLIPS**

**VSB Docket No. 23-080-127641
and 23-000-128929**

**AMENDED AGREED DISPOSITION
(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 Charles Gregory Phillips, Respondent, hereby enter into the following Agreed Disposition arising out of the above referenced matters.

I. STIPULATIONS OF FACT

1. Respondent was admitted to the Virginia State Bar ("VSB") in 1991. At all relevant times, Respondent was a member of the VSB.
2. From April of 2019 through March of 2022, Respondent practiced law at the Stanley Law Group.
3. In March of 2022, Respondent separated from the Stanley Law Group, and he formed GP Law Professional LLC as a solo practitioner.
4. Respondent established a trust account ending in 0301 at American National Bank and Trust Company as part of his solo practice.
5. Pursuant to the Agreed Disposition for a Suspension With Terms issued by a Three Judge Panel of the Circuit Court for the City of Roanoke on March 5, 2018 in the Matters of Charles Gregory Phillips, Case No. CL17001629-00, (VSB Docket Nos. 16-080-105744; 16-080-105771; 17-080-105457; 17-080-108275; and 17-080-108549), the VSB conducted a review of Respondent's trust account in July 2022 and again in November 2022. As a result of those reviews and other investigative efforts, the VSB determined that Respondent was not keeping his trust account in accordance with Rule 1.15 of the Virginia Rules of Professional Conduct.
6. In July and November 2022, the VSB Investigator could not perform a random three-way reconciliation of Respondent's trust account because Respondent did not maintain the records required by Rule 1.15.
7. By way of example and not limitation, the journal-ledger information Respondent prepared and maintained was at times incomplete and/or incorrect.

8. In July 2022, Respondent told the VSB Investigator that transactional fees from credit card payments were deducted before depositing those fees in his trust account.

9. The VSB Investigator, however, found instances where Respondent did not take credit card processing fees into consideration, and subsequent disbursements exceeding the net payment amounts resulted in his trust account being out of balance.

10. By way of example and not limitation, Respondent received \$3,000.00 on March 17, 2022, for representation of client L.S.

11. The journal-ledger entry for client L.S. showed an actual amount credited of \$2,894.85, which was the starting balance after credit processing fees were deducted.

12. On July 25, 2022, Respondent disbursed \$1,500.00 to himself for work performed on behalf of L.S.

13. On August 29, 2022, Respondent disbursed \$1,500.00 to himself for work performed on behalf of L.S.

14. By paying himself \$3,000.00 instead of the net funds minus credit card fees, Respondent used another client's funds to make up the \$105.15 credit card fee difference.

15. The VSB Investigator verified the disbursements related to L.S. through annotated trust account bank statements that Respondent provided.

16. None of the journal-ledger information Respondent provided to the VSB Investigator during the November 2022 review had trust account balances, and only some of the information contained client balances, which were sometimes incorrect.

17. None of the journal-ledger information Respondent provided to the VSB Investigator during the November review indicated who the payees were when Respondent made disbursements.

18. None of the journal-ledger information Respondent provided to the VSB Investigator during the November review indicated how clients' fees were paid or who the payors were. During the interview in November, Respondent was often unable to tell the VSB Investigator how clients' fees were paid or who the payors were by reviewing the journal-ledger information that Respondent produced during the second trust account review.

19. During the November review, Respondent could not identify the dates of certain payments or disbursements, nor could he identify the amounts of certain disbursements.

20. During the November review, Respondent admitted he did not timely withdraw his earned fees from his trust account. The VSB Investigator found examples of such earned fees not being properly withdrawn during his review of Respondent's trust account records.

II. NATURE OF MISCONDUCT

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

By failing to timely withdraw earned fees from his trust account and co-mingling them with client funds, Respondent violated Rule 1.15 (a)(3) as set forth below.

RULE 1.15 Safekeeping Property (Effective March 2020)

(a) Depositing Funds.

* * *

(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.

* * *

By failing to maintain accurate journal-ledgers specific to clients, by failing to properly account for credit card processing fees, and by failing to properly annotate payments on behalf of and to clients, Respondent violated Rule 1.15 (b)(3) as set forth below.

(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;

* * *

By failing to properly account for credit card processing fees, and by paying himself more than he received from clients (less the processing fees), Respondent violated Rule 1.15 (b)(5) as set forth below.

(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.

* * * *

By failing to keep proper and accurate receipts and disbursement journals, accurate client ledgers and accurate summaries of all receipts and disbursements, Respondent violated Rule 1.15 (c) as set forth below.

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

(1) Receipts and disbursements journals for each trust account. These journals shall include, at a minimum: identification of the client or matter; date and amount of the transaction; name of the payor or payee; manner in which the funds were received, disbursed, or transferred; and current balance. A checkbook or transaction register may be used in lieu of separate receipts and disbursements journals as long as the above information is included.

(2) A client ledger with a separate record for each client, other person, or entity from whom money has been received in trust. Each entry shall include, at a minimum: identification of the client or matter; date and amount of the transaction; name of the payor or payee; source of funds received or purpose of the disbursement; and current 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.

* * * *

By failing to keep adequate and correct information regarding his trust account to allow for three-way reconciliations, and by failing to perform the three-way reconciliations, Respondent violated Rule 1.15 (d)(2-4) as follows.

(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.

* * *

(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) The following reconciliations must be made monthly and approved by a lawyer in the law firm:

(i) reconciliation of the client ledger balance for each client, other person, or entity on whose behalf money is held in trust;

(ii) reconciliation of the trust account balance, adjusting the ending bank statement balance by adding any deposits not shown on the statement and subtracting any checks or disbursements not shown on the statement. This adjusted balance must equal the balance in the checkbook or transaction register; and

(iii) reconciliation of the trust account balance ((d)(3)(ii)) and the client ledger balance ((d)(3)(i)). The trust account balance must equal the client ledger balance.

(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 Respondent tender to the Disciplinary Board for its approval the agreed disposition of **SUSPENSION WITH TERMS** of Respondent's license to practice law for a period of **ONE YEAR** in VSB Docket No. 23-080-127641, as representing an appropriate sanction if this matter were to be heard through an evidentiary hearing by a panel of the Disciplinary Board, and a **SUSPENSION** of Respondent's license to practice law for a period of **FIVE YEARS** in VSB Docket No. 23-000-128929. Respondent and the VSB stipulate that this disposition constitutes two separate sanctions and that the periods of suspension in each case shall run concurrently. The **TERMS**, as suggested by a panel of the Virginia State Bar Disciplinary Board and agreed to by the parties during a telephonic conference held on May 16, 2023 are as follows:

1. The effective date of Respondent's Suspension in VSB Docket No. 23-080-127641 and VSB Docket No. 23-000-128929 is June 22, 2023 to allow Respondent time to wind down his practice with minimal impact on existing criminal clients whose cases are scheduled for trial before June 22 and are currently in custody.
2. Beginning on May 16, 2023, Respondent shall not accept any new clients, retained, appointed or otherwise.
3. On or before May 19, 2023, Respondent shall provide the Office of Bar Counsel with a list of his current clients with active matters pending, including the court in which such matters are pending and the opposing counsel in all such matters.
4. On or before May 24, 2023, Respondent shall provide notice, in writing, of his suspension to all clients and to all opposing counsel and presiding judges in pending litigation. Respondent shall provide the Office of Bar Counsel with copies of all such notices by the close of business on May 26, 2023.
5. For any civil clients and any criminal clients who are not currently in custody, Respondent shall file motions for leave to withdraw from such cases on or before May 24, 2023. Respondent shall provide the Office of Bar Counsel with copies of all such motions by the close of business on May 26, 2023.

If any of the terms and conditions are not met by the deadlines imposed above, Respondent agrees that the Disciplinary Board must impose an alternative disposition of revocation of Respondent's license to practice law in Virginia pursuant to Part Six, § IV, ¶ 13-18.O of the Rules of Supreme Court of Virginia.

Respondent stipulates that upon entry of a Memorandum Order approving this Agreed Disposition, Respondent shall be deemed to have violated the Terms of a Suspension with Terms issued by a Three Judge Panel of the Circuit Court for the City of Roanoke on March 5, 2018 in the Matters of Charles Gregory Phillips, Case No. CL17001629-00, VSB Docket Nos. 16-080-105744; 16-080-105771; 17-080-105457; 17-080-108275; and 17-080-108549 (Ex. A). Respondent concedes that the Misconduct stipulated in this Agreed Disposition violates a term of the Roanoke Circuit Court's March 5, 2018 Order, which prohibited Respondent from violating Rule 1.15 of the Rules of Professional Conduct from March 5, 2018 through March 5, 2023 ("Term"). Respondent further agrees that a five-year suspension of his license to practice law in

Virginia should be imposed for violation of this Term. Pursuant to the terms of the Court's March 5, 2018 Order, the suspensions in these cases shall run concurrently.

Respondent understands that upon entry of any Memorandum Order approving this Agreed Disposition, and absent this agreement, Assistant Bar Counsel would be required to serve notice requiring Respondent to show cause why he has not violated the terms of the March 5, 2018 and why the alternative sanction of a five-year suspension for violating the Term should not be imposed. Because Respondent agrees that he violated the Term and because this Agreed Disposition imposes the alternative sanction, Respondent waives the show cause proceeding.

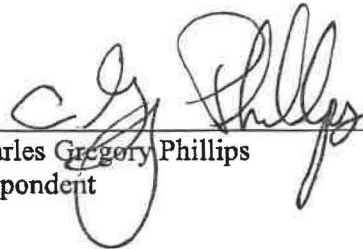
Prior to having his license reinstated in Virginia, Respondent must comply with the requirements set forth in the Rules of Supreme Court of Virginia, Part 6, Section IV, Paragraph 13-25.D.

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.
Assistant Bar Counsel



Charles Gregory Phillips
Respondent