

FILED

May 18, 2023

Disciplinary
Board

Docket # 033

DISCIPLINARY BOARD
WASHINGTON STATE BAR ASSOCIATION

In re

BRICE CAROLYN LEAHY,

Lawyer (Bar No. 48353).

Proceeding No. 22#00007

ODC File No. 20-00484

STIPULATION TO A THREE-MONTH
SUSPENSION

Under Rule 9.1 of the Washington Supreme Court's Rules for Enforcement of Lawyer Conduct (ELC), the following Stipulation to a three-month suspension is entered into by the Office of Disciplinary Counsel (ODC) of the Washington State Bar Association (Association) through Managing Disciplinary Counsel Francesca D'Angelo, Respondent's Counsel Kurt M. Bulmer and Respondent lawyer Brice Carolyn Leahy.

Respondent understands that they are entitled under the ELC to a hearing, to present exhibits and witnesses on their behalf, and to have a hearing officer determine the facts, misconduct and sanction in this case. Respondent further understands that they are entitled under the ELC to appeal the outcome of a hearing to the Disciplinary Board, and, in certain cases, the Supreme Court. Respondent further understands that a hearing and appeal could result in an outcome more favorable or less favorable to them. Respondent chooses to resolve this proceeding

1 now by entering into the following stipulation to facts, misconduct and sanction to avoid the risk,
2 time, and expense attendant to further proceedings.

3 **I. ADMISSION TO PRACTICE**

4 1. Respondent was admitted to practice law in the State of Washington on November 14,
5 2014.

6 **II. STIPULATED FACTS**

7 2. Respondent maintained two IOLTA accounts, #6626 at Heritage Bank and #6588 at
8 Bank of America, for the deposit of client funds.

9 3. On August 8, 2019, Respondent was selected for a random examination under ELC
10 15.1. From Respondent's records, ODC's auditor was unable to determine ownership of all the
11 funds in Respondent's trust account and was unable to determine which clients were associated
12 with most of the transactions.

13 4. On February 21, 2020, ODC's auditor issued a Random Examination Report,
14 recommending that a grievance be opened by the Office of Disciplinary Counsel.

15 5. On April 9, 2020, a Review Committee ordered an investigation into Respondent's
16 trust account practices. ODC audited Leahy's trust accounts for the period of March 1, 2015
17 through June 30, 2021 to determine whether Leahy properly handled client trust funds.

18 6. During the audit period, Respondent's failed to maintain adequate trust account
19 records as follows:

- 20 (a) Respondent's check register for the Heritage Bank trust account did not
21 consistently identify the client matter, the check number for disbursements,
22 or the payor for deposits.
- 23 (b) Respondent's check register for the Heritage Bank trust account contained
24 inaccurate dates for entries, such as using the date disbursements cleared the
bank rather than the date the disbursement checks were issued, indicating that
the entries were not made contemporaneously.

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- 1
- 2 (c) Respondent's check register for the Bank of America trust account did not
include deposits or a running balance.
- 3
- 4 (d) Respondent's client ledgers contained date discrepancies and did not
consistently identify the purpose of transactions, payee of disbursements, and
payor of deposits.
- 5
- 6 (e) Respondent failed to reconcile Respondent's account check register to the
bank statements and failed to reconcile the check register to the client ledgers
on a regular basis.

7

8 7. During the audit period, Respondent made large deposits of earned fees into the trust
account as a "buffer" for potential overdrafts.

9

10 8. During the audit period, Respondent disbursed funds on behalf of clients who did not
have sufficient funds in trust to cover the disbursements.

11

12 9. During the audit period, Respondent failed to withdraw earned fees after settlement in
multiple matters.

13

14 10. During the audit period, Respondent failed to disburse funds belonging to clients or
third parties.

15

16 11. In two client matters, Respondent failed to deposit client settlement funds into the trust
account.

17

18 12. Respondent has closed the Bank of America Account ending in #6588.

19

20 13. Prior to entering into this stipulation, Respondent has ensured that appropriate
balances have been restored to the trust account. Respondent has issued checks for all the funds
held in the trust account to the clients, third parties to whom the funds are owed, to Leahy for
costs and fees, or to the Department of Revenue for clients who could not be found. All checks,
21
22 except for one to the Department of Revenue, have cleared the account.

23

1 **III. STIPULATION TO MISCONDUCT**

2 14. By failing to maintain complete and current check registers, Respondent violated RPC
3 1.15A(h)(2) and RPC 1.15B(a).

4 15. By failing to maintain complete and current client ledgers, Respondent violated RPC
5 1.15A(h)(2) and RPC 1.15B(a)(2)

6 16. By failing to reconcile Respondent's IOLTA account check register to the bank
7 statements and by failing to reconcile the check register to the client ledgers, Respondent violated
8 RPC 1.15A(h)(6) and RPC 1.15B(a)(8).

9 17. By failing to deposit the client settlement funds into trust, Respondent violated RPC
10 1.15A(c)(1).

11 18. By depositing Respondent's own funds into trust, and by keeping earned fees in trust,
12 Respondent violated RPC 1.15(A)(h)(1) and RPC 1.15A(c).

13 19. By disbursing funds on behalf of clients who did not have funds in trust, Respondent
14 violated RPC 1.15A(h)(8).

15 20. By failing to disburse funds to clients, Respondent violated RPC 1.15A(f).

16 **IV. PRIOR DISCIPLINE**

17 21. Respondent has no disciplinary history.

18 **V. APPLICATION OF ABA STANDARDS**

19 22. The following American Bar Association Standards for Imposing Lawyer Sanctions
20 (1991 ed. & Feb. 1992 Supp.) apply to this case:

21 23. ABA Standard 4.1 is most applicable to the duty to preserve client property.

22 4.11 Disbarment is generally appropriate when a lawyer knowingly converts
23 client property and causes injury or potential injury to a client.



1 4.12 Suspension is generally appropriate when a lawyer knows or should know
2 that he is dealing improperly with client property and causes injury or
potential injury to a client.

3 4.13 Reprimand is generally appropriate when a lawyer is negligent in dealing
with client property and causes injury or potential injury to a client.

4 4.14 Admonition is generally appropriate when a lawyer is negligent in dealing
with client property and causes little or no actual or potential injury to a
5 client.

6 24. Respondent knew or should have known that Respondent was dealing improperly with
client property.

7 25. Respondent's clients were injured in that many did not timely receive money owed to
8 them. Respondent's clients were potentially injured because, by keeping Respondent's own funds
9 in trust, the funds could be at risk from Respondent's creditors.

10 26. The presumptive sanction is suspension.

11 27. The following aggravating factors apply under ABA Standard 9.22:

12 (c) Pattern of misconduct;

13 (d) Multiple offenses.

14 28. The following mitigating factors apply under ABA Standard 9.32:

15 (a) Absence of a prior disciplinary record;

16 (l) Remorse.

17 29. A significant mitigating factor is the contribution this stipulation makes to the efficient
18 and effective operation of the lawyer discipline system considering the effect the COVID-19
19 public health emergency has had on disciplinary resources and the orderly processing of
20 disciplinary matters.

21 30. On balance, the aggravating and mitigating factors support a sanction of a three-month
22 suspension.

1 **VI. STIPULATED DISCIPLINE**

2 31. The parties stipulate that Respondent shall be suspended for a period of three months.

3 Reinstatement Conditions

4 32. As a condition of reinstatement, Respondent shall ensure that all funds are disbursed
5 from Respondent's trust account as required by RPC 1.15A. Respondent shall provide proof to
6 ODC that all checks have cleared the trust account.

7 33. As a condition of reinstatement, once any outstanding checks have cleared the trust
8 account and all funds have been disbursed, Respondent will close the Heritage Bank account.
9 Respondent shall provide proof of closure to ODC.

10 Probation Requirement

11 34. Respondent will be subject to probation for a period of two years commencing upon
12 Respondent's reinstatement to the practice of law, with periodic reviews under ELC 13.8 of their
13 trust account practices, and must comply with the specific probation terms set forth below:

- 14 a) Respondent shall carefully review and fully comply with RPC 1.15A and RPC 1.15B,
15 and shall carefully review the current version of the publication, Managing Client
Trust Accounts: Rules, Regulations, and Common Sense.
- 16 b) Respondent shall complete the WSBA continuing legal education course entitled,
17 "Basics of Trust Accounting" (March 2021), or an equivalent 1.0 credit on managing
18 trust accounts in Washington State and provide disciplinary counsel with a
19 declaration attesting to completion of the course within 10 days of completing the
20 course.
- 21 c) If Respondent maintains a trust account and/or handles client or third-party funds
22 during the probation period, Respondent shall utilize the services of an accountant,
23 bookkeeper, or attorney who has been trained in the RPC and is proficient with the
24 maintenance of trust account records to assist Respondent in complying with
Respondent's duties under RPC 1.15A and RPC 1.15B and with Respondent's
probation requirements. Respondent shall provide the name of the bookkeeper,
accountant, or attorney to ODC within 10 days of Respondent handling client or third-
party funds.

- 1 d) For all client matters, Respondent shall have a written fee agreement signed by the
2 client, which agreements are to be maintained for least seven years (see RPC
3 1.15B(a)(3)).
- 4 e) On a monthly basis, using ODC's form report entitled "Monthly Reconciliation and
5 Review Report," Respondent shall review the trust-account records detailed on the
6 form report, review the completed report, and sign and date the completed report.
- 7 f) On a quarterly basis, Respondent shall provide ODC's audit staff with all trust-
8 account records for the time period to be reviewed by ODC's audit staff and
9 disciplinary counsel for compliance with the RPC:
- 10 i) Months 1 – 3. By no later than the 30th day of the fourth month after the
11 commencement of probation, Respondent shall provide the trust account
12 records from the date of commencement of probation to the end of the third
13 full month.
- 14 ii) Months 4 – 6. By no later than the 30th day of the seventh month after the
15 commencement of probation, Respondent shall provide the trust account
16 records from the end of the previously provided quarter through the end of
17 month six.
- 18 iii) Months 7 – 9. By no later than the 30th day of the tenth month after the
19 commencement of probation, Respondent shall provide the trust account
20 records from the end of the previously provided quarter through the end of
21 month nine.
- 22 iv) Months 10 – 12. By no later than the 30th day of the thirteenth month after
23 the commencement of probation, Respondent shall provide the trust account
24 records from the end of the previously provided quarter through the end of
month twelve.
- v) Months 13 – 15. By no later than the 30th day of the sixteenth month after
the commencement of probation, Respondent shall provide the trust account
records from the end of the previously provided quarter through the end of
month fifteen.
- vi) Months 16 – 18. By no later than the 30th day of the nineteenth month after
the commencement of probation, Respondent shall provide the trust account
records from the end of the previously provided quarter through the end of
month eighteen.
- vii) Months 19 – 21. By no later than the 30th day of the twenty-second month
after the commencement of probation, Respondent shall provide the trust
account records from the end of the previously provided quarter through the
end of month twenty-one.

- 1 g) The trust account records Respondent provides to ODC for each quarterly review of
2 his trust account will include: (a) copies of each completed "Monthly Reconciliation
3 and Review Report" referenced in sub-paragraph(c) above, (b) a complete checkbook
4 register for his trust account covering the period being reviewed, (c) complete
5 individual client ledger records for any client with funds in Respondent's trust
6 account during all or part of the period being reviewed, as well as for Respondent's
7 own funds in the account (if any), and (d) copies of all trust-account bank statements,
8 deposit slips, and cancelled checks covering the period being reviewed. ODC's Audit
9 Manager or designee will review Respondent's trust account records for each period.
10 If Respondent does not have a trust account, Respondent shall provide a declaration
11 on a quarterly basis stating that Respondent is not handling client or third-party funds
12 and does not maintain a trust account.
- 13 h) On the same quarterly time schedule set forth in the preceding paragraph, Respondent
14 will provide ODC's Audit Manager or designee with copies of any and all fee
15 agreements entered into within the time period at issue.
- 16 i) ODC's Audit Manager or designee may request additional financial or client records
17 if needed to verify Respondent's compliance with RPC 1.15A and/or 1.15B. Within
18 twenty days of a request from ODC's Audit Manager or designee for additional
19 records needed to verify Respondent's compliance with RPC 1.15A and/or RPC
20 1.15B, Respondent will provide ODC's Audit Manager or designee the additional
21 records requested.
- 22 j) Respondent will reimburse the Association for time spent by ODC's Audit Manager
23 or designee in reviewing and reporting on Respondent's records to determine their
24 compliance with RPC 1.15A and RPC 1.15B, at the rate of \$85 per hour. Respondent
will make payment within thirty days of each written invoice setting forth the
auditor's time and payment due.

VII. RESTITUTION

35. No restitution is required by this stipulation.

VIII. COSTS AND EXPENSES

36. In light of Respondent's willingness to resolve this matter by stipulation at an early
stage of the proceedings, Respondent shall pay attorney fees and administrative costs of \$1,000
and \$2,152.45 in incurred costs in accordance with ELC 13.9(i). The Association will seek a
money judgment under ELC 13.9(l) if these costs are not paid within 30 days of approval of this
stipulation.

37. Reinstatement from suspension is conditioned on payment of costs.

1 **IX. VOLUNTARY AGREEMENT**

2 38. Respondent states that prior to entering into this Stipulation Respondent has consulted
3 independent legal counsel regarding this Stipulation, that Respondent is entering into this
4 Stipulation voluntarily, and that no promises or threats have been made by ODC, the Association,
5 nor by any representative thereof, to induce the Respondent to enter into this Stipulation except
6 as provided herein.

7 39. Once fully executed, this stipulation is a contract governed by the legal principles
8 applicable to contracts, and may not be unilaterally revoked or modified by either party.

9 **X. LIMITATIONS**

10 40. This Stipulation is a compromise agreement intended to resolve this matter in
11 accordance with the purposes of lawyer discipline while avoiding further proceedings and the
12 expenditure of additional resources by the Respondent and ODC. Both the Respondent lawyer
13 and ODC acknowledge that the result after further proceedings in this matter might differ from
14 the result agreed to herein.

15 41. This Stipulation is not binding upon ODC or the respondent as a statement of all
16 existing facts relating to the professional conduct of the respondent lawyer, and any additional
17 existing facts may be proven in any subsequent disciplinary proceedings.


18 42. This Stipulation results from the consideration of various factors by both parties,
19 including the benefits to both by promptly resolving this matter without the time and expense of
20 hearings, Disciplinary Board appeals, and Supreme Court appeals or petitions for review. As
21 such, approval of this Stipulation will not constitute precedent in determining the appropriate
22 sanction to be imposed in other cases; but, if approved, this Stipulation will be admissible in
23 subsequent proceedings against Respondent to the same extent as any other approved Stipulation.

1 43. Under ELC 9.1(d)(4), the Disciplinary Board reviews a stipulation based solely on the
2 record agreed to by the parties. Under ELC 3.1(b), all documents that form the record before the
3 Board for its review become public information on approval of the Stipulation by the Board,
4 unless disclosure is restricted by order or rule of law.

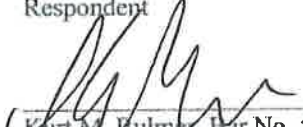
5 44. If this Stipulation is approved by the Disciplinary Board and Supreme Court, it will
6 be followed by the disciplinary action agreed to in this Stipulation. All notices required in the
7 Rules for Enforcement of Lawyer Conduct will be made.

8 45. If this Stipulation is not approved by Disciplinary Board and Supreme Court, this
9 Stipulation will have no force or effect, and neither it nor the fact of its execution will be
10 admissible as evidence in the pending disciplinary proceeding, in any subsequent disciplinary
11 proceeding, or in any civil or criminal action.


12 46. WHEREFORE the undersigned being fully advised, adopt and agree to this Stipulation
13 to a three-month suspension as set forth above.

14 
15 Price Carolyn Leahy, Bar No. 48353
16 Respondent

Dated: 3/14/23

17 
18 Kurt M. Bulmer, Bar No. 5559
19 Counsel for Respondent

Dated: 3/14/23

20 
21 Francesca D'Angelo, Bar No. 22979
22 Senior Disciplinary Counsel

Dated: 3/14/23