

ORDER (RULE 4-60)

TO: The Executive Director and [REDACTED]
FROM: Michèle Ross
Former Chair of the Discipline Committee
RE: [REDACTED]: Administrative Penalty File No. PE20240023

Pursuant to Rule 4-60 of the Law Society Rules 2015 (the “Rules”), I am satisfied that the breach alleged in the above matter has been established on a balance of probabilities for the following reasons:

1. [REDACTED] (“[REDACTED]”) is alleged to have breached Rule 3-102 (*Requirement to verify client identity*). A breach of this Rule occurs when a lawyer provides legal services in respect of a financial transaction and is therefore required to verify the client’s identity prior to completing the financial transaction but fails to do so pursuant to Rule 3-102(2).
2. Given that [REDACTED]’s client was an individual, their identity must be verified using documents or information described in Rule 3-102(2)(a), such as government-issued identification or by retaining an agent pursuant to Rule 3-104.
3. Based on the information before me and by [REDACTED]’s own admission, the above elements of the rule breach have been met:
 - a. In client file # [REDACTED], [REDACTED] represented [REDACTED] (“[REDACTED]”) and [REDACTED] (“[REDACTED]”) with the administration of the estate of [REDACTED].
 - b. [REDACTED] and [REDACTED] were co-executors in the estate matter. While [REDACTED] met with [REDACTED] in person and verified her identity, he did not meet with [REDACTED] at any time.
 - c. A financial transaction took place on May 10, 2022, when [REDACTED] deposited estate proceeds totaling \$271,158.35 into the firm’s trust account.
 - d. [REDACTED] acknowledges that he did not retain an agent as permitted by Rule 3-104 to obtain the information required under Rule 3-102.

- e. Contrary to Rule 3-102, [REDACTED] did not verify the identity of [REDACTED] using documents or information described in Rule 3-102(2) such as government issued identification and did not retain an agent to assist with verification pursuant to Rule 3-104.

4. I find the following factors relevant in assessing the appropriate penalty:

- (i) With respect to the nature of the breach, the gravity & consequences:
 - (a) The contravention appears to be an isolated incident.
 - (b) The contravention was not deliberate and there was no malicious intention.
- (ii) With respect to [REDACTED]'s acknowledgement of the misconduct & remediation action:
 - (a) [REDACTED] has admitted the misconduct promptly.
 - (b) [REDACTED] indicated that he rarely represents clients in non-face-to-face transactions.
 - (c) [REDACTED] indicated he is not taking any new clients or matters as his hope is to retire as of December 31, 2024. [REDACTED] acknowledged that if he were to continue to practice, he would not make the same mistake again.
- (iii) With respect to public confidence being sustained with the consistency of outcomes:
 - (a) The assessed penalty is consistent with the outcome in prior, similar cases.
 - (b) The penalty addresses the aims of specific and general deterrence, in [REDACTED]'s specific case.
- (iv) With respect to [REDACTED]'s ability to pay:
 - (a) After [REDACTED]'s email seeking to review the Notice of Administrative Penalty, to allow me to address his dispute fully, fairly and efficiently, I requested that [REDACTED] provide any application documentation which supports his submission that the penalty is a burden that he cannot easily afford.
 - (b) [REDACTED] did not provide any evidence of financial hardship.

5. Administrative penalties and the penalty amount determined by the Law Society must balance fairness against the need to ensure that administrative penalties serve their purpose in protecting the public and represent more than a cost of doing business.
6. In light of the importance of the client identification and verification rules and the need for lawyers in British Columbia to adhere to the Law Society's Rules, I find that the penalty in this matter is not punitive and is reasonable in the circumstances.
7. The Law Society implemented "Division 11 – Client Identification and Verification" as components of a systemic effort to prevent money laundering and to assist lawyers in complying with their anti-money laundering obligations and manage the risk of becoming involved with bad actors seeking to use legal services to assist them in dishonest, criminal or fraudulent schemes. This is for the protection of the public and to maintain the integrity of lawyers' use of their trust accounts.
8. The Law Society has made it a priority to educate lawyers in British Columbia about the rules that are intended to prevent potential fraud and money laundering and to notify the profession of lawyers' corresponding obligations, especially the client identification and verification rules. Lawyers are expected to know and understand the Rules.
9. Canadian lawyers are exempt from other money laundering prevention programs and as a result, the Law Society's safeguards and lawyers' compliance with an adherence to these rules have additional significance.

I therefore order that:

The penalty is confirmed and must be paid in accordance with the original notice delivered under Rule 4-59 and is due by September 1, 2026.

Dated: April 8, 2026.



Michèle Ross
Former Chair of the Discipline Committee