

**THE LAW SOCIETY OF BRITISH COLUMBIA**

IN THE MATTER OF THE *LEGAL PROFESSION ACT*, SBC 1998, C. 9

AND

**KATRINA SRIRANPONG**

(a member of the Law Society of British Columbia)

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**RULE 3-7.1 CONSENT AGREEMENT SUMMARY**

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1. On January 5, 2022, the Chair of the Discipline Committee accepted a proposal submitted by Katrina Sriranpong (the “Lawyer”) under Rule 3-7.1 of the Law Society Rules (“Rules”).
2. Under the proposal, the Lawyer admitted that she committed the following misconduct:
  - i. between June 2016 and November 2018, in 22 instances, she improperly handled some or all of \$72,703.04 in client funds, contrary to Rules 3-58(3) and 3-60 of the Rules or rule 3.6-9 of the *Code of Professional Conduct for British Columbia*, by either:
    - i. failing to document in writing her clients’ consent to treat advance fee payments as her own property upon receipt; or
    - ii. where such consent was not documented, failing to maintain a pooled trust account and failing to deposit funds into a pooled trust account.
  - ii. between June 2016 and November 2018, she did not maintain some of the accounting records required by Part 3, Division 7 of the Rules, contrary to Rules 3-67 and 3-68 of the Rules.
3. The Lawyer further admitted that the conduct set out in paragraph 2 above amounts to professional misconduct.

4. Under the proposal, the Lawyer agreed to be suspended from the practice of law for a period of three (3) months, from January 17, 2022, to April 17, 2022. She has already completed three Law Society trust accounting courses, and reviewed the Law Society's Trust Accounting Handbook.
5. In making its decision, the Chair of the Discipline Committee considered an Agreed Statement of Facts dated December 23, 2021, and a letter to the Chair of the Discipline Committee. The Chair also considered that the Lawyer did not have a prior professional conduct record.
6. This consent agreement will now form part of the Lawyer's professional conduct record.
7. Pursuant to Rule 3-7.1(5) of the Rules, and subject to Rule 3-7.2 of the Rules, the Law Society is bound by an effective consent agreement, and no further action may be taken on the complaint that gave rise to the agreement.
8. The admitted facts were set out in the Agreed Statement of Facts, a summary of which is set out below.

## **I. Summary of Facts**

9. The Lawyer was called to the bar in British Columbia on August 16, 2012. From 2012 to 2014, she practised law in Calgary, Alberta, and from 2014 to 2016, she worked as a sole-practitioner in Vancouver doing legal aid, consulting and agency work. She did not have private clients during this time. She began taking on private immigration law clients in 2016.
10. In January 2016, the Lawyer completed the Small Firm Practice Course as required by the Rules. The Small Firm Practice Course includes two modules related to accounting, including an Accounting System Learning Module and a Trust Accounting Essentials Learning Module.
11. On November 26, 2018, the Lawyer went on maternity leave and became a non-practising member of the Law Society. She currently remains a non-practising member of the Law Society.

12. The Lawyer does not have a prior professional conduct record.

*Factual Background*

*Self-Report*

13. On April 1, 2020, the Lawyer provided a self-report to the Law Society in relation to her accounting practices. In summary, she explained that since taking on private immigration law clients in 2016, she had not operated a trust account or a general account, and had used her personal bank accounts to conduct all banking related to her legal practice. In addition, while she maintained detailed accounting records, her books and records were not in full compliance with Part 3, Division 7 of the Rules. For example, she did not maintain books of records, and did not maintain trust reconciliations since she did not operate a trust account.
14. The Lawyer further explained that she had used her personal bank accounts to receive funds from clients for services not yet rendered. The Lawyer had not appreciated that she was required to maintain a trust account for trust funds, or that she was required to maintain all of the accounting records set out in the Rules.
15. The Lawyer did not think she needed to operate a trust account because she billed her clients fixed legal fees for a circumscribed scope of services, and she believed her clients had provided her with informed consent to treat their fee payments as her own property upon receipt. As she did not operate a trust account, the Lawyer did not maintain any trust records.

*Failure to Record Consent, Failure to Deposit Trust Funds in a Trust Account, and/or Failure to Maintain Adequate Accounting Records*

16. The conduct at issue occurred between June 2016 and November 2018, related to 17 clients and 22 files, and involved some or all of \$72,703.04 in legal fees.
17. The Lawyer explained that generally, she took the following steps when being retained by clients:

- i. She met with prospective clients and exchanged emails with them regarding a possible retainer. She often charged a fee for the first meeting, which was later discounted from the bill if a client retained her.
  - ii. During initial consultations, she explained that she charged a fixed fee for her services, and that once the funds were received from the client, they were her property. She did not memorialize such discussions in her notes on file, and did not obtain a written agreement or other confirmation in writing indicating that her clients consented to her treating funds as her own property instead of holding them in trust.
  - iii. Around the same time as the initial consultation, she sent an invoice or an account for “legal fees”, called a “Remittance Copy”. The Remittance Copy included instructions on how to pay the account by either cheque, e-transfer, or wire transfer.
  - iv. She would also send out a retainer agreement. Her retainer agreements did not include language indicating that the clients consented to her treating any advance funds as her own property upon receipt.
  - v. Once a retainer agreement was entered into, she emailed a copy of it to the client.
18. In the majority of cases, clients would send funds to the Lawyer by way of electronic transfer to the Lawyer’s email address, which was automatically set up to deposit email transfers into her personal bank account. In most cases, clients would make payments in installments, although some clients made one lump sum payment in the amount requested by the Lawyer.
19. In some cases, funds were paid to the Lawyer after work had been done on the file. However, in all cases, at least some funds were deposited to the Lawyer’s personal account prior to all legal services being provided.
20. In all cases, the Lawyer completed the work that she was retained to do, and no clients were missing funds.
21. With respect to the accounting records and supporting documents required by Part 3, Division 7 of the Rules, the Lawyer has acknowledged that she did not maintain some of the records required.

### *The Lawyer's Explanation*

22. The Lawyer explained to the Law Society that she had not opened a trust account because she billed her clients a fixed fee instead of an hourly fee, and that she believed her clients had provided her with informed consent to treat their fee payments as her own property upon receipt. She provided letters from four clients confirming their understanding that the funds they had paid to her were the Lawyer's upon receipt. However, the Lawyer acknowledges that some of the clients may not have appreciated the definition of a trust account, before providing their consent.
23. Although the Lawyer has provided letters from some clients confirming they provided informed consent to treat their funds as belonging to her upon receipt, the Lawyer now understands that where a client has agreed to pay a fixed fee that becomes her property upon receipt, the client's consent will not be valid unless it is fully informed, and that such instructions must be confirmed in writing and retained on file. She further understands that if clients do not provide her with informed consent to treat fee payments as her own property upon receipt, those funds are trust funds that must be deposited into a trust account.
24. Given the modest size of the Lawyer's practice, the ease with which she could provide accounting information with respect to each client, expenses and deposit, she believed that her records and her ability to quickly access them were sufficient.
25. The Lawyer now understands that lawyers must maintain proper accounting records in accordance with Part 3, Division 7 of the Rules.

### *Other Mitigating Factors*

26. Between 2016 and 2018, the Lawyer was a junior lawyer, with approximately four to six years of experience, a portion of which was out-of-province. The Lawyer did not receive in-practice training on general or trust accounting as an articled student or a junior lawyer, and has explained that at her former law firm, she did not operate a trust account.

27. The Lawyer self-reported her conduct, and cooperated with the Law Society investigation. At an early stage in the investigation, the Lawyer sought to resolve her matter through the consent agreement process. She is remorseful, and has acknowledged that her conduct was not in accordance with the Rules. As noted above, the Lawyer does not have a prior professional conduct record.
28. The Lawyer did not receive any financial benefit from her error, and her clients did not suffer any loss. She has maintained positive relationships with many of her clients. Some of them referenced their satisfaction with and appreciation for the Lawyer's work in their supporting letters.
29. The Lawyer has contributed to the legal profession and society since being called to the bar. She is the only Thai-speaking immigration lawyer in British Columbia, as noted by some of her former clients, and many other Thai clients are awaiting her return to practice, so they can seek her assistance. The Lawyer has worked with refugees and victims of human trafficking, and works with members of vulnerable groups. She supports charities dedicated to anti-human trafficking, especially of children, and those that assist refugees and promote animal rights.
30. In order to better understand a lawyer's trust accounting obligations, the Lawyer has completed three Law Society trust accounting courses. She has also studied the Trust Assurance Department's Trust Accounting Handbook.