

2008 : No. 3 - July

## **Steven Olaf Youngman**

Vancouver, BC

Called to the bar: May 12, 1981

Ceased membership: June 17, 2008

### **Facts**

A citation was issued against Steven Youngman on September 12, 2007, alleging failure to protect confidential client information. Youngman admitted that he failed to take any or adequate steps to protect his client's confidential information in his dealings with US federal prosecutors.

### **Failure to protect confidential client information**

From 1983 to 1990, Youngman was registered as an associate at a Vancouver law firm, but was seconded to and worked as a de facto employee of a Vancouver accounting firm. From 1990 to 1996, Youngman was a partner at the same accounting firm. He maintained his membership with the Law Society throughout this period.

In 1988, Youngman drafted and implemented a royalty agreement for client RE and a number of companies under his control. The agreement compelled the clients companies, based in North America, the United Kingdom and Australia, to pay royalties for use of "intellectual property" owned by a company located in Anguilla, a tax haven. The purpose of this arrangement was to reduce the taxable income of the companies, thereby augmenting the client's personal income.

RE was charged with tax fraud by the United States Department of Justice, pleaded guilty and was jailed for one year. In discussing information about his client's case with US federal prosecutors, Youngman failed to take any or adequate steps to protect confidential information about his client.

### **Admission**

In June 2008, Youngman admitted to the Discipline Committee that his conduct constituted professional misconduct. He resigned his membership with the Law Society, effective June 17, 2008. Under Rule 4-21, the Committee accepted Youngman's admission and his undertakings:

1. not to reapply for membership in the Law Society until June 17, 2013 (five years from the time he ceased to practice law);
2. not to apply for membership in any other law society without first advising the Law Society of BC in writing; and
3. not to permit his name to appear on the letterhead of any lawyer or law firm, or otherwise work for any lawyer or law firm in BC without the written consent of the Law Society.

