2013 : No. 3

Amandeep Chandi Singh

Surrey, BC
Called to the bar: May 21, 1999

Discipline hearing : April 25, 2013
Panel : Lee Ongman, Chair, Glenys Blackadder and Jennifer M. Reid
Report issued : July 05, 2013 (2013 LSBC 17)
Counsel : Alison Kirby for the Law Society; Henry Wood, QC for Amandeep Chandi Singh

Facts

The Law Society issued a citation against Amandeep Chandi Singh, containing five allegations relating to breaches of the accounting rules and three allegations relating to his conduct in borrowing money from a client of the firm.

Breach of accounting rules

In May 2009, Singh withdrew $500 in cash from his firm's trust account, contrary to Law Society rules. He has no recollection of making this withdrawal.

Singh authorized the withdrawal of funds from a pooled trust account by setting up an electronic transfer capacity in circumstances contrary to Law Society rules.

Between June 2009 and June 2010, there were insufficient funds in the trust account to meet the firm's obligations with respect to funds held in trust for its clients. Singh did not report online transfers and the resulting trust shortages to the Law Society until June 2010.

In April 2010, Singh deposited a $1,000 cash retainer from a client into the firm's general account rather than the pooled trust account, contrary to Law Society rules.

Eighty-nine online transfers from the trust account to the general account were made between June 2009 and June 2010, but were not recorded in the firm's books within seven days, as required by the Law Society rules. Further, monthly trust reconciliations for March, April and May 2010 were not prepared within 30 days of the effective date of the reconciliation, also contrary to the rules.

Client loan

In December 2009, Singh's firm was going to be "short" money in its general account and the bank would no longer permit the line of credit to exceed its maximum. Singh made a private lending arrangement with one of the firm's clients to borrow $20,000 on a short-term basis.

Singh did not know that the loan funds were provided by a cheque written to the client's joint account with his wife. Singh did not advise the client and his wife that he was not protecting their interests and he did not recommend that they obtain independent legal advice.

The loan was deposited to the firm's general account and used to pay general operating expenses.

When the loan was repayable in February 2010, the firm did not have enough funds to repay it. The client agreed to a one-month extension; however, on March 28, 2010 there were still insufficient funds.

On April 13, 2010, Singh provided the client's wife with three post-dated cheques payable from the firm's general account. The second cheque was returned due to insufficient funds.

On April 26, 2010, Singh's law partner deposited $35,000 to the firm's general account, and then transferred the funds to the trust account as part of his repayment of trust funds that Singh had wrongfully withdrawn from the trust account. Singh understood from discussions with his partner that $5,000 of these funds were to be used to replace the "bounced" cheque for the partial loan repayment.

On April 30, 2010, Singh withdrew $5,000 from the trust account and provided a bank draft to the client's wife. The $15,000 balance of the loan was repaid by Singh's partner in May 2010.

Admission and disciplinary action

Singh admitted to the five allegations relating to breaches of the accounting rules, including a failure to immediately rectify and report trust shortages. He admitted to the three allegations relating to his conduct in borrowing $20,000 from a client of the firm, failing to advise the client that he was not representing his interests, and improperly withdrawing funds from the trust account rather than the general account to repay part of the loan. He made a global admission that his conduct in these allegations amounted to professional misconduct.

Serious professional misconduct involving breach of trust accounting rules, shortage of trust funds, and borrowing funds from a client would normally include a significant period of suspension from the practice of law. Singh's irresponsible attention to matters of financial accountability showed a complete disregard for the rules and standards expected from members of the Law Society.

Borrowing funds from a client allowed Singh to gain an immediate advantage. However, while the delay in repayment of the loan caused inconvenience to the client and his wife, the panel noted that there was ultimately no financial loss.

The offending conduct occurred frequently over many months and was not an isolated incident.

Singh's professional conduct record shows two previous conduct reviews and a referral to the Practice Standards Committee.

Singh is an alcoholic and, when his marriage broke down in 2008, his alcohol consumption increased. Between January 2008 and August 2010, Singh was hospitalized many times for health problems related to his consumption of alcohol, and he also attended residential treatment programs on several occasions.

Singh began a treatment plan in August 2010 and has abstained from alcohol. He attends frequent AA meetings and reports to the Practice Standards Committee on a regular basis. The panel believed that there was a strong likelihood of rehabilitation.

Singh has also implemented new office procedures to ensure compliance with trust accounting rules in future.

The panel accepted Singh's admissions and ordered that he:

1. pay a $10,000 fine;
2. pay $8,000 in costs;
3. not be a signatory to a trust account for five years; and

4. enter into and comply with a medical monitoring agreement for a period of three years.