

# **Minutes for the Meeting of the Benchers Held Friday, October 25, 2019 Sheraton Cavalier, Saskatoon**

## **Present:**

Leslie Belloc-Pinder, Q.C., Gerald Tegart, Q.C., Craig Zawada, Q.C., Andrea Argue, Jeff Baldwin, Jill Drennan, Monte Gorchinski, Cara Haaf, Glenn Hepp, Nolan Kondratoff, James Korpan, Q.C., Lynda Kushnir Pekrul, William Lane, Foluke Laosebikan, Ph.D, Scott Moffat, John Morrall, Barbara Mysko, Crystal Norbeck, Martin Phillipson and Ian Wagner

## **In attendance:**

Tim Brown, Q.C., Kara-Dawn Jordan, Tim Huber, Valerie Payne, Stacey McPeck, Andrea Johnston, Kiran Mand, Melanie Hodges-Neufeld, Jenna Kraushaar, Jakaeden Frizzell, Julie Sobowale, Stephanie Kievitz, CPA, CA, Mary Ellen Wellsch, Q.C. and Paul Westgate

Ross Earnshaw, Federation President, was also in attendance.

## **Call to Order:**

The meeting commenced at 11:10 am on Friday, October 25, 2019.

### **1. Approval of the Agenda**

Agenda Item 2, *Honourary Membership with the Law Society*, was removed from the Agenda, as Ross Earnshaw received a certificate in 2016. There were no other changes made to the Agenda.

#### **1.1 Apologies for Absence**

Apologies for absence were received from Suzanne Jeanson, Kaitlynn McArthur, James Morrison, Q.C. and Erin Kleisinger, Q.C.

#### **1.2 Confirmation of Agenda**

#### **1.3 Bencher Conflict of Interest Disclosures**

Craig Zawada, Q.C. indicated that he will excuse himself for any discussion related to the potential cost association with a Futures class.

## **1.4 Agenda Items, Committee Reports and Documents which are Not Open to the Public**

Materials for this meeting are of a confidential nature and will not be made available to the public.

## **2. Governance**

### **2.1 Financial Statements**

Financial Statements were provided for the period ended September 30, 2019.

### **2.2 Budget 2020**

For discussion, a memo was provided by Tim Brown, Q.C., along with budget related documents for each department:

- i. Bar Course (CPLED)
- ii. Continuing Professional Development (CPD)
- iii. Legal Resources
- iv. Special Fund
- v. Professional Responsibility
- vi. Administration

Other documents relating to the budget:

- i. Strategic Budget
- ii. Reserves Summary

Tim Brown, Q.C. briefed the Benchers with a power point presentation which provided an overview of the surplus management plan developed in 2018, as well as the current estimate for Law Society net assets as at the end of the current strategic cycle (December 31, 2021.) A comparison of overall budgeted revenues and expenses for 2019 and 2020 was provided, as well as an overview of budget to forecasted actuals to December 31, 2019. It was noted that we expect to come in reasonably close to budget in 2019 and are on track to be left with assets in the range estimated in 2018 as at the end of 2021.

A motion to approve the 2020 budget, as presented, was moved by Ian Wagner, seconded by Scott Moffat. The motion was carried unanimously.

A motion to approve the practicing levy for 2020 at \$2,175, unchanged from 2019, was moved by Crystal Norbeck, seconded by Jeff Baldwin. The motion carried.

A motion to approve the Special Fund assessment for 2020 at \$100, unchanged from 2019, was moved by James Korpan, Q.C., seconded by Ian Wagner. The motion carried unanimously.

A motion to grant second reading on the same day was presented by James Korpan, Q.C., seconded by Ian Wagner.

On second reading, the motion was presented by Glenn Hepp, seconded by Lynda Kushnir Pekrul, that the Practice Fee remain unchanged from 2019, in the amount of 2,175, and the Special Fund assessment remain unchanged from 2019 in the amount of \$100, be approved as written. The motion carried.

### 3. Regulation

#### 3.1 Rule Amendments

##### i. Part 13 – Accounting and Trust Rules, Anti-Money Laundering

The Trust Safety Committee considered amendments to Part 13 of the Rules to incorporate the Anti-Money Laundering Model Rules prepared by the Federation at its meetings on July 9, 2019 and August 14, 2019.

In collaboration with the Federation, Administration has prepared additional guidance for our members to ensure that they are fully apprised of the requirements for the new Monitoring Rule. Along with the additional Monitoring guidance, administration has also created sample forms, a flow chart, and will be updating the FAQ's on client ID and verification to support the members in understanding the changes.

The Trust Safety Committee recommended that amendments to Part 13, including the AMLTF model rules, as written, be approved *in principle*, with a coming into force date of January 1, 2020.

Moved by James Korpan, Q.C., seconded by Jeff Baldwin, that amendments to Part 13, including the AMLTF model rules, as written, be approved *in principle*, with a coming into force date of January 1, 2020.

##### ii. New Firm Regulation Rules – Part 9

The Firm Regulation Committee considered amendments to the Firm Regulation Rules and recommended approval of these amendments to address potential issues that may arise in relation to the Failure to Comply Rule, specifically on the imposition of conditions or suspension on the use of a firm's trust account.

In order to resolve this issue, the Committee recommended a new subrule 902(5). Additional amendments include:

- a. The effective date for the Firm Regulation Rules has been amended January 1, 2020 to reflect the coming into force date of the rest of the Rule amendments in Rules 902, 903, 904, and 906;
- b. References to the firm culture principles have been removed at this time to accurately reflect the delay in implementation of that aspect of firm regulation and portion of the Assessment Tool in Rules 901, 907 and 908; and
- c. Various housekeeping amendments.

The Committee also recommended adding reports on compliance with the model trust accounting rule to Rule 909, subject to Bencher approval of the Anti-Money Laundering Rules.

The Firm Regulation Committee recommends that the new Firm Regulation Rules, Part 9, as written, be approved *in principle*, with a coming into force date of January 1, 2020.

Moved by Ian Wagner, seconded by John Morrall, that the new Firm Regulation Rules, Part 9, as written, be approved *in principle*, with a coming into force date of January 1, 2020.

### iii. Reporting Requirements – Part 16

The Firm Regulation Committee considered and is recommending amendments to Part 16 to incorporate the firm regulation requirements. The recommended amendments are also to amend the enforcement and fine provisions to bring them more in line with similar provisions and to include various housekeeping amendments. The Committee considered substantive amendments to Rules 1205 and 1225 to simplify and create uniformity within the Part and align them with other late assessment fees.

The Committee also considered and is recommending amendments deleting Rule 1208, Prohibited from the Practice of Law, and replacing it with new Rule 1612, Disqualified from the Practice of Law.

The Firm Regulation Committee recommends that the Reporting Requirements Rules, Part 16, as written, be approved *in principle*, with a coming into force date of January 1, 2020.

Moved by Nolan Kondratoff, seconded by Cara Haaf, that the Reporting Requirements Rules, Part 16, as written, be approved *in principle*, with a coming into force date of January 1, 2020.

### iv. Governance Rule Amendments - Committees Part 6 and Elections Part 3

The Governance Committee met on October 2, 2019 to consider proposed amendments to Part 3 of the Rules regarding Elections, and Part 6 of the Rules regarding Committees.

The amendments to the Election Rules are housekeeping in nature to make them consistent with the new Rules. The proposed Committee Rules, beyond housekeeping amendments, include amendments that will formalize the Equity & Access Committee and the Competency Committee and remove the Legal Resources Committee as a Standing Committee. The proposed amendments also see all Rules that deal with Committee composition moved to Part 6 of the Rules.

The Governance Committee recommended that amendments to Part 3 of the Rules regarding Elections, and Part 6 of the Rules regarding Committees, as written, be approved *in principle*, with a coming into force date of January 1, 2020.

Moved by Craig Zawada, Q.C., seconded by James Korpan, Q.C., that Part 3 of the Rules regarding Elections, and Part 6 of the Rules regarding Committees, as written, be approved *in principle*, with a coming into force date of January 1, 2020.

v. Electoral Reform (in-camera)

This portion of the meeting was held *in-camera*.

**3.2 Firm Regulation Assessment Tool** (Informational)

For information, a memo from Tim Brown, Q.C, was attached regarding the amended implementation timeline for the Assessment Tool. Tim Brown, Q.C. provided an overview of the new timeline.

**4. Reports**

- 4.1 **President's Report** (none)
- 4.2 **Executive Director's Report** (none)

**5. Meeting Finalization**

- 5.1 **Review Actions to be Taken**
- 5.2 **Confirm Items under 1.4**
- 5.3 **Meeting Evaluation**
- 5.4 **Next Meeting**

The next Convocation is scheduled November 27 - 29 at the Hotel Saskatchewan in Regina.

**5.5 Motion to Adjourn**

Ian Wagner moved that the meeting be adjourned. Seconded by Nolan Kondratoff.

**6. Bencher *In-Camera* Session with the Executive Director**

**7. Bencher *In-Camera* Session without the Executive Director**

**TIMOTHY J. BROWN, Q.C.**

**Executive Director**

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