

C A N A D A)
IN THE PROVINCE OF SASKATCHEWAN)
TO WIT)

IN MATTER OF THE LEGAL PROFESSION ACT 1990 AND
IN THE MATTER OF RONALD PRICE-JONES, A LAWYER OF MELFORT,
SASKATCHEWAN

**THE LAW SOCIETY OF SASKATCHEWAN
DISCIPLINE DECISION 09-02
RONALD PRICE-JONES OF MELFORT, SASKATCHEWAN
DECIDED MAY 1ST, 2009**

Tim Huber - on behalf of the Law Society of Saskatchewan
James Taylor, Q.C. - on behalf of Ronald Price-Jones

JURISDICTION AND RESPONSIBILITY

The jurisdiction and authority of the Law Society to govern itself through the regulation and discipline of its members is extensively reviewed in the decisions of The Law Society and Susan Rault made on the 18th of May, 2008, No. 8-02 and The Law Society and Michael Nolin made on the 3rd of October, 2008, No 08-04. Those reasons are adopted herein and need not be reproduced in this Decision.

PROCEDURAL HISTORY

This matter proceeded before the Hearing Committee, consisting of Brent Cotter, Q.C. as Chair (the Hearing Committee). The Hearing Committee convened on March 25th, 2009 by telephone conference. The Law Society was represented by Mr. Tim Huber. Mr. Price-Jones was represented by James Taylor, Q.C. Mr. Price-Jones did not participate in the hearing.

The parties acknowledge that the Hearing Committee was properly constituted and had jurisdiction to deal with the matter before it.

At the Hearing, the Amended Formal Complaint was presented and Mr. James Taylor, Q.C., on behalf of Mr. Price-Jones, acknowledged and admitted that Mr. Price-Jones was guilty of conduct unbecoming in that:

1. He did fail to deposit monies received or held in trust by him for or on account of clients into a mixed or separate trust account as required by the rules of the Law Society of Saskatchewan;
Reference Law Society of Saskatchewan Rule 910
2. He did fail to comply with rules of the Law Society of Saskatchewan regulating the way in which monies received or held in trust by him for or on account of clients are to be handled;
Reference Law Society of Saskatchewan Rules 910, 911, and 942
3. He did fail to pay the Law Foundation, or fail to cause to be paid to the Law Foundation, interest earned on monies received or held in trust by him for or on account of clients as required by the *Legal Profession Act* and the rules of the Law Society of Saskatchewan;
Reference the *Legal Profession Act*, Section 78 and Law Society of Saskatchewan Rule 911 and Chapter XI of the Code of Professional Conduct footnote 7.
4. He did wrongfully convert, for his own use, interest earned on monies received or held in trust by him for or on account of clients that was payable to the Law Foundation as required by the *Legal Profession Act* and the Rules of the Law Society of Saskatchewan;
Reference the *Legal Profession Act*, and the Law Society of Saskatchewan Rule 911 and Chapter XI of the Code of Professional Conduct footnote 7.
6. He did file TA-3 and TA-5 Report with the Law Society of Saskatchewan that were false or misleading;
Reference Chapter 1 of the Code of Professional Conduct

On behalf of the Law Society Mr. Huber withdrew Count 5 of the Amended Formal Complaint. Pursuant to Section 55 of the *Legal Profession Act*, the Hearing Committee not having assessed a penalty, the matter was referred to the Chair of the Discipline Committee. The date for the hearing to determine the appropriate penalty was set for May 1st, 2009 at Good Spirit Lake, Saskatchewan.

The Hearing then proceeded before the Discipline Committee on the basis of the Report of the Hearing Committee with all exhibits thereto received in evidence. Filed on behalf of the Law Society were the Notice of Sentencing, Report of Hearing Committee, with all the exhibits attached thereto and a Statement of Costs. Filed on behalf of Mr. Price-Jones were five letters of support and character.

The Law Society was represented by Mr. Tim Huber. Mr. Ronald Price-Jones was present, represented by Mr. James

Taylor, Q.C.

A quorum of the Benchers was established at the Hearing and no objection was taken to either the jurisdiction or the composition of the Discipline Committee. There were no preliminary motions or objections taken. The Discipline Committee received written submissions from Mr. Tim Huber and Mr. James Taylor, Q.C. Mr. Ronald Price-Jones addressed the Committee and answered questions from the Benchers. The Benchers delivered and rendered an oral Judgment on the 1st of May, 2009. At that time the Chair indicated that written reasons would follow. The Benchers present at the Sentencing Hearing have reviewed this document and confirm that it reflects the reasoning employed by the Benchers in reaching their oral decision on May 1st, 2009.

FACTS PURSUANT TO LAW SOCIETY RULE 450(10) AND Rule 470(7)

The facts before the Discipline Committee were as found by the Hearing Committee and evidenced in the Report of the Hearing Committee. In this particular case, the Hearing Committee Report adopts an Agreed Statement of Facts as Exhibit P3 to its Report. Relevant portions of the Agreed Statement of Fact and Admissions are set out hereinafter.¹

Jurisdiction

1. Ronald Price-Jones (hereinafter “the Member”) is, and was at all times material to this proceeding, a practicing member of the Law Society of Saskatchewan (hereinafter the “Law Society”), and accordingly is subject to the provisions of *The Legal Profession Act, 1990* (herein after the “Act”) as well as the *Rules of the Law Society of Saskatchewan* (the “Rules”). Attached at **Tab 1** is a Certificate of the Executive Director of the Law Society of Saskatchewan pursuant to section 83 of the Act confirming the Member’s practicing status.
2. The member is currently the subject of a Formal Complaint initiated by the Law Society dated July 21, 2008. The Formal Complaint is comprised of the six counts noted above. The Formal Complaint was served upon the Member on July 28, 2008. Attached as **Tab 2** is a copy of the Formal Complaint along with proof of service in the form of an Acknowledgment of Service. The Formal Complaint was amended on August 23, 2008 to add missing text to the preamble. The Amended Formal Complaint with Proof of Service upon the Member’s Legal counsel is attached at **Tab 3**.
3. The Formal Complaints were duly served upon the Member and his counsel.

Background of Complaint

4. The Member was called to the bar and signed the roll on January 5, 1961. On January 13, 1961 he received an appointment as Notary Public.
5. In the years just prior to 2001, the Member had suffered a degree of hearing loss and discontinued his court practice and began to focus on real estate. At approximately the same time the new ISC land system was being implemented. The Member made a determination that he could split his practice into two distinct segments. On the one hand he purported to act as barrister and solicitor and on the other he purported to act as Notary Public. The Member was of the view that he could deal with certain real estate files as a Notary Public while dealing with others as a barrister and solicitor. To give effect to this split he opened a separate account to handle money relating to files handled by the Notary Public side of his practice and referred to that account as a “Conveyancer Account”. None of the requirements of the Act or Rules were met in relation to the “Conveyancer Account”. The other accounts maintained in relation to the barrister and solicitor side of the Member’s practice were run in accordance with the Act and Rules.
6. In March 2008, the Law Society received from Grant Carson of Carson and Co. Law Office in Melfort, a copy

¹Tabs referred to are not attached.

of a letter he received from Ronald Price-Jones dated February 29, 2008. In included with that letter was a cheque in the amount of \$127,142.12. A copy of the letter and the attached cheque are attached hereto at **Tab 4**. The \$127,142.12 paid by the Member to Grant Carson were funds that the Member had been holding in trust in relation to a real estate transaction.

7. The cheque was drawn on accounts number 6007298 (the "Conveyancer Account") from the Melfort Branch of the Advantage Credit Union and it referred to "Ronald Price-Jones - Conveyancer Notary Public". The cheque did not appear to be a trust cheque and it was not sent to Mr. Carson on trust conditions.
8. A review was made in relation to the trust accounting reports submitted by the Member in previous years, and in relation to the most recent year ending December 31, 2007. The 2007 TA-3 Practice Declaration Form is attached at **Tab 5**. The Member had not disclosed the existence of the "Conveyancer Account".
9. On or about April 3, 2008, John Allen, the Law Society Auditor/Inspector attended the offices of the Member to conduct an investigation as a result of the letter and payment that the Member had sent to Mr. Carson.

Particulars of Conduct

10. Upon attending at the Member's office John Allen became aware of the fact that the Member had split his practice. Some of the files were handled by the Member through his office trust account in his capacity as a lawyer and the remaining files were processed through the "Conveyancer Account" which the Member purported to operate as a Notary and Conveyancer. The "Conveyancer Account" was being used in the same way as a lawyer would use a trust account but with none of the requirements of the Act or rules being met. For example, the "Conveyancer Account" was used to hold client money in trust pending the closure of real estate deals in the same way a lawyer trust account would be used.
11. The "Conveyancer Account" was not set up as a mixed trust account as required by Rule 910. The financial institution that held the "Conveyancer Account" had not been asked to designate the account as a trust account as required by Rule 911(1). Nor were the trust moneys paid from the "Conveyancer Account" by cheque marked "trust" as is required by Rule 942(1).
12. The "Conveyancer Account" was also used for non-trust purposes. Moneys that flowed through this account included revenue from legal services, the Member's personal expenses, interest earned and service charges.
13. The interest earned in relation to the moneys held in the "Conveyancer Account" were retained by the Member for his own benefit rather than being paid to the Law Foundation contrary to Rule 911(2). The Member's use of the "Conveyancer Account" from the time it was established in 2001 until April 3, 2008 accrued interest in the amount of \$3,200.13. This interest had not been paid to the Law Foundation. 14. Attached at **Tab 6** is a copy of the Members "Conveyancer Account" bank statements. On more than one occasion the account balance is depleted below what would have been owing to the Law Foundation had the Member complied with Rule 911(2). The Member included the interest payable to the Law Foundation as income for the Conveyancer-Notary portion of his business for tax purposes. The Member repaid the interest due to the Law Foundation in two installments on April 3, 2008 and April 24, 2008. Attached at **Tab 7** is a memo from John Allen dated June 13, 2008 discussing the amount of interest accrued, the dates those amounts were ultimately paid to the Law Foundation as well as confirmation that the interest payable to the Law Foundation was used by the member for his own purposes.
15. The Member did not disclose his practice split to the Law Society. He also filed TA-3 Trust Accounting Forms as follows:
 - a. He answered "No" to the question asking if he practices law under any other arrangement. He did not mention practicing as a Notary Public;

- b. He failed to list the “Conveyancer Account” when required to list all trust and general accounts operated by the firm during the reporting period.
- c. He stated that he paid all interest earned on his pooled trust accounts to the Law Foundation when this did not occur in relation to the “Conveyancer Account”;
- d. He stated in the TA-3 that all trust monies received were deposited firstly into the firms pooled trust account when, in fact, moneys received on the files he purported to deal with as a Notary were deposited firstly into the “Conveyancer Account”.

POSITION OF THE PARTIES

Investigation Committee

Mr. Huber, on behalf of the Investigation Committee, argued that Mr. Price-Jones embarked on a scheme which;

1. Avoided nearly every trust accounting rule intended to protect the public and to facilitate the Law Society in its ability to regulate its members,
2. Resulted in Mr. Price-Jones not paying the interest earned on the trust money to the Law Foundation as required, but appropriating same for his own use, and
3. Filing of false or misleading trust account forms, and should therefore, be dealt with severely. He referred the Committee to the Decision of the Law Society of Upper Canada and Daniel Alexander Barna (2004) wherein the member was disbarred for similar conduct. Mr. Huber also referred to one case wherein a suspension was given for somewhat similar conduct.

Mr. Price-Jones

Mr. Taylor, Q.C., on behalf of Mr. Price-Jones, does not dispute any of the conduct or the consequences arising therefrom. The Member readily admitted that he set up the “Conveyancer Account” as a non-trust account. The Member argued that he “honestly believed” he could conduct the activities that he did in relation to real estate as a Notary Public and that therefore the rules of the Law Society did not apply. He now accepts that his belief was erroneous, but urges the Committee to consider it in arriving at an appropriate sentence. It was submitted that since Mr. Price-Jones had been in effect under suspension since January of 2009, he be reprimanded and permitted to return to practice upon complying with outstanding accounting requirements.

Analysis

The purpose of the discipline proceedings of the Law Society is to protect the public, maintain high professional standards and preserve the public confidence in the legal profession. One of the underpinnings of the regulatory scheme is the rules regarding trust accounts and trust monies. Deliberately setting up a scheme whereby the rules are circumvented, where the forms are falsely or misleadingly filled out in order to prevent discovery and failing to submit interest to the Law Foundation are very serious breaches and in most circumstances would merit the harshest of penalties. Such conduct on the face of it may be considered to show a lack of honesty which is incompatible with being a barrister and solicitor.

In this case, the Committee was prepared to infer from the facts presented and the arguments made that Mr. Price-Jones honestly but mistakenly believed he could carry on part of his business as a Notary Public and not be subject to the rules of the Law Society.

As can be readily seen, once it is accepted that the Member thought his “Conveyancer Account” was not subject to the trust rules, it follows that he would not remit the interest to the Law Foundation and that he would not reveal its existence in the TA-3 Forms. It should be pointed out that this mistake, as to the law or the effect of the law, does not in any way affect the activities as being conduct unbecoming. A cursory perusal of the case law (see *Scott v. Mentiplay* 1998 Q.B.

No. 40) would have quickly revealed the error of this belief. It is readily apparent that Mr. Ronald Price-Jones was at the very least willfully blind as to the true nature of the circumstances.

It is the conclusion of the Committee that the explanation provided by Mr. Price-Jones is of sufficient weight to move the characterization of this conduct from dishonesty requiring disbarment to a suspension. This penalty protects the public by providing a deterrent to others through denunciation of this type of conduct. In arriving at its decision, regarding the length of the suspension, the Committee was mindful of the following factors:

1. The Member's personal circumstances;
2. The guilty plea;
3. Cooperation with the Law Society in the process;
4. No loss was occasioned to any member of the public; and
5. The Member's previous many years of complaint-free practice.

Decision

It is therefore the Decision of the Discipline Committee that Mr. Price-Jones be:

1. Suspended from the practice of law for a period of 6 months;
2. Whereas the Member is currently not entitled to practice law as a result of outstanding administrative deficiencies, the suspension imposed shall not commence until the day all administrative deficiencies have been resolved and the member is again eligible to practice law; and
3. That the Member shall pay costs of these discipline proceedings in the amount of \$3,743.77 to the Law Society of Saskatchewan within 6 months of the end of his suspension or within such further time as allowed by the Chair of Discipline.

DATED at the City of Prince Albert, in the Province of Saskatchewan this 4th day of June, 2009.

Peter Hryhorchuk
Vice Chair of Discipline



CANADA)
PROVINCE OF SASKATCHEWAN)
TO WIT)

**IN THE MATTER OF *THE LEGAL PROFESSION ACT, 1990*
AND IN THE MATTER OF RONALD PRICE-JONES,
A LAWYER OF MELFORT, SASKATCHEWAN**

**AGREED STATEMENT OF FACTS AND ADMISSIONS
BETWEEN RONALD PRICE-JONES AND
THE LAW SOCIETY OF SASKATCHEWAN**

In relation to the Formal Complaint dated July 21, 2008, as amended, alleging the following:

THAT Ronald Price-Jones, of the City of Melfort, in the Province of Saskatchewan is guilty of conduct unbecoming in that:

1. He did fail to deposit moneys received or held in trust by him for or on account of clients into a mixed or separate trust account as required by the *Rules of the Law Society of Saskatchewan*;

Reference Law Society of Saskatchewan Rule 910.

2. He did fail to comply with the *Rules of the Law Society of Saskatchewan* regulating the way in which moneys received or held in trust by him for or on account of clients are to be handled;

Reference Law Society of Saskatchewan Rules 910, 911, 942.

3. He did fail to pay to the Law Foundation, or failed to cause to be paid to the Law Foundation, interest earned on moneys received or held in trust by him for or on account of clients as required by *The Legal Profession Act* and the *Rules of the Law Society of Saskatchewan*;

Reference *The Legal Profession Act* s. 78 and Law Society of Saskatchewan Rule 911 and Chapter XI of the *Code of Professional Conduct* footnote 7.

4. He did wrongfully convert, for his own use, interest earned on moneys received or held in trust by him for or on account of clients that was payable to the Law Foundation as required by *The Legal Profession Act* and the *Rules of the Law Society of Saskatchewan*;

Reference *The Legal Profession Act* s. 78 and Law Society of Saskatchewan Rule 911 and Chapter XI of the *Code of Professional Conduct* footnote 7.

5. He did, by handling certain moneys received or held in trust by him for or on account of clients in a non-trust account, purporting to be a “conveyancer account”, split the revenue from his legal practice thereby avoiding his obligation to collect and remit GST to the Canada Revenue Agency.

Reference Chapter I of the *Code of Professional Conduct*.

6. He did file TA-3 and TA-5 reports with the Law Society of Saskatchewan that were false or misleading;

Reference Chapter I of the *Code of Professional Conduct*.

Jurisdiction

1. Ronald Price-Jones (hereinafter “the Member”) is, and was at all times material to this proceeding, a practicing member of the Law Society of Saskatchewan (hereinafter the “Law Society”), and accordingly is subject to the provisions of *The Legal Profession Act, 1990* (herein after the “Act”) as well as the *Rules of the Law Society of Saskatchewan* (the “Rules”). Attached at **Tab “1”** is a Certificate of the Executive Director of the Law Society of Saskatchewan pursuant to section 83 of the Act confirming the Member’s practicing status.
2. The Member is currently the subject of a Formal Complaint initiated by the Law Society dated July 21, 2008. The Formal Complaint is comprised of the six counts noted above. The Formal Complaint was served upon the Member on July 28, 2008. Attached at **Tab “2”** is a copy of the Formal Complaint along with proof of service in the form of an Acknowledgment of Service. The Formal Complaint was amended on August 12, 2008 to add missing text to the preamble. The Amended Formal Complaint with Proof of Service upon the Member’s legal counsel is attached at **Tab “3”**.
3. The Formal Complaints were duly served upon the Member and his counsel.

Background of Complaint

4. The Member was called to the bar and signed the roll on January 5, 1961. On January 13, 1961 he received an appointment as a Notary Public.

5. In the years just prior to 2001, the Member had suffered a degree of hearing loss and discontinued his court practice and began to focus on real estate. At approximately the same time the new ISC land system was being implemented. The Member made a determination that he could split his practice into two distinct segments. On the one hand he purported to act as a barrister and solicitor and on the other he purported to act as a Notary Public. The Member was of the view that he could deal with certain real estate files as a Notary Public while dealing with others as a barrister and solicitor. To give effect to this split he opened a separate account to handle money relating to files handled by the Notary Public side of his practice and referred to that account as a “Conveyancer Account”. None of the requirements of the Act or Rules were met in relation to the “Conveyancer Account”. The other accounts maintained in relation to the barrister and solicitor side of the Member’s practice were run in accordance with the Act and Rules.
6. In March 2008, the Law Society received from Lawyer X of Firm X, a copy of a letter he received from Ronald Price-Jones dated February 29, 2008. Included with that letter was a cheque in the amount of \$127,142.12. A copy of the letter and the attached cheque are attached hereto at **Tab “4”**. The \$127,142.12 paid by the Member to Lawyer X were funds that the Member had been holding in trust in relation to a real estate transaction.
7. The cheque was drawn on account number 6007298 (the “Conveyancer Account”) from the Melfort Branch of the Advantage Credit Union and it referred to “Ronald Price-Jones – Conveyancer Notary Public”. The cheque did not appear to be a trust cheque and it was not sent to Lawyer X on trust conditions.
8. A review was made in relation to the trust accounting reports submitted by the Member in previous years, and in relation to the most recent year ending December 31, 2007. The 2007 TA-3 Practice Declaration Form is attached at **Tab “5”**. The Member had not disclosed the existence of the “Conveyancer Account”.
9. On or about April 3, 2008, John Allen, the Law Society Auditor/Inspector attended the offices of the Member to conduct an investigation as a result of the letter and payment the that Member had sent to Lawyer X.

Particulars of Conduct

10. Upon attending at the Member's office John Allen became aware of the fact that the Member had split his practice. Some of the files were handled by the Member through his office trust account in his capacity as a lawyer and the remaining files were processed through the "Conveyancer Account" which the Member purported to operate as a Notary and Conveyancer. The "Conveyancer Account" was being used in the same way as a lawyer would use a trust account but with none of the requirements of the Act or rules being met. For example, the "Conveyancer Account" was used to hold client money in trust pending the closure of real estate deals in the same way a lawyer trust account would be used.
11. The "Conveyancer Account" was not set up as a mixed trust account as required by Rule 910. The financial institution that held the "Conveyancer Account" had not been asked to designate the account as a trust account as required by Rule 911(1). Nor were the trust moneys paid from the "Conveyancer Account" by cheque marked "trust" as is required by Rule 942(1).
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13. The interest earned in relation to the moneys held in the "Conveyancer Account" were retained by the Member for his own benefit rather than being paid to the Law Foundation contrary to Rule 911(2). The Member's use of the "Conveyancer Account" from the time it was established in 2001 until April 3, 2008 accrued interest in the amount of \$3,200.13. This interest had not been paid to the Law foundation.
14. Attached at **Tab "6"** is a copy of the Members "Conveyance Account" bank statements. On more than one occasion the account balance is depleted below what would have been owing to the Law Foundation had the Member complied with Rule 911(2). The Member included the interest payable to the Law Foundation as income for the Conveyancer-Notary portion of his business for tax purposes. The Member repaid the interest due to the Law Foundation in two installments on April 3, 2008 and April 24, 2008. Attached at **Tab "7"** is a memo

from John Allen dated June 13, 2008 discussing the amount of interest accrued, the dates those amounts were ultimately paid to the Law Foundation as well as confirmation that the interest payable to the Law Foundation was used by the Member for his own purposes.

15. The Member did not disclose his practice split to the Law Society. He also filed TA-3 Trust Accounting Account Forms as follows:
 - a. He answered “No” to the question asking if he practices law under any other arrangement. He did not mention practicing as a Notary Public;
 - b. He failed to list the “Conveyancer Account” when required to list all trust and general accounts operated by the firm during the reporting period;
 - c. He stated that he paid all interest earned on his pooled trust accounts to the Law Foundation when this did not occur in relation to the “Conveyancer Account”;
 - d. He stated in the TA-3 that all trust monies received were deposited firstly into the firms pooled trust account when, in fact, moneys received on the files he purported to deal with as a Notary were deposited firstly into the “Conveyancer Account”;

****Edited for Publication****