



Law Society
of Saskatchewan

BRANDI MAE RINTOUL
HEARING DATE: July 3, 2020
DECISION DATE: July 8, 2020
Law Society of Saskatchewan v. Rintoul, 2020 SKLSS 4

IN THE MATTER OF *THE LEGAL PROFESSION ACT, 1990*
AND IN THE MATTER OF BRANDI MAE RINTOUL,
A LAWYER OF MELFORT, SASKATCHEWAN

DECISION OF THE HEARING COMMITTEE FOR THE
LAW SOCIETY OF SASKATCHEWAN

between the offices of:
James A. Morrison, Q.C. (Chair), Lynda Kushnir Pekrul, and Tim McLeod,

and counsel on behalf of Brandi Mae Rintoul:
Nicholas Stooshinoff, Q.C.

and counsel on behalf of the Law Society of Saskatchewan:
Timothy Huber

1. The matter concerns a formal complaint dated December 9, 2019, alleging that Brandi Mae Rintoul (the “Member”) did accept cash in an aggregate amount of \$28,000.00 in respect of one transaction, contrary to Law Society of Saskatchewan Rule 909.

2. The Member has plead guilty to the complaint. Mr. Stooshinoff, counsel on behalf of the Member, and Mr. Huber, counsel on behalf of the Law Society of Saskatchewan, filed an Agreed Statement of Facts setting out the circumstances of the offence. The Member represented T.J., a long-time client, with respect to a joint-purchase of a parcel of land with his business partner J.P. In the context of that transaction T.J. provided the Member with \$28,000.00 cash on September 19, 2018, being the balance due at the time. T.J. advised the Member that he had attended the bank earlier that day and withdrew \$29,000.00 in \$100.00 bills. The Member counted the money, accepted \$28,000.00 of it and returned the other \$1,000.00 to her client. A cash receipt was signed by both T.J. and J.P. acknowledging this cash transaction.

3. After the parties left, the Member gave the \$28,000.00 in funds to their bookkeeper. It was not until after the funds were deposited that the bookkeeper reminded the Member of the Law Society of Saskatchewan’s cash rule. The Member admits she did not know what to do,

but the next day she advised Mr. Selnes of their office what had occurred and was told to make a report to the Law Society.

4. On or around October 5, 2018, the Member called and left a message with the Law Society of Saskatchewan self-reporting this incident. The Law Society of Saskatchewan has no record of this message and it was not until the matter was reported on the firm's end-of-year TA-3 that the auditors became aware of the issue.

5. After leaving the message the Member admits she made no further efforts with respect to this issue until it was reported on the end of year TA-3.

6. On May 27, 2019, D.H., Senior Auditor of the Law Society of Saskatchewan wrote to the Member and indicated that by virtue of accepting \$28,000.00 in cash from her client she was in violation of Rule 909(1) which restricts the amount of money that she may accept from any one client on a transaction to \$7,500.00. The Member was asked to provide a written undertaking to restrict cash deposits to the prescribed \$7,500.00.

7. In response to this request, the Member's firm provided an undertaking to restrict all cash deposits to \$7,500.00 on May 30, 2019.

8. On September 23, 2019, counsel from the Law Society of Saskatchewan wrote to the Member to inquire into the specifics of the matter.

9. In response to Professional Responsibility Counsel's letter of September 23, 2019, the Member provided her response as follows:

"I can advise that I called the Law Society and left a message on or around October 5, 2018, however we did not receive a call back. I understand from later discussions with D.H. that no message was received.

I did not submit in writing, and I understand that all reports are to be made in writing from now on.

All other conversations with regard to this matter were then had between Mr. Selnes, myself and D.H. over the phone or by email, which resulted in the undertaking signed by Mr. Selnes. I have a copy of that undertaking in my office in my personal filing cabinet.

I emphasize the notes in the memorandum dates from September 18, 2019. T.J. is a long term client, and he came straight from the bank. This was an isolated incident.

In discussion with Mr. Selnes immediately after I recognized the error.

I can advise that J.P., T.J.'s partner on this transaction, came to the office on Friday of last week to pay the outstanding balance on the sale of \$10,000. He brought cash. We immediately advised him that we could not accept cash, and would accept a bank draft or cheque only. He advised that he thought cash would be easier, and had just come from the bank. Staff advised that we cannot accept cash in that amount after confirming with me that it is in violation of Law Society rules."

10. The Member has no relevant prior history.

11. Mr. Stooshinoff on behalf of the Member and Mr. Huber presented a joint sentencing submission urging the Committee to impose a sentence as follows:

- a. Fine of \$1,000.00; and
- b. Costs of \$1,500.00.

12. In the mid-2000s, the Law Society gave effect to rules providing the Law Society with oversight over the circumstances under which members can accept cash. These rules intend to ensure that those involved in money laundering do not use the cloak of solicitor/client privilege to conceal money laundering activities. These rules strike a balance between maintaining the integrity of solicitor/client privilege, while also protecting members of the public and the public interest.

13. The breach here was at the less serious end of the spectrum. The amount involved was relatively small. In the circumstances in this matter, there was no suggestion that the long-time client, T.J., was engaged in money laundering. The Member made an error in judgment. Although the Member called the Law Society on or about October 5, 2018 and left a message with the Law Society of Saskatchewan self-reporting the incident after discussing it with a senior member of the firm, the Law Society of Saskatchewan had no record of the message. It was not until the matter was reported on the firm's end of year TA-3 that the auditors became aware of the issue. After leaving the message with the Law Society, the Member made no further efforts with respect to this issue until it was reported on the end of the year TA-3. The Committee finds that this was an error in judgment and there was no effort made by the Member to conceal her mistake. This is supported by the fact that the Member did not accept cash in the sum of \$10,000.00 on the subsequent Friday from T.J.'s partner, J.P.

14. The Member has been cooperative since the senior auditor of the Law Society wrote to the Member on May 27, 2019 indicating that by virtue of accepting the \$28,000.00 in cash from her client, she was in violation of Rule 909(1) which restricts the amount of money that she may accept from any one client on a transaction to \$7,500.00.

15. The Committee accepts Mr. Stooshinoff's representation on behalf of the Member that she was simply "not alive to the rule", but that she has accepted her responsibility for the mistake, even though it was inadvertent and unintended. For these reasons, the panel finds that there is no need to impose a penalty for the purposes of providing specific deterrence to this Member.

16. However, general deterrence requires a penalty. Rule 909 is a strict liability offence, for good reason. Money laundering is not in the public interest. Law Societies need to police this strictly or risk eroding the public's trust in the Law Societies' ability to do so. On that basis, it is appropriate to impose a fine and an order for costs.

17. As there is a joint recommendation, the Committee is bound to accept it provided that the penalty is within the acceptable range. Mr. Huber provided several cases that provide precedent for imposing similar penalties for similar offences:

***The Law Society of British Columbia v Lyons*, [2008] L.S.D.D. No. 28.**

18. *Lyons* is an early decision on a breach of the *no cash* rule. The conduct in question occurred approximately two years after the rules came into effect, but after the Law Society extensively communicated the existence of the new rule. The lawyer received cash in the amounts of \$32,900.00 USD, and \$23,000.00 CAD. Lyons was aware of the existence of the *no cash* rules and contacted the Law Society to see how he should handle the funds prior to

depositing them to his trust account. The lawyer incorrectly understood that he could simply note the receipt of cash over \$7,500.00 as an exemption on his trust reporting. He failed to appreciate that it was an absolute bar and represented a professional misconduct. The lawyer was found guilty of conduct unbecoming. He was fined \$1,500.00 and ordered to pay \$2,700.00 in costs.

Law Society of British Columbia v Van Twest, [2001] L.S.D.D. No. 95

19. The lawyer received \$111,000.00 into his trust account to complete a transaction for his client. Of that amount, \$9,000.00 had been provided in cash. The lawyer was aware of the *no cash* rule but thought that the limit was \$10,000.00 rather than \$7,500.00. Then, despite having had discussions with the Law Society about the breach, the lawyer inadvertently failed to disclose the breach on his annual trust report. He was found guilty of conduct unbecoming. The lawyer received a fine of \$2,000.00 and was required to pay costs of \$1,000.00.

Law Society of Upper Canada v Gosdee, [2016] L.S.D.D. No. 146

20. The lawyer received two cash installments totaling \$195,110.00 in the context of a share transfer. Other minor conduct issues were also at play. The Hearing panel acknowledged that under the circumstances the range of penalty was from a reprimand to a short suspension. A joint submission for a reprimand was proposed and accepted.

Law Society of Saskatchewan v Buitenhuis, 2020 SKLSS 2

21. The Buitenhuis case was recently heard in March of 2020. The lawyer accepted cash from his client in the amount of \$249,700.00. The lawyer had sought guidance by email about what to do when his client appeared with the cash. But, the lawyer's email was not received by the Law Society. The lawyer, receiving no response from the Law Society, decided to accept the cash into his trust account. He made no effort to contact the Law Society by phone. The Law Society did not discover the initial email from the lawyer for several days. There was no indication that the money in question constituted proceeds of crime. Just as the Member here self-reported to the Law Society, so did Mr. Buitenhuis in his email seeking guidance. He made no attempt to hide the transaction. He was aware of the rule regarding accepting cash. Mr. Buitenhuis' penalty was a \$7,500.00 fine.

Law Society of Saskatchewan v Hendricks, 2020 SKLSS 3

22. This decision was recently heard on May 14, 2020. It concerns a formal complaint that Mr. Hendricks did accept cash in an aggregate amount of \$13,000.00 in respect of one transaction, contrary to Rule 909(1). Mr. Hendricks pleaded guilty and there was an Agreed Statement of Facts filed setting out the circumstances of the offence, wherein the Member represented Mr. and Mrs. L in relation to their purchase of a home. In the context of the transaction, Mr. and Mrs. L provided the Member with \$13,000.00 cash on July 13, 2019, being the balance required to complete the transaction. Mr. Hendricks wrote to the Law Society on July 24, 2019 self-reporting this incident including a copy of the receipt issued to the clients upon his acceptance of the \$13,000.00 in cash. At the time he advised the Law Society of the breach, the cash had not yet been deposited to the firm's trust account. The Member made no effort to conceal his actions. Rather, he advised the Law Society of the breach at his earliest opportunity. In that decision, a joint sentencing submission urged the Committee to impose a \$1,000.00 fine and \$1,500.00 in costs. The Committee accepted the joint recommendation.

23. The written submissions provided by Mr. Huber were comprehensive and persuasive that the joint recommendation should be accepted. In addition, Mr. Stooshinoff, accurately pointed out in his oral submissions that in the *Hendricks* and *Buitenhuis* decisions, similar misjudgments in comparable circumstances were made by senior counsel in breach of Rule 909, even though they were alive to Rule 909. In these circumstances, the Member had been practicing for just over a year at the time of breach of the Rule.

24. For these reasons, and upon review of the cases submitted by counsel, the Committee finds that the joint recommendation is both fit and reasonable.

25. Accordingly, the Member is hereby required to pay to the Law Society of Saskatchewan, a fine of \$1,000.00, together with costs of \$1,500.00. Such amount is to be paid within sixty (60) days.

Dated at Saskatoon, in the Province of Saskatchewan, this 7th day of July, 2020.

“James A. Morrison, Q.C.”, Chair

Dated at Regina, in the Province of Saskatchewan, this “8th” day of July, 2020.

“Lynda Kushnir Pekrul”

Dated at Moose Jaw, in the Province of Saskatchewan, this “8th” day of July, 2020.

“Tim McLeod”

AGREED STATEMENT OF FACTS AND ADMISSIONS
BETWEEN BRANDI RINTOUL AND
THE LAW SOCIETY OF SASKATCHEWAN

In relation to the Formal Complaint dated December 9, 2019 alleging that she is guilty of conduct unbecoming a lawyer in that she:

- 1. did accept cash in an aggregate amount of \$28,000.00 in respect of one transaction, contrary to Law Society of Saskatchewan Rule 909.**

JURISDICTION

26. Brandi Rintoul (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 (hereinafter the “Act”) as well as the *Rules of the Law Society of Saskatchewan* (the “Rules”).

27. The Member is currently the subject of a Formal Complaint initiated by the Law Society dated December 9, 2019. The Formal Complaint is comprised of the single allegation noted above. The original Formal complaint was served upon the Member on December 9, 2019. Attached at Tab 1 is a copy of the original Formal Complaint. The Member intends to plead guilty to the allegation set out in the Formal Complaint.

PARTICULARS OF CONDUCT

28. The Member represented T.J., a long-time client, with respect to a joint-purchase of a parcel of land with his business partner J.P. In the context of that transaction T.J. provided the Member with \$28,000.00 cash on September 19, 2018, being the balance due at the time. T.J. advised the Member that he had attended the bank earlier that day and withdrew \$29,000.00 in \$100.00 bills. The Member counted the money, accepted \$28,000.00 of it and returned the other \$1,000.00 to her client. A cash receipt was signed by both T.J. and J.P. acknowledging this cash transaction.

29. After the parties left, the Member gave the \$28,000.00 in funds to their bookkeeper. It was not until after the funds were deposited that the bookkeeper reminded the Member of the Law Society of Saskatchewan's cash rule. Note knowing what to do, the next day, the Member advised Mr. Selnes what had occurred and was told to make a report to the Law Society.

30. On or around October 5, 2018, the Member called and left a message with the Law Society of Saskatchewan self-reporting this incident. The Law Society of Saskatchewan has no record of this message and it was not until the matter was reported on the firm's end-of-year TA-3 that the auditors became aware of the issue.

31. After leaving the message the Member made no further efforts with respect to this issue until it was reported on the end of year TA-3.

32. On May 27, 2019, D.H., Senior Auditor of the Law Society of Saskatchewan wrote to the Member and indicated that by virtue of accepting \$28,000.00 in cash from her client she was in violation of Rule 909(1) which restricts the amount of money that she may accept from any one client on a transaction to \$7,500.00. The Member was asked to provide a written undertaking to restrict cash deposits to the prescribed \$7,500.00.

33. In response to this request, the Member's firm provided an undertaking to restrict all cash deposits to \$7,500.00 on May 30, 2019.

34. On September 23, 2019, counsel from the Law Society of Saskatchewan wrote to the Member to inquire into the specifics of the matter.

35. In response to Professional Responsibility Counsel's letter of September 23, 2019, the Member provided her response as follows:

"I can advise that I called the Law Society and left a message on or around October 5, 2018, however we did not receive a call back. I understand from later discussions with D.H. that no message was received.

I did not submit in writing, and I understand that all reports are to be made in writing from now on.

All other conversations with regard to this matter were then had between Mr. Selnes, myself and D.H. over the phone or by email, which resulted in the undertaking signed by Mr. Selnes. I have a copy of that undertaking in my office in my personal filing cabinet.

I emphasize the notes in the memorandum dates from September 18, 2019. T.J. is a long term client, and he came straight from the bank. This was an isolated incident.

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I can advise that J.P., T.J.'s partner on this transaction, came to the office on Friday of last week to pay the outstanding balance on the sale of \$10,000. He brought cash. We immediately advised him that we could not accept cash, and would accept a bank draft or cheque only. He advised that he thought cash would be easier, and had just come from the bank. Staff advised that we cannot accept cash in that amount after confirming with me that it is in violation of Law Society rules."

36. The Member has no relevant prior history.