



November 21, 2006

NOTICE TO THE PROFESSION

NOTICE TO: All Active Members and Students-at-Law,
All Executive Directors of other Law Societies in Canada,
All Justices of the Court of Appeal and Court of Queen's Bench,
All Judges of the Provincial Court of Alberta,
All Masters in Chambers,
All Clerks of the Court

Disbarment

On November 21, 2006, a Resignation Committee appointed by the Benchers of the Law Society of Alberta granted the application of **Stephen Seto** to resign, pursuant to Section 61 of the *Legal Profession Act*, effective immediately. **Mr. Seto** is therefore disbarred. **Mr. Seto** resides in Edmonton and practised in Edmonton as a sole practitioner until July 11, 2005, when he elected to become an inactive member during the course of proceedings under Part 3 of the *Legal Profession Act*.

Mr. Seto faced two citations at the time of his resignation application. He admitted the following specifics related to those citations and admitted his conduct was deserving of sanction:

- Mr. Seto misappropriated over \$480,000 from trust funds he was holding on behalf of clients during a period commencing in 2003.
- Mr. Seto misappropriated funds from trust by issuing trust cheques payable to himself and depositing them into his firm general account without being entitled to the funds. He issued one or more of these unauthorized trust cheques monthly, the amounts ranging from a few hundred to a few thousand dollars with each cheque.
- Mr. Seto used the misappropriated funds for personal use, to support a gambling problem and to support his shrinking law practice. All of the funds have been expended.

Mr. Seto provided a written undertaking agreeing to cooperate with the Law Society regarding any future claims against him or the Assurance Fund and agreeing to pay any deductible related to any insurance claim paid by the Law Society insurer.

The Committee directed that Mr. Seto pay the actual costs of the proceedings, estimated to be the sum of \$1,420.40.

The Committee further directed, in accordance with Section 78(5) of the *Legal Profession Act*, that the Executive Director refer this matter to the Minister of Justice and Attorney General.

The Custodian of Mr. Seto's practice is:

Joseph M. Shafir
1104 – 10117 Jasper Avenue
Edmonton, AB T5J 1W8
Phone: 1-780-428-0731
Fax: 1-780-428-0733

R. Gregory Busch
Director, Lawyer Conduct
Law Society of Alberta

