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Law Society of Alberta

www.lawsociety.ab.ca

July 11, 2013

AMENDED NOTICE TO THE PROFESSION

NOTICE TO: All Active Lawyers 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

Suspension

On June 17, 2013, a Hearing Committee of the Law Society of Alberta found the conduct of **Ludmila Byron** and **Timothy J. Byron**, active members of the Law Society, to be deserving of sanction. Ms. Byron was found guilty of two citations of conduct deserving of sanction, and Mr. Byron was found guilty of one citation. Mr. and Ms. Byron live in Fort McMurray, where they practice together as partners in a law firm, Byron and Company.

Ms. Byron misappropriated trust funds and failed to follow the trust accounting rules of the Law Society.

Mr. Byron failed to follow the accounting rules of the Law Society of Alberta, and as a result of that failure, trust funds in the amount which exceeded \$47,500 were deposited into the general account and held there for more than one year.

The Agreed Statement of Facts and Admission of Conduct Deserving of Sanction filed at Mr. and Ms. Byron's hearings included the following facts:

- A Rule 130 Audit (a spot audit) of Byron and Company was commenced on June 15, 2009;
- At the commencement of the audit, the trust accounts had not been reconciled since January 2008;
- The Law Society's audit took some time to complete. During the audit process, the auditors advised Mr. and Ms. Byron of trust shortages, and requested that funds be deposited into trust. Mr. and Ms. Byron complied with all such requests, borrowing funds to make the repayment where necessary; and

- Ms. Byron admitted misappropriation of trust funds related to the transfer of \$7,500 from trust to general on December 24, 2008, which was one of the shortages identified by the auditors.

The Hearing Committee ordered that Ms. Byron be suspended for seven months beginning on June 29, 2013 and that Mr. Byron be suspended for two months beginning on March 3, 2014, pursuant to section 72(1)(b) of the *Legal Profession Act*, R.S.A. 2000, c.L-8. As a member of the same firm, Mr. Byron will maintain responsibility for Ms. Byron's files until the commencement of his own suspension.

The Hearing Committee imposed conditions on Mr. and Ms. Byron, including:

- a) Random spot audits to be conducted at the sole discretion of the Law Society for 10 years with the actual costs of the audits to be at Mr. and Ms. Byron's expense;
- b) Ongoing monthly submission of electronic accounting data and copies of trust bank account statements and cleared cheques, until otherwise directed;
- c) Referral to Practice Review, which will include the requirement that Mr. and Ms. Byron provide quarterly reports for 10 years as to staffing levels and arrangements, including accounting staff.

A further Notice will be issued regarding arrangements for the management of Mr. Byron's practice before the commencement of his suspension on March 3, 2014.

The Hearing Committee also ordered Mr. and Ms. Byron to jointly pay costs in the amount of \$35,000.00.

Further information regarding this decision can be obtained from the Hearing Committee Report, to be issued. Once the report is available, it will be posted to the Law Society's website at www.lawsociety.ab.ca.

This Amended Notice is issued pursuant to the requirements of Section 85 of the *Legal Profession Act*.

Don Thompson, QC
Executive Director
The Law Society of Alberta