### IN THE MATTER OF PART 3 OF THE LEGAL PROFESSION ACT, RSA 2000, c. L-8

#### AND

# IN THE MATTER OF A HEARING REGARDING THE CONDUCT OF WAYNE LEDREW A MEMBER OF THE LAW SOCIETY OF ALBERTA

#### **Single Bencher Hearing Committee**

Buddy Melnyk – Chair

#### **Appearances**

Karen Hansen – Counsel for the Law Society of Alberta (LSA) Wayne LeDrew – Self-represented

#### **Hearing Date**

February 6, 2020

#### **Hearing Location**

CARNA Office 11120 178th St NW, Edmonton, Alberta

#### **HEARING COMMITTEE REPORT - SANCTION**

#### Overview

1. A single Bencher Hearing Committee was convened on February 6, 2020 to conduct a hearing into the appropriate sanction regarding the following citation against Mr. LeDrew:

It is alleged that Wayne LeDrew failed to satisfy a trust condition and that such conduct is deserving of sanction.

 The LSA and Mr. LeDrew entered into an Agreed Statement of Facts and Admission of Guilt (the Agreed Statement) on November 18, 2019 in relation to Mr. LeDrew's conduct. The Agreed Statement, appended to this Report, sets out the relevant facts.

#### **Preliminary Matters**

3. There were no objections to the constitution of the Committee or its jurisdiction, and a private hearing was not requested, so a public hearing into the appropriate sanction proceeded.

#### Agreed Statement of Facts/Background

- 4. After the commencement of proceedings in relation to Mr. LeDrew's conduct, counsel for the LSA submitted the Agreed Statement. The Conduct Committee found the Agreed Statement acceptable on December 10, 2019. Pursuant to subsection 60(4) of the Legal Profession Act (the Act), each admission of guilt in the Agreed Statement is deemed to be a finding by this Committee that Mr. LeDrew's conduct is deserving of sanction under section 49 of the Act.
- 5. As provided by subsection 60(3) of the *Act*, once the Agreed Statement was accepted by the Conduct Committee, the hearing into the appropriate sanction could be conducted by a single Bencher. As a result, I was appointed to conduct the sanction hearing.

#### **Submissions on Sanction**

- 6. There was a joint submission by the LSA and Mr. LeDrew for the following sanction:
  - (a) Fine of \$8,000.00;
  - (b) Costs of \$1,548.75; and
  - (c) A reprimand.
- 7. In support of the joint submission, counsel for the LSA provided two decisions:
  - (a) Law Society of Alberta v. Lacourciere, 2017 ABLS 6; and
  - (b) Law Society of Alberta v. Heming, 2017 ABLS 18.
- 8. I advised both LSA Counsel and Mr. LeDrew that I had strong concerns about the past discipline record of Mr. LeDrew, which record is as follows:
  - February 20, 1996: One count of breach of trust conditions.
    - One count of failing to disclose that trust monies dispersed.
    - Fine of \$250.00, costs and reprimand.
  - January 26, 2006: One count of failing to honour undertakings and breaching trust conditions.
    - One count of failing to respond on a timely manner to the LSA.
    - Fine of \$3,500.00, costs and reprimand.
  - January 10, 2011: One count of failing to follow LSA accounting rules.
    - One count of breaching an undertaking to discharge a mortgage.
    - One count of collecting GST and failing to file pay remittances.

- One count of failing to serve his client in a conscientious, diligent and efficient manner.
- Three counts of failing to respond to the LSA on a timely and complete basis.
- Fine of \$5,000.00, costs and reprimand.

June 9, 2015:

- One count of failing to reply to the LSA promptly and completely.
- Fine of \$2,500.00, costs and reprimand.
- 9. I advised LSA counsel and Mr. LeDrew that I was particularly concerned about Mr. LeDrew's past discipline record in respect of multiple incidents involving conduct relating to a breach of trust conditions and failing to honour undertakings. In the opening remarks by LSA counsel, and in responding to my concerns, LSA counsel noted the following factors:
  - (a) Breaches of trust conditions are serious matters and an aggravating factor was the three prior breaches by Mr. LeDrew relating to trust conditions and undertakings;
  - (b) As mitigating factors,
    - a. Mr. LeDrew reported the matter to the Alberta Lawyers Insurance Association,
    - b. Mr. LeDrew was cooperative, and
    - c. the admission of guilt has saved the LSA costs and expenses;
  - (c) The disciplinary record is somewhat aged;
  - (d) Any sanction should avoid undue disparity with other decisions;
  - (e) An \$8,000.00 fine is a substantial amount that will act as both a specific and general deterrent.

#### **Decision on Sanction**

- 10. Counsel for the LSA and Mr. LeDrew confirmed their understanding that I am not bound by a joint submission on sanction. However, I am required to give serious consideration to a joint submission, should not lightly disregard it and should accept it unless it is unfit or unreasonable, contrary to the public interest, or there are good and cogent reasons for rejecting it.
- 11. Turning to the cases, the decision in *Lacourciere* involved two citations: failing to honour trust conditions and failing to respond to communications from another lawyer in a timely manner. In that case, the lawyer had a discipline record involving four prior conduct

- matters encompassing a total of 11 citations. Of those citations, one involved a breach of trust conditions. In all instances, a fine, costs and a reprimand were ordered.
- 12. In the *Heming* matter, there was one citation for breach of an undertaking, for which a fine of \$6,000.00, costs and a reprimand were ordered. The discipline history in that case involved two prior disciplinary actions for failing to treat a fellow lawyer with courtesy and for using a threat of a complaint to the LSA in an attempt to gain an advantage.
- 13. While prior decisions are not binding, I would agree that any sanction in this matter should avoid undue disparity with other decisions. In this respect, I find the *Lacourciere* decision reasonably similar to Mr. LeDrew's conduct and therefore cogent.
- 14. After reviewing all of the evidence and exhibits, the submissions of the LSA and the submitted cases, I have determined that the joint submission is reasonable, consistent with sanctions in similar cases, does not bring the administration of justice into disrepute and is therefore in the public interest.
- 15. The approach taken by both Mr. LeDrew and the LSA in dealing with this matter through an agreed statement and admission of guilt also avoided an unnecessary contested hearing, witness inconvenience, and process costs.
- 16. While I have found the joint submission on sanction to be appropriate in this particular circumstance, I must observe that the record of Mr. LeDrew is of concern and should Mr. LeDrew find himself again facing similar conduct in the future, it may be that more severe sanctioning will be required.

#### **Concluding Matters**

- 17. The exhibits, other hearing materials, and this report will be available for public inspection, including providing copies of exhibits for a reasonable copy fee, although redactions will be made to preserve personal information, client confidentiality and solicitor-client privilege (Rule 98(3)).
- 18. It is further ordered that:
  - (a) The appropriate sanction with respect to Wayne LeDrew's conduct is a reprimand, which is reproduced herein, and a fine of \$8,000.00.
  - (b) Wayne LeDrew is to pay \$1,548.75 in costs in relation to this matter.

- (c) The fine of \$8,000.00 and the costs of \$1,548.75 are payable in monthly installments of \$500.00 a month, commencing February 15, 2020 and continuing until both the fine and the costs are paid in full.
- (d) No Notice to the Profession or Notice to the Attorney General is to be made.
- 19. The following reprimand was delivered orally to Wayne LeDrew at the hearing:

Mr. LeDrew, the right to practice law in the Province of Alberta is a privilege that has been bestowed upon you by the Law Society of Alberta in exercise of its authority under the *Legal Profession Act*. When you accepted that privilege, you also accepted certain responsibilities, including those contained in the Code of Conduct respecting your obligations to honour trust conditions.

You have admitted that you failed to satisfy a trust condition bringing your reputation, and the reputation of the legal profession into disrepute. Trust conditions are matters of significant importance. A lawyer's promise is their bond and is a duty that cannot be compromised in any manner. You are an experienced lawyer and your conduct is unacceptable and deserving of sanction.

I trust that this type of conduct will not occur in the future and I hope you can learn from this particular matter and can move forward from it.

Dated at Edmonton, Alberta, February 7	, 2020.
Buddy Melnyk	

## IN THE MATTER OF THE *LEGAL PROFESSION ACT*AND

## IN THE MATTER OF A HEARING REGARDING THE CONDUCT OF WAYNE LEDREW

### A MEMBER OF THE LAW SOCIETY OF ALBERTA HEARING FILE NUMBER HE20190239

#### STATEMENT OF ADMITTED FACTS AND ADMISSION OF GUILT

#### INTRODUCTION

- 1. I was admitted as a member of the Law Society of Alberta on October 4, 1985, and since that time I have practiced as a sole practitioner in Sherwood Park, Alberta.
- 2. My present status with the Law Society of Alberta is Active/Practising.
- 3. I have a general practice, which includes approximately 40% Real Estate Conveyancing and 40% Estate Planning and Administration.

#### **CITATIONS**

- 4. On September 17, 2019, a Conduct Committee Panel referred the following conduct to a hearing:
  - 1. It is alleged that Wayne LeDrew failed to satisfy a trust condition and that such conduct is deserving of sanction.

#### **FACTS**

5. In 2017, I acted for the borrower in a loan transaction. C.F. acted for the lender.

- 6. The terms of the loan required that it be secured against a property owned by my client ("the Property"). The Property had a pre-existing mortgage and caveat registered on title in favour of L.M.
- 7. My client advised me that L.M. had agreed to transfer her mortgage and caveat to another property owned by my client.
- 8. On July 13, 2017, C.F. sent the mortgage funds to me on a number of trust conditions, including that I provide C.F., within a reasonable period of time, with a certified copy of title for the Property evidencing discharge of L.M.'s mortgage and caveat. I accepted C.F.'s trust conditions on July 13, 2017.
- 9. On September 27, 2017, I wrote to L.M.'s lawyer confirming his client's agreement to transfer the mortgage and caveat to another property. On November 3, 2017, L.M.'s lawyer responded to me by letter which denied the existence of such an agreement, and stated that L.M. would not agree to transfer her security to another property.
- 10. Following receipt of the November 3, 2017 letter from L.M.'s lawyer, I spoke to my client who indicated that he would contact L.M. to resolve the issue. I understand that my client continues to try to work out terms with L.M., but to date those discussions have been unsuccessful, and L.M.'s mortgage and caveat remain registered against the Property.
- 11. In April of 2018, I advised C.F. that I was unable to comply with the trust condition. I then reported the matter to the Alberta Lawyers Insurance Association, and C.F. filed a complaint with the Law Society of Alberta.

#### **ADMISSION OF FACTS AND GUILT**

- 12. I admit as facts the statements in this Statement of Admitted Facts and Admission of Guilt for the purposes of these proceedings.
- 13. I admit that I failed to satisfy a trust condition and that such conduct is deserving of sanction.

#### **ACKNOWLEDGEMENTS**

- 14. I acknowledge that I have had the opportunity to consult legal counsel.
- 15. I acknowledge that I have signed this Statement of Facts and Admission of Guilt freely and voluntarily.
- 16. I acknowledge that I understand the nature and consequences of this Admission.
- 17. I acknowledge that, although entitled to deference, a Hearing Committee is not bound to accept a joint submission on sanction.

DATED THE 18 DAY OF November, 2019

"Wayne LeDrew"

Wayne LeDrew