

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

AND

**IN THE MATTER OF A SECTION 61 RESIGNATION APPLICATION
REGARDING GORDON RAGAN
A MEMBER OF THE LAW SOCIETY OF ALBERTA**

Resignation Committee

Stacy Petriuk - Chair (Bencher)
Kenneth Warren, QC - Committee Member (Bencher)
Elizabeth Hak - Committee Member (Lay Bencher)

Appearances

Karl Seidenz – Counsel for the Law Society of Alberta (LSA)
Gordon Ragan – self-represented

Hearing Date

April 15, 2019

Hearing Location

LSA office, at 500, 919 - 11 Avenue SW, Calgary, Alberta

RESIGNATION COMMITTEE REPORT

Overview

1. Gordon Ragan makes an application to resign as a member of the Law Society of Alberta (the “LSA”) pursuant to s. 61 of the *Legal Profession Act*, R.S.A. 2000, c. L-8 (the “LPA”).
2. Mr. Ragan was called to the Alberta Bar in 2006. He practiced as an associate with various law firms in Calgary. He also practiced in-house for one year. Starting in 2016, he practiced as a sole practitioner. Mr. Ragan has not practiced law since March 15, 2017 when he was suspended for the non-payment of fees. At the time of this application, Mr. Ragan was facing sixteen citations arising from two separate complaints.
3. With respect to Complaint CO20160638, it was alleged that Mr. Ragan failed to serve his client, failed to respond promptly and completely to his client, failed to be candid, sent a false Statement of Account, misled individuals and converted trust money. It was also

alleged that he breached the accounting rules of the LSA, and failed to respond promptly and completely to, and be candid and cooperate with, the LSA.

4. This complaint arises from a retainer in which Mr. Ragan represented to his client that he had done certain legal work, when he had not, and keeping up that charade and others, for months, even when under investigation with the LSA.
5. With respect to Complaint CO20160143, it was alleged that Mr. Ragan acted in an actual or potential conflict of interest without obtaining his client's consent, in circumstances where it was not in the best interest of the client, engaged in a business transaction with the client who did not have independent legal advice, did not consent to dispense with independent legal advice, and failed to be candid with the client. In addition, it was alleged that Mr. Ragan failed to respond completely and promptly to communications from the LSA.
6. This complaint stems from Mr. Ragan obtaining a loan from a client he had acted for in the past. Mr. Ragan represented that the loan would be partially secured by a mortgage over lands he did not own. He represented to the former client that he would register the mortgage against these lands at the Land Titles Office. He did not take steps to register the mortgage, nor would he have been able to, but he was advanced the funds. When he was asked for verification of the registration of the mortgage at the Land Titles Office, he kept up the charade, both with the former client and the LSA. In June 2015, Mr. Ragan checked himself into [redacted] in Calgary. In February 2016, he consented to a partial Summary Judgment in favour of the former client in the amount of \$1.5 million and almost \$250,000 in interest.
7. Because Mr. Ragan's application for resignation from the LSA is pursuant to s. 61 of the *LPA*, and his conduct is the subject of citations issued pursuant to the *LPA*, this Resignation Committee (the "Committee") was constituted to hear this application.
8. At the time of this hearing, Mr. Ragan did not have a disciplinary record with the LSA.
9. After reviewing all of the evidence and exhibits, and hearing submissions from Mr. Ragan and the counsel for the LSA, the Committee allowed the application pursuant to s. 61 of the *LPA* with oral reasons, and advised that a written decision would follow. This is that written decision.
10. In addition, the Committee ordered costs payable by Mr. Ragan in the amount of \$28,623.30.

Preliminary Matters

11. There were no objections to the constitution of the Committee or its jurisdiction, and a private hearing was not requested. A public hearing into Mr. Ragan's resignation application proceeded.

Citations

12. At the time of this Hearing, Mr. Ragan faced the following citations:

CO20160638

1. It is alleged that Gordon Ragan failed to serve his client and that such conduct is deserving of sanction;
2. It is alleged that Gordon Ragan failed to respond promptly and completely to his client and that such conduct is deserving of sanction;
3. It is alleged that Gordon Ragan failed to be candid with C.B. and that such conduct is deserving of sanction;
4. It is alleged that Gordon Ragan created and/or sent a false statement of account to C.B. and that such conduct is deserving of sanction;
5. It is alleged that Gordon Ragan misled C.N. and that such conduct is deserving of sanction;
6. It is alleged that Gordon Ragan misled D.C. and that such conduct is deserving of sanction;
7. It is alleged that Gordon Ragan misappropriated or wrongfully converted money entrusted to him and that such conduct is deserving of sanction;
8. It is alleged that Gordon Ragan breached the accounting rules of the Law Society and that such conduct is deserving of sanction;
9. It is alleged that Gordon Ragan failed to be candid with the Law Society and that such conduct is deserving of sanction;
10. It is alleged that Gordon Ragan failed to respond promptly and completely to communications from the Law Society and that such conduct is deserving of sanction;
11. It is alleged that Gordon Ragan failed to cooperate with a Law Society investigation and that such conduct is deserving of sanction.

CO20160143

12. It is alleged that Gordon Ragan failed to serve his client and that such conduct is deserving of sanction;
13. It is alleged that Gordon Ragan acted in a conflict or potential conflict of interest without obtaining his client's consent or in circumstances where it was not in the best interests of his client, and that such conduct is deserving of sanction;
14. It is alleged that Gordon Ragan engaged in a business transaction with his client who did not have independent legal representation or advice, or who did not consent to dispense with independent legal representation or advice, or where the transaction was not fair and reasonable to the client in all respects, and that such conduct is deserving of sanction;
15. It is alleged that Gordon Ragan failed to be candid with P.F. and that such conduct is deserving of sanction; and
16. It is alleged that Gordon Ragan failed to respond promptly and completely to communications from the Law Society and that such conduct is deserving of sanction.

Agreed Statement of Facts

13. Mr. Ragan agreed to a Statement of Admitted Facts and Admissions of Guilt (the "Admitted Facts"). This document is appended to this decision. In addition, Mr. Ragan provided a Statutory Declaration pursuant to rule 92 of the Rules of the Law Society of Alberta (the "Rules").

The Submissions of the Parties

14. Mr. Ragan's application for resignation was pursuant to s. 61 only of the *LPA*.
15. Mr. Ragan also provided the following undertakings:
 1. I will cooperate with the LSA in the future with respect to any claim made against me or against the Assurance Fund or Part B of the group policy.
 2. I will pay any deductible with respect to any claim paid by the LSA Insurer and will pay the LSA any claim paid from the Assurance Fund or the indemnity program fund.
 3. I am unable to locate my Certificate of Enrolment. If I locate it in the future, I will surrender it to the LSA.
 4. I will not be retained or employed in any capacity having to do with the practice of law or the provision of legal services.

5. I will not appear on behalf of any person before any Court, tribunal, or administrative body performing any judicial or quasi-judicial function, including any appearance pursuant to s.106(2)(1) of the *LPA*.
6. I will not engage in or perform any service or activity of a paralegal nature, including any activity or service usually provided by an articling student, law clerk, legal assistant, research assistant, or legal secretary.
16. In his submissions to the Committee, Mr. Ragan emphasized that he recognized the severity of his actions and that there would be a long hearing if he did not make this application and was not allowed to resign. He also indicated to the Committee that at the relevant time he was going through very difficult personal times and was dealing with [medical] issues.
17. Counsel for the LSA indicated that the lengthy admissions by Mr. Ragan, as outlined in the Admitted Facts, made the s. 61 application an appropriate remedy.
18. LSA counsel supported Mr. Ragan's application for resignation pursuant to s. 61 of the *LPA*, agreeing that the resignation would serve the public interest. As such, the Committee considered Mr. Ragan's application to be tantamount to a joint submission, and therefore deserving of deference, unless it was demonstrably unfit or unreasonable, or contrary to the public interest.
19. The issue to be determined by this Committee is whether it is in the best interests of the public and profession to permit Mr. Ragan to resign pursuant to s. 61 in the face of serious unresolved conduct matters. Pursuant to s. 61 of the *LPA*, the member's resignation amounts to a deemed disbarment if accepted. Mr. Ragan acknowledged that he understood the consequences of an application pursuant to s. 61.

Decision

20. The Committee finds that the Admitted Facts is in an acceptable form.
21. Given the outstanding citations, the long and detailed Admitted Facts, the nature of those facts and conduct admitted to by Mr. Ragan, the fact that the Admitted Facts would likely result in disbarment at a hearing, the confirmation of Mr. Ragan's understanding of the consequences of a s. 61 resignation, and the Statutory Declaration provided by Mr. Ragan, the Committee determined that it was in the best interests of the public to accept the application of Mr. Ragan to resign pursuant to s. 61 of the *LPA*, effective April 15, 2019.
22. The Committee accepted the Undertakings made by Mr. Ragan.

23. The Committee has reviewed the costs of hearing this Application, as prepared by the LSA. The Committee has determined that Mr. Ragan must pay these costs.
24. A resignation under s .61 carries the force of a disbarment under s.1(c) of the *LPA*. Pursuant to ss. 61(4) of the *LPA*, the Committee directs that the following information be entered into the roll:
 - a. The roll shall reflect that Gordon Ragan’s application under s. 61 of the *LPA* was allowed on April 15, 2019;
 - b. Details of this decision shall be noted in the roll, including the conditions in relation to Gordon Ragan’s resignation and the Admitted Facts put before this Committee, along with any redactions necessary to protect solicitor-client privileged information, the identity and information of clients and third parties and the confidentiality of client matters, specifically the business matters referred to in citation CO20160638.

Concluding Matters

25. The exhibits and this report will be available for public inspection, including the provision of copies of exhibits for a reasonable copy fee, except that identifying information in relation to persons other than Mr. Ragan will be redacted and further redactions will be made to preserve client confidentiality, solicitor-client privilege (Rule 98(3)) and confidential business matters, specifically with respect to citation CO20160638.
26. A Notice to the Profession will be issued.
27. A Notice to the Attorney General is not required.

Dated at Calgary, Alberta, this May 8, 2019.

Stacy Petriuk – Chair and Bencher

Kenneth Warren, QC – Bencher

Elizabeth Hak – Lay Bencher

IN THE MATTER OF THE *LEGAL PROFESSION ACT*

AND

IN THE MATTER OF A RESIGNATION APPLICATION BY

GORDON DONALD RAGAN

A MEMBER OF THE LAW SOCIETY OF ALBERTA

HEARING FILE HE20170110

STATEMENT OF ADMITTED FACTS

AND ADMISSIONS OF GUILT

BACKGROUND

1. I was admitted as a member of the Law Society of Alberta (the “**LSA**”) on June 20, 2006.
2. For most of my time as an active lawyer, I practiced as an associate with various law firms in Calgary. I also practiced in-house for one year, and, starting in 2016, as a solo practitioner.
3. On March 15, 2017, I was suspended from the practice of law for non-payment of fees.
4. I continue to be suspended as of the date of this application.

APPLICATION FOR RESIGNATION

5. I am applying to resign as a member of the LSA.
6. My application arises out of two complaints which have resulted in sixteen (16) citations.
7. I am making this application to resign to avoid a lengthy hearing, to prevent inconvenience to witnesses and panel members, and to bring these long-standing complaints to a conclusion.

FACTS AND ADMISSIONS

8. I admit as facts the statements contained in this Statement of Admitted Facts.
9. Where I make specific admissions to the conduct described herein, I am also admitting that the described conduct is “conduct deserving of sanction” as defined in section 49 of the *Legal Profession Act* (the “**Act**”).

NO DURESS AND INDEPENDENT LEGAL ADVICE

10. I confirm that I have signed this statement voluntarily and without any compulsion or duress.

COMPLAINT HISTORY

11. The LSA has recorded no other complaints against me.

COMPLAINT #1: CB COMPLAINT (CO20160638)

Background

12. On March 8, 2016, the LSA received a written complaint from CB, a former client of mine, about my conduct between November 2015 and March 2016 (the “**CB Complaint**”).
13. The LSA investigated the allegations, which resulted in a lengthy Investigation Report dated January 10, 2017, and a referral to the Conduct Committee.
14. On April 12, 2017, the Conduct Committee directed that the following eleven (11) citations arising be dealt with by a Hearing Committee:
 1. It is alleged that Gordon Ragan failed to serve his client and that such conduct is deserving of sanction;
 2. It is alleged that Gordon Ragan failed to respond promptly and completely to his client and that such conduct is deserving of sanction;
 3. It is alleged that Gordon Ragan failed to be candid with CB and that such conduct is deserving of sanction;
 4. It is alleged that Gordon Ragan created and/or sent a false statement of account to C.B. and that such conduct is deserving of sanction;
 5. It is alleged that Gordon Ragan misled CN and that such conduct is deserving of sanction;
 6. It is alleged that Gordon Ragan misled DC and that such conduct is deserving of sanction;

7. It is alleged that Gordon Ragan misappropriated or wrongfully converted money entrusted to him and that such conduct is deserving of sanction;
8. It is alleged that Gordon Ragan breached the accounting rules of the Law Society and that such conduct is deserving of sanction;
9. It is alleged that Gordon Ragan failed to be candid with the Law Society and that such conduct is deserving of sanction;
10. It is alleged that Gordon Ragan failed to respond promptly and completely to communications from the Law Society and that such conduct is deserving of sanction;
11. It is alleged that Gordon Ragan failed to cooperate with a Law Society investigation and that such conduct is deserving of sanction.

FACTS

Initial Contact and Retainer

15. In early November 2015, CB contacted me to assist him with two legal matters. He thought to contact me because I had acted as counsel for a business venture known as “[V]” in which he had been a participant.
16. Specifically, CB was seeking my help with the following matters:
 - a. He had formulated an idea to set up a business for the marketing and delivery of [redacted] (the “[...] **Venture**”); and
 - b. [redacted] (the “[V] **Matter**”).
17. On November 6, 2015, during one of our first telephone conversations, CB explained the nature of the [...] Venture, including that he [redacted] and needed a Non-Disclosure Agreement (“**NDA**”) [redacted]. CB also explained that he needed assistance with the following tasks:
 - a. Registering two trademarks with the Canadian Intellectual Property Office (the “**CIPO**”), namely [D] and [U], neither of which had been registered yet (the “**Trademarks**”);
 - b. Assisting with raising investment capital for the [...] Venture; and
 - c. [redacted].
18. I accepted the retainers for both matters. Although I had nominally opened a file in his name, I did not have a formal accounting system, nor did I provide him with a Retainer Agreement.
19. At first, most of our communications concerned the [...] Venture, which CB considered to be pressing.

The Trademarks

20. On November 6, 2015, after our first conversation, CB instructed me by email to start the process of registering the trademark [D] immediately.
21. On November 9, 2015, I stated in an email to CB that I would be taking steps to file the trademark with the CIPO the following day:
- We have a file open for now in your individual name, in the event you want it in a corporate name just let me know and it can be switched. We will send you some documentation tomorrow, including some required to register the trademark which will be sent in tomorrow.
22. CB responded by email later that day, noting in part that he was considering trademarking both names, [D] and [U].
23. On November 10, 2015, CB reminded me by email that he wanted both trademarks to be registered as soon as possible. I confirmed by reply email that day that I had taken steps to do so:
- Both [D] and [U] are in for processing as trademarks, your place in line is saved, without anything even remotely close to your marks, yay.
I will send additional documentation shortly.
24. On November 11, 2015, I emailed an account for services to CB for a total of \$1,130.00 (inclusive of GST) for the registration of the trademarks (the “**First Invoice**”). In particular,
- a. I charged 1.2 hours of my time at \$500.00 per hour (total \$600.00) for legal fees described as: “Draft and revise trademark application for two trademarks”; and
- b. A charged him for a disbursement of \$500.00, which was not described.
25. In fact, I had not registered the Trademarks and I maintained this fiction over the next four months, until March 4, 2016, after CB had discovered the truth on his own.

Payment of Retainer Funds into General Account

26. On November 12, 2015, CB gave me a bank draft of \$5,000.00 entitled “Retainer” (the “**Retainer Funds**”). I did not deposit the Retainer Funds to a trust account because I did not have one and had never been authorized to operate one. Instead, on November 18, 2015, I deposited the Retainer Funds to my Professional Corporation’s general account and proceeded to use those funds for personal and business expenses.

[...] Venture: Raising Capital and Corporate Involvement

27. From the inception of our relationship, I led CB to believe that I had experience in assisting [redacted] in setting up their operations and that I could help him raise capital by soliciting investors. I suggested that it might be possible to raise \$500K by the end of

December 2015. As stated to the LSA investigators, I was of the view that any capital raising was to be done gratuitously to assist CB and without any charge or reimbursement required.

28. CB emailed me frequently about my role in securing investments. For example, on November 9, 2015, he sent me two emails in quick succession, which stated the following in part:

I did have a great meeting with the developer and we are on track to have the first major phase of development ready within 4-5 weeks. We will then immediately jump into the next phase which is more legal/marketing and so I'd like to have a chat with you to review strategy.

...

The phase 2 I mentioned is to set the stage for investors. I have had inquiries from people wanting to invest. Can I refer them to you for future reference? Of course, the details will have to come, but were looking for 100k+ to start. ... Please put your thinking cap on and let's chat asap.

29. I responded later that day in part:

In terms of the investing, we can chat about what that looks like, but I can certainly assist you with everything that entails.

30. CB then responded as follows:

With people asking about investing already, we need to ensure all is set and ready to go to approach them. I would do a presentation to interested investors, and have them all sign the NDA at that time. That is, unless you have alternate ideas. I'd like to discuss the corp., USA, as well as strategy in seeking investors at your earliest convenience.

31. On November 10, 2015, CB asked me to consider a long-term role in the [...] Venture:

A side note, I am of course happy to pay you for your professional services, but I would also ask that you consider your long term role/goals in this venture. I'll leave a chair open for you for now should you be interested in playing a greater role.

32. I responded by suggesting a meeting, which occurred on November 11, 2015. After the meeting, CB emailed me to express his confidence in my abilities to assist with the [...] Venture:

... We covered a lot of ground today, and I'll have to rely on you to fill me in on the details as we go along, but I did feel confident in your capacity to see this through to completion in two years or so. I'm confident for my part that I can produce the necessary platform to keep investors interested.

On that, I would like to ensure we have a strong plan to get this in front of as many suitable investors as possible in the shortest time frame. Please describe what you might do to facilitate this, and how I might assist.

33. The following day, November 12, 2015, CB followed up with an email confirming that I would actively seek investors, not merely prepare documents:

To clarify, I will rely on you to assist in raising funds, and this is one reason I would pay thousands for your expertise. Did you say you could help from A-Z in this

process of setting up and finding investors. I just want to be sure that by 'helping' you me more actively seeking investors, not simply preparing docs.

34. I responded a few minutes later confirming that I would actively seek investors:

that's exactly what I mean yes. I will respond in greater detail to your earlier emial [sic] this afternoon

35. On November 14, 2015, CB emailed me and brought up several points, including asking me if I wanted to be on the board. Later that day, I responded as follows in part:

100% agree. I'm happy to be on the board. Perhaps I could invite my contact to meet, after the brainstorm session.

36. CB was interested in the contact mentioned in that email, asking me if this person was a [redacted] and whether I had discussed the venture with him or her. I responded as follows:

No I have not mentioned anything other than to ask if he could forward me some relevant info. He didn't ask why I wanted it but said he dig some stuff up.

37. CB responded that I should pursue my discussions with the contact to determine if the contact was interested in investing. I responded as follows:

I would suggest we meet with my contact another time altogether, perhaps I just get you two together.

38. Over the next three months, CB asked repeatedly about:

- a. The possibility of CB meeting with the investors [redacted], including setting aside a date to do so on February 15, 2016;
- b. The results of my efforts in raising investment capital, including the results of meetings with the investors about which I had told him;
- c. The preparation of a presentation package to potential investors (including a PowerPoint presentation, an NDA for potential investors, and a draft subscription agreement); and
- d. The possibility of expanding into the United States, including legal research.

39. In fact, although I met with former clients of mine, I did not engage in any active raising of capital during those meetings. I told LSA investigators that I had agreed to participate in the business side of the venture on a gratuitous basis. However, I never told CB that I was not going to assist him with the business side of the venture.

40. I eventually delivered materials to CB, including a subscription agreement and some internet research about the American market.

41. Regarding the research into American law, on December 2, 2015, I advised CB that I was having some research done by a junior:

I'm having some research done, by a junior, on the legal obstacles in Colorado and certain other jurisdictions, including obviously Canada.

42. On December 4, 2015, I followed up as follows:

We're still doing some investigations<it's a little slower wading through the US law, but we are making progress. I wouldn't include any of this in the power point and we will be armed to address any questions when meeting with investors.

43. I had asked DC, the lawyer with whom I shared office space, to help me draft the subscription agreement and to conduct the legal research. I referred to DC as my "junior" and to the pronoun "we" in my emails because I was trying to give the impression to CB that I was not a one-man operation.

44. DC was not my junior in any formal sense; we simply shared office space and assisted one another from time to time on the understanding that each would be paid for the time incurred once the fees had been collected. DC expected his time to be billed at \$275.00 per hour. However, I later billed his time at \$350.00 per hour.

45. I emailed the research memo to CB on December 11, 2015. It consisted of 1¼-page summary of internet research about the laws surrounding [redacted]. There was no mention of any other Canadian jurisdiction as promised in my email of December 2, 2015.

46. I told LSA investigators that I had put in 40 hours of research into the memo.

47. On December 4, 2015, I emailed a draft subscription agreement to CB and followed up with a second version on December 8, 2015. The draft subscription agreements provided as follows, in part:

- a. The corporation to which investors were to be subscribing was to be named [U] /nc. However, I had not reserved the trademark [U]; and
- b. In version 2, all investor cheques were to be made out to my Professional Corporation, which did not operate a trust account.

48. On December 8, 2015, CB sent me an email after he had conducted an internet search of [redacted] in Alberta. His search showed that there was only one [redacted] listed officially when I had told him that I had assisted two [redacted] in setting up operations. He wanted to know if I knew why only one [redacted] was listed. He repeated the question in an email dated January 11, 2018, to which I did not respond.

[VI...]

49. As discussed, during our first conversation on November 6, 2015, CB instructed me that he wanted to [redacted].

50. On November 25, 2015, CB emailed me asking for the status of the "[redacted]." He followed up again on December 16, 23, and 29, 2015. I did not reply until January 4, 2018.

51. On January 4, 2016, I emailed CB a form of letter of [redacted] and stated that I would take steps to update the corporate registry:

Attached is the [redacted] letter from the board of directors. It also contains provisions where your shares are returned to the treasury. Please sign this and scan back to myself and [G]. I will proceed with making the change with the corporate registrar effecting this change in their data base as well.

52. There is no record of CB responding to me by email with the signed [redacted], although a signed copy was obtained during the investigation. However, even if I had received the signed document, I could not make any changes to the corporate registry because I did not have access to the corporate registration system, nor was I in possession of the [V] corporate records, which were in the possession of a different law firm.

53. During the investigation, I advised LSA investigators that I could not act for a single director and for [V], because of conflict issues:

Ragan: I don't specifically recall if he asked me to prepare any documentation. The - we certainly - it came up in discussion and - and my, you know, the answer that I gave him would have been very similar to the answer I just gave you, that - that I act for the corporation and that you guys, you know, the - the various directors invest' - or well, it was just the three of them really, I don't think there's really cash investment, need to come to some type of solution. 'I'm happy to paper any type of solution that you may arrive at and - and actually I'm happy to present you with some number of possibilities as what that solution might well look like.' But ultimately I can't - I can't unilat' - unilaterally act for one party in that circumstance.

54. On January 8, 2016, CB received an email from a representative of the bank where [V] did its banking advising him that the bank could not remove him from the account because a search of the corporate registry showed that CB was [redacted]. CB forwarded the email to me and I replied as follows:

I have requested that my paralegal make this reggiastration [sic] right away, it was appearnt [sic] on her pile of things to get done.

55. I did not have a paralegal in my employ and was trying to give the impression that I was not operating a one-man shop. Nor did I do anything with this information and CB [redacted] until at least September 9, 2016.

End of Relationship

56. On February 2, 2016, CB sent me the following email, reproduced here in full:

After many attempts to get info and status updates from you, I've concluded either you are either too busy or no longer interested in our project.

Please send a statement of accounting when you can. I am unclear where exactly my \$5k went, so I look forward to the details.

1. There is the matter of registered trade marks, Please send the registration docs asap.
2. Research: there was minimal work done on this but I understand there will be some sort of charge for your paralegal's time.

3. You did attend a couple of meetings. I understood that some of this was at a discount in light of your future interests in [D]/[U], and so I would understand if you bill for some of this time.
4. There was an NDA, such as it is. Strictly speaking, I was expecting more than a basic boilerplate. Still, you spent some time on this and so I'm so I expect the charge on this, too.

Tired of waiting on you, Gord, and no indication that you will be able to come through on your overtures re: investors. Likewise, I have no substantiation for your claim of contacts in the industry. Unless you really surprise me. It's time to part company and for me to move to new counsel on this.

I look forward to your reply/docs.

..
PS - I did try to call, but again, I'm tired of answering machines.

57. I did not reply to this email.
58. On February 9, 2016, CB followed up and requested that I provide him with the documents. I replied later that day as follows:

I'm travelling back from Ottawa tomorrow. I have been there on a family emergency. I will call you in the afternoon.
59. In fact, I had not travelled to Ottawa and was simply trying to buy time. I maintained this fiction until September 28, 2016, which is after my first interview with LSA investigators and following their requests for proof of my trip to Ottawa.
60. The next day, CB emailed me and again requested that I provide him with the documents, as well as a refund of the balance of the Retainer Funds.
61. On February 12, 2016, I responded by email as follows:

Although I'm not in the office, I have had a package sent out to you with your documents and return of funds.
62. In fact, I was in the office and had not sent him a package.
63. I did not respond, and CB followed up by email on February 21, 2016, by which time he had retained a new lawyer, CN. Receiving no response from me, CB again followed up on February 29, 2016.
64. On March 1, 2016, CB submitted the trademark [D] for registration with the CIPO.
65. On March 3, 2016, I provided the package to CN which included an invoice dated March 1, 2016 ("**Invoice #2**").
66. Invoice #2 was for \$5,932.50 (inclusive of GST) and included:
 - a. 5.6 hours of my time at \$500.00 per hour for a total of \$2,800.00;
 - b. 7.6 hours of DC's time, at \$375.00 per hour, for a total of \$2,850.00; and

c. A waiver of disbursements.

67. The cover page that accompanied the package stated the following:

You will note the invoice for the trademark was canceled [sic] as the processing was not complete in time. The trademarks are still available as per our search.

The second invoice for the research memo, subscription agreement, and NDA has been marked paid notwithstanding the amount is in excess of the \$5,000.00 provided.

68. In fact, the [U] trademark was no longer available, having been registered by a different corporation on [date], 2016. That day, CN had conducted a trademark search which uncovered the fact that I had not registered either of the Trademarks.

69. On March 4, 2016, following a further email exchange with CB, I admitted to him that the Trademarks had not been registered. I also advised CB that I had cancelled the First Invoice. However, I kept the \$5,000.00 Retainer Funds for the work outlined in the Second Invoice.

Dealings with the LSA Trust Safety Department

70. On January 29, 2016, a Trust Safety Representative (“**TSR**”) emailed me to remind that I needed to apply for a trust account or for an exemption from the requirement to operate a trust account. I did not reply to this email.

71. On March 30, 2016, a TSR followed up and asked for my reply by April 7, 2016.

72. On April 12, 2016, five days after the deadline, I responded and stated that I intended to apply for an exemption but that I had been out of town without access to a proper computer or scanner.

73. On April 20, 2016, a TSR again followed up and requested my response by April 22, 2016.

74. On April 25, 2016, three days after the deadline, I replied as follows:

An application for a trust account has been sent in by [DC] for [R] LAW for which I am a partner.

75. However, as noted, DC and I were never partners.

76. On April 25, 2016, a TSR emailed me with additional questions about my previous response and followed up on April 29, May 3, and May 11, 2016. I did not respond to any of these emails.

77. On May 11, 2016, and again on July 18, 2016, I submitted Applications for Exemption from the requirement to operate a trust account. Both applications required me to swear that my Professional Corporation was not paid directly by clients which was not true.

Misleading DC

78. In March 2016, DC asked me about a lawyer rating that had been posted online by CB about me. I told him that CB was crazy and that he had never paid me for my legal work.
79. In August 2016, DC again asked what had happened with CB upon learning about the CB Complaint. I admitted to him that CB had paid me \$5,000.00.
80. I never paid DC for the 7.6 hours of legal fees that he had performed, neither at the rate that DC had charged me (\$275.00) nor at the rate that I had charged CB (\$350.00). That said, DC was more than equitably compensated on a number of other files to account for any lost earnings in this regard.

Response to Complaint

81. On April 1, 2016, a Complaints Resolution Office (“**CRO**”) sent a letter to my business address on 11th Avenue (“**Old Business Address**”) in which was included a copy of CB’s complaint. The CRO requested that I provide my response to the complaint by April 22, 2016. I did not respond to this letter.
82. On July 6, 2016, a package from a Formal Complaints Reviewer (“**FCR**”) was delivered to my Old Business Address which included a copy of CB’s complaint. The FCR requested that I provide my response to the complaint within 14 days of receipt of the letter. I did not respond to this letter.
83. On July 27, 2016, the FCR followed up with a letter to my New Business Address on 17th Avenue and requested that I respond by August 12, 2016.
84. On August 2, 2016, I responded by email and requested that the package be delivered to my New Business Address. The materials were delivered to me by email and the FCR subsequently gave me an extension to respond by August 30, 2016.
85. On August 30, 2016, I provided a written response to the Complaint.
86. In my response, I stated the following:
 - a. that the research memorandum took considerable time and research and would have been valued at several thousand dollars;
 - b. that I had failed to register the Trademarks because I needed a credit card to pay for the filing fee of \$500.00 and did not have one. I also stated that CB was not charged for the Trademarks; and
 - c. that I was tasked with possibly introducing CB’s ideas to various investors.

Investigation by LSA

87. On September 1, 2016, an Investigation Order was issued, and I then met with LSA Investigators.
88. During the first interview on September 13, 2016, the investigators asked me about the steps taken to register the Trademarks. I told them that I had provisionally registered the Trademarks because I could not afford the registration fee and did not have a credit card.
89. However,
- a. There is no such thing as a provisional registration of a trademark;
 - b. There are several ways to pay for a registration, including paying by cash or cheque at the Edmonton CIPO office; and
 - c. Although I did not have sufficient cash in my general account on November 10, 2015, the date on which I stated that I had registered the Trademarks, I had deposited the \$5,000.00 Retainer Funds on November 18, 2015, and could have registered the Trademarks at any time thereafter.
90. During my first interview with LSA investigators, I was asked about my travel to Ottawa. I maintained that I had travelled there and undertook to provide my itinerary to them:

[W]: You were returning on February the 9th, 2016 from Ottawa.
 Ragan: Yeah. Yeah, I had some - I had some - my brother had some issues out there.
 [W]: Okay. And you flew?
 Ragan: That's correct, yeah.
 [W]: Okay. How –
 Ragan: How'd I pay for that?
 [W]: Yeah.
 Ragan: Someone else paid for that.
 [W]: Okay. Who?
 Ragan: I believe my - his side of the family, his wife or something like that. It was paid on a credit card I believe.
 [W]: Okay. Do you - and again I gotta ask this because I gotta fill in the gaps here.
 Ragan: Yeah.
 [W]: Do you have any email itineraries of that flight or anything like that?
 Ragan: Maybe. Yeah, yeah.
 [W]: Could you check please?
 Ragan: Yeah.

91. On September 16, 2016, the investigators followed up about the flight itinerary, among other undertakings. On September 23, 2016, I responded that he did not have this information.
92. A few minutes later, the investigators requested that I provide them with the name of the airline, the departure time, whether this was a direct flight, and the return date and time.
93. Shortly thereafter, I responded as follows:

I'll provide that with the remainder of the info. I'm sorry that was unclear.

94. On September 28, 2016, as part of an email concerning some of my undertakings arising out of the interview, I admitted that I had not travelled to Ottawa.
- Lastly, I did not travel to Ottawa during the time period in question.
95. On October 3, 2016, during my second interview with LSA Investigators,
- a. I admitted that I had not travelled to Ottawa and that I had not been candid with CB or with the LSA investigators; and
 - b. I undertook to provide certain documents that had been requested by the investigators.
96. I never provided the requested documents, despite two reminders sent on October 14, 2016, and October 22, 2016, and despite a demand dated October 28, 2016, served on my pursuant to section 53(3) of the *Act* for production of records.
97. On January 17, 2017, I was provided with a copy of the Investigation Report and asked to provide my comments by January 31, 2017. Counsel followed up on February 2, 2017, and again on March 24, 2017. I did not provide the comments as requested.

Admissions

Citation 1: Failure to Serve CB

98. Contrary to Rule 2.02(1) of the *Code of Conduct of the Law Society of Alberta* in effect at the time (the “**Code**”), I failed to provide competent, timely, conscientious, diligent, or efficient service to CB, particulars of which include:
- a. Regarding the [...] Venture,
 - (1) I failed to register the Trademarks with the CIPO;
 - (2) I failed to provide any assistance in raising capital or in introducing CB to my industry contacts, which were actions that I suggested to him; and
 - (3) I failed to conduct meaningful research into the US market for which CB was charged significant legal fees.
 - b. Regarding the [V] Matter,
 - (1) I failed to take timely steps to provide the [redacted] documents to CB; and
 - (2) I failed to take any steps whatsoever to follow up with the [redacted] documents after I was alerted about the problem by [V’s] Bank representative.

Citation 2: Failure to Respond to Client

99. Contrary to Rule 2.02(1) of the *Code*, I failed to provide prompt service to CB by failing to respond to his communications in a timely manner, particulars of which include:
- a. Between November 25, 2015, and January 4, 2016, I failed to respond to CB's numerous requests about [redacted]; and
 - b. Between February 2, 2016 and March 3, 2016, I failed to provide any substantive response to CB's communications seeking responses and documents from me.

Citation 3: Failure to Be Candid with Client

100. Contrary to Rule 2.02(2) of the *Code*, I failed to be honest and candid with CB, particulars of which include:
- a. I lied to CB about having registered the Trademarks;
 - b. I misled CB when I led him to believe that I was experienced in dealing with similar types of [...] operations;
 - c. I misled CB when I told him that I was going to discuss the [...] Venture with my various contacts and former clients;
 - d. I misled CB about having a junior lawyer working for me;
 - e. I lied to CB about taking steps to file the [redacted] documents with the corporate registry;
 - f. I misled CB about having a paralegal working for me and blaming the delay in filing the [redacted] documents on him or her;
 - g. I lied to CB about having travelled to Ottawa on a family emergency; and
 - h. I misled CB about the hourly rate that DC had charged me (\$275.00) which was billed to CB at \$350.00 in the Second Invoice.

Citation 4: False Statement of Account

101. Contrary to Rule 2.02(2) and to Rules 2.06(1) and (3) of the *Code*, I provided CB with a false account for service on November 11, 2015, in which I charged him for work that was never done.

Citation 5: Misleading CN

102. Contrary to Rule 6.02(1) of the *Code*, I failed to act with candour and in good faith with CN when I advised him that the Trademarks were still available and that I had not been able to process them in time when in fact I had not submitted them at all.

Citation 6: Misleading DC

103. Contrary to Rule 6.02(1) of the *Code*, I failed to act with candour and in good faith with DC, particulars of which include:
- a. I told DC that CB had not paid me for the work relating to the legal research; and
 - b. I failed to disclose to DC that I had included a \$75.00 surcharge on the \$275.00 hourly rate that he was charging me for the legal work done by him.

Citation 7: Misappropriation/Wrongful Conversion

104. Contrary to Rules 119.21(3) and (4) of the *Rules of the Law Society of Alberta* (the "**Accounting Rules**"), I used the \$5,000.00 Retainer Funds deposited to my Professional Corporations general account for personal expenses and not for legal fees incurred to that date.

Citation 8: Accounting Rules

105. Contrary to Rule 119.19 of the *Accounting Rules*, I failed to deposit the \$5,000.00 Retainer Funds to a trust account upon receipt from CB.

Citation 9: Failure to Be Candid with LSA

106. Contrary to Rule 6.01(1) of the *Code*, I failed to be candid with the LSA investigators, particulars of which are as follows:
- a. I misled the Trust Safety Department when declared in my applications dated May 11, 2016, and July 18, 2016, that my Professional Corporation did not receive trust monies from clients when I had used it for that purpose;
 - b. During the first meeting with LSA Investigators on September 13, 2016,
 - (1) I lied about having provisionally registered the Trademarks;
 - (2) I lied about not having the money to register the Trademarks;
 - (3) I lied about having travelled to Ottawa on a family emergency; and
 - (4) I misled investigators about the scope and complexity of the research memo on American [...] laws.
 - c. During a follow up email by LSA investigators, I was not forthright in admitting that I had not actually travelled to Ottawa.

Citation 10: Failure to Respond to LSA

107. Contrary to Rule 6.01 of the *Code*, I failed to respond to communications from the LSA, particulars of which are as follows:
- a. Between January 29, 2016, and May 11, 2016, I failed to respond repeatedly to communications from the Trust Safety Department;
 - b. Between April 1, 2016, and August 30, 2016, I failed to respond to communications from the CRO and FCR about a response to the CB Complaint; and
 - c. Between January 17, 2017, and April 12, 2017, I failed to provide comments about the Investigation Report, despite repeated requests to do so.

Citation 11: Failure to Cooperate

108. Contrary to Rule 6.01 of the *Code*, I failed to cooperate with the LSA investigation by failing to produce documents that I had undertaken to provide, despite repeated requests and a formal demand pursuant to section 53(3) of the *Act*.

COMPLAINT #2: [R] COMPLAINT (CO20160143)

Background

109. On January 19, 2016, the LSA received a written complaint from PF, the CEO of [R], a corporation that had been a regular client of mine in the past (the “[R] Complaint”).
110. The LSA investigated the allegations, which resulted in a lengthy Investigation Report dated September 9, 2016, and a referral to the Conduct Committee.
111. On April 12, 2017, the Conduct Committee directed that the following five (5) citations be dealt with by a Hearing Committee.
12. It is alleged that Gordon Ragan failed to serve his client and that such conduct is deserving of sanction;
 13. It is alleged that Gordon Ragan acted in a conflict or potential conflict of interest without obtaining his client’s consent or in circumstances where it was not in the best interests of his client, and that such conduct is deserving of sanction;
 14. It is alleged that Gordon Ragan engaged in a business transaction with his client who did not have independent legal representation or advice, or who did not consent to dispense with independent legal representation or advice, or where the transaction was not fair and reasonable to the client in all respects, and that such conduct is deserving of sanction;
 15. It is alleged that Gordon Ragan failed to be candid with P.F. and that such conduct is deserving of sanction; and
 16. It is alleged that Gordon Ragan failed to respond promptly and completely to communications from the Law Society and that such conduct is deserving of sanction.

Facts

Nature of [R's] business

112. [R] is in the business of making private secured loans to individuals and to corporations. I had previously acted as counsel for [R] with respect to these types of loans in the past.

Request for Funds

113. In April 2013, I approached PF and asked him if [R] would be willing to lend me money to fund the development of lands owned by [M] (the "**Loan**"). I told PF that the Loan would be secured by placing a mortgage on her lands (the "**[M] Lands**") and on lands owned by me (the "**Ragan Lands**").
114. At the time, I was in a position to personally pledge the Ragan Lands as security because those lands were owned by me. However, I was not in a position to personally pledge the [M] Lands because those were owned by [M].
115. I told PF that I would take care of the necessary paperwork to secure the Loan, including drafting the documents and registering them with the usual government registries (the "**Loan Documents**"). For example, on May 1, 2013, I emailed PF and explained the nature of the transaction and my role in it as follows:

Below is the most similar transaction done by [R] to date to ours. The only difference being that I have one [sic] prepared one mortgage for both properties which means **I have [S] signing a release of Dower Rights against the second property** as well which technically isn't necessary but doesn't cause any problems either and is frankly just one less mortgage to produce. **I also didn't to [sic] the LTO opinion because it isn't relevant here as I will do the registrations.** Also note I did the Mortgage for the full \$500,000.00 so that we don't need to monkey with the registrations down the road, as a result I pushed this maturity date out to the end of the year, but we can deal with that when we do the lender agreement for the further amount. [emphasis added]

Initial Loan Documents

116. On May 3, 2013, I executed the following Loan Documents with RCPI to obtain the Loan:
- a. A Mortgage Agreement which asserted that I was the owner of the Ragan Lands (which was true) and of the [M] Lands (which was not true) (the "**Initial Mortgage**"):

GORDON RAGAN (the "Mortgagor") being the **registered owner of an estate in fee simple in possession of that lands situated in the Province of Alberta** and legally described as follows and at Schedule "A":

1. [Legal description of Ragan Lands]
2. [Legal description of [M] Lands]

(which, with the buildings and improvements located thereon, are

collectively called the "Lands"), IN CONSIDERATION OF the sum of \$500,000.00 (the "Principal Sum") of lawful money of Canada lent to the Mortgagor by [R] of [address], HEREBY COVENANTS WITH the Mortgagee as follows: [Emphasis added]

- b. A Loan Agreement, which included provisions about the frequency and quantum of repayment the Loan and that I, as borrower, was to execute and deliver "Collateral Mortgages to be registered against the Lands ..." which were defined to include the [M] Lands and the Ragan Lands;
 - c. A General Security Agreement (the "GSA"), which was to be registered with the Personal Property Registry (the "PPR"); and
 - d. A Promissory Note.
117. I did not take steps to register the Initial Mortgage or the GSA, nor would I have been able to register the Initial Mortgage with the Land Titles Office (the "LTO") because:
- a. Regarding the [M] Lands, I was legally incapable of granting the Initial Mortgage because I did not own them; and
 - b. Regarding the Ragan Lands, I did not take steps to have [S] complete a [redacted]. Nor did Ragan have an Affidavit of Execution completed.
118. Consequently, the Initial Mortgage was legally deficient, although I stated during my interview with LSA investigators that I thought the documents had been properly executed:
- [C]: Okay. Now a couple of other points just on the - the documents themselves. This agreement from May 3rd of 2013, think that's - no, I have the wrong one. (PAUSE)
- [C]: All right. So it's signed off but the Affidavit of Execution and the [redacted] aren't signed. Is there a reason why -
- Ragan: I - I - that may not be the complete copy. I -
- [C]: Okay.
- Ragan: - I - my sense is that it probably was properly executed.
- [C]: Okay.
- Ragan: Yeah. And again I would imagine I could dig out that documentation.
119. However, I never provided a correctly-executed version of these documents to the LSA.
120. Finally, an undischarged pre-existing mortgage had been registered on the [M] Lands.
121. There is no evidence that I recommended that PF obtain independent legal advice for [R] before entering into these agreements, nor I did not advise PF about the deficiencies in the Loan documents or about the existing mortgage registered against the [M] Lands.
122. During my interview with LSA investigators, I told them that written evidence of my recommendation that RCPI obtain independent legal advice existed and that I would produce it:

[C]: Nowhere in any of that is there any communication that says that you -
Ragan: Yeah.
[C]: - advised him to - to get independent counsel or -
Ragan: Yeah.
[C]: So if you can find that -
Ragan: Yeah. Absolutely.
[C]: - you know, I mean it –
Ragan: No.
[C] - definitely supports your point of view.
Ragan: Yeah. No, I'll be hell - hell bent on finding that -
[C]: Okay.
Ragan: - 'cause that definitely exists.

123. However, I never provided any of these materials to the LSA.

Advance of Funds

124. Between May 2013 and December 2014, [R] advanced the cumulative sum of \$1.5MM pursuant to three promissory notes that rolled over the amounts owing to [R]. I drafted the promissory notes.

Requests for Proof of Registration and Follow-Up Mortgage

125. Starting in late 2014, PF made repeated requests to provide him with proof of registration with the LTO of the Initial Mortgage (and then Follow-Up Mortgage).

126. On December 22, 2014, PF emailed me and requested that I provide him with a copy of proof of registration of the Initial Mortgage. I responded the next day as follows:

You were right we didn't actually register the mortgage. I've sent it to land titles it should only take a couple of days this time of year.

127. In fact, I knew that I had not registered the Initial Mortgage with the LTO. Nor did I send it for registration following this email exchange.

128. On January 27, 2015, PF again requested that I provide him proof of registration for review by his auditor. I responded later that day that I was out of the office and would get to it. I then responded on February 4, 2015, as follows:

I got your message, it got bounced at land titles on a technically [sic] I have fixed it and resubmitted.

129. In fact, I had not submitted the Initial Mortgage for registration, nor had it been "bounced" as described.

130. On March 13, 2015, PF requested again that I immediately provide him with proof of registration to finalize the audit of [R]. I responded the next day stating that I would out of town but would provide the document on March 16, 2015. I did not provide him the document.

131. On March 19, 2015, the GSA was registered at the PPR.
132. On May 1, 2015, I executed another GSA.
133. On May 7, 2015, I signed an updated mortgage with [R] for a principal sum of \$2MM, which again purported to pledge the [M] Lands as security (the "**Follow-Up Mortgage**"):

Gordon Ragan (the "Mortgagor") **being the registered owner of an estate in fee simple in possession of that lands** situated in the Province of Alberta and legally described as *[legal description of [IL] Lands]* (which, with the buildings and improvements located thereon, are collectively called the "**Lands**"), IN CONSIDERATION OF the sum of \$2,000,000.00 (the "**Principal Sum**") of lawful money of Canada lent to the Mortgagor by [R] of [address], HEREBY COVENANTS WITH the Mortgagee as follows: [Emphasis added]

134. As before, I was not the owner of the [M] Lands and had no legal authority to pledge them as security in the Follow-Up Mortgage.
135. On May 7, 2015, I signed a Residential Real Estate Purchase Contract purporting to purchase the [M] Lands from [M]. [M] had by then lost the capacity to deal with her lands and [F] executed the contract on her behalf as her legally-appointed attorney. The purchase price was \$400K with a closing date of May 11, 2015. The deal never closed and I never purchased the [M] Lands.
136. Shortly thereafter, I provided copies of the following documents to PF:
 - a. The Follow-Up Mortgage;
 - b. The Residential Real Estate Purchase Contract; and
 - c. The GSA.
137. I never told PF that the residential real estate deal with [M and F] did not close on May 11, 2015.
138. On May 25, 2015, PF asked me whether the \$500K mortgage that was still showing on the Certificate of Title for the [IL] Lands had been paid out. This mortgage had been obtained by [F] to secure a line of credit from a previous business venture. I responded to PF that the mortgage had been paid out when in fact there was an outstanding balance of \$22.5K owing on the line of credit.
139. On May 25, 2015, PF asked me whether the \$500K mortgage that was still showing on the Certificate of Title for the [M] Lands had been paid out. This mortgage had been obtained by [F] to secure a line of credit from a previous business venture. I responded that the mortgage had been paid out when in fact there was an outstanding balance of \$22.5K owing.
140. On May 27, 2015, PF asked me to send him proof of the registration of the Follow-Up Mortgage and of the Transfer of Title between [M and F] and me. I did not respond to this email.

141. That same day, [S] and I signed a Transfer of Land wherein I purported to transfer the Ragan Lands to her for \$1.00 and natural love and affection. I did not tell PR of this attempted transfer of title of the Ragan Lands.
142. On, June 11, 2015, I checked myself in a [redacted] program at the [DC], where I completed [redacted] program and graduated from this on July 30, 2015, following which I was forced to resign from [PM] LLP. These events lead to extreme financial pressures on my part.
143. On June 16, 2015, I received an email from [R's] litigation counsel advising me that PF had instructed him to take steps to recover the \$1.5MM that had been advanced to me, with interest and fees. On July 8, 2015, a caveat for the amounts owing was filed against the [M] Lands.
144. On September [x], 2015, [R] filed a Statement of Claim against me and others. I filed a Statement of Defence on October [x], 2015.
145. On February [x], 2016, I consented to a Partial Summary Judgment against me for \$1.5MM and almost \$250K in interest.

LSA Investigation and Follow Up

146. As noted, on January 19, 2016, the LSA received a written complaint from PF.
147. On April 5, 2016, the Manager of Conduct directed an investigation into my conduct.
148. On April 5, 2016, a package from an FCR was delivered to my Old Business Address which included a copy of PF's complaint. The FCR requested that I provide my response to the complaint within 14 days of receipt of the letter. Although the package was signed for on April 8, 2016, I did not respond to this letter.
149. On April 28, 2016, the FCR followed up and requested that I provide a copy of my response by May 13, 2016. I did not respond to this letter.
150. On May 19, 2016, the FCR emailed me and requested that I provide my response promptly. I responded the next day, requesting an extension until May 27, 2016, which was granted. However, I did not provide my response by the deadline, and the FCR followed up on June 6, 2016, again requesting that I provide my response to him.
151. In the meantime, I was interviewed by LSA investigators on May 25, 2016, during which I agreed to produce certain documents. The investigator followed up with me by email on June 1, 2016, and on June 10, 2016, seeking my responses, which I did not provide.
152. On June 20, 2016, the investigator provided me with a formal request for production of records pursuant to section 53 of the *Act*.
153. On June 29, 2016, I contacted the investigator and promised to provide my responses by July 6, 2016, which I did not do. Instead, I contacted the investigator on July 19,

2016, promising to provide my materials to him by the end of the week. I then advised him on July 25, 2016, that I would be meeting with counsel by the end of the month.

154. By August 9, 2016, I had retained a lawyer, who contacted the FCR seeking an extension to August 18, 2016, to provide my responses. Three days later, my lawyer withdrew and I requested an extension to provide a response by August 25, 2016.
155. I provided a written response on August 25, 2016. However, I never provided the additional materials to the LSA Investigator.
156. On December 21, 2016, a copy of the Investigation Report was provided to me. The FCR requested that I provide a response by January 5, 2017.
157. On January 6, 2017, the FCR followed up and requested my response to the Investigation Report. I replied on January 12, 2017, promising a response by January 19, 2017.
158. I never provided a response to the Investigation Report.

Admissions

159. I admit to the following conduct, which I also admit is conduct deserving of sanction as defined in section 49 of the *Act*.

Citation 12: Failure to Serve Client

160. Contrary to Rule 2.02(1) of the *Code* in effect at the time, I failed to provide competent, timely, conscientious, diligent, and efficient service to [R], particulars of which include,
 - a. Regarding the Initial Mortgage,
 - (1) I drafted and signed the Initial Mortgage and Loan Agreement knowing that I did not own the [M] Lands and could not pledge them as security for the Loan;
 - (2) Despite my representations to PF on May 1, 2013, I did not take steps to ensure that the Initial Mortgage was legally sufficient because I failed to ensure that all mandatory documents had been executed; and
 - (3) I did not take steps to register the Mortgage or the GSA.
 - b. Regarding the Follow-Up Mortgage, I drafted and signed the Follow-Up Mortgage and Loan Agreement knowing that I did not own the [M] Lands and could not pledge them as security for the Loan.

Citation 13: Conflict of Interest

161. Contrary to Rule 2.04(1) of the *Code*, I continued to act for [R] in a transaction in which I had a personal interest and in which there was a substantial risk that my personal interests would conflict with [R's] interests. In fact, an actual conflict of interest came into existence when it became clear that I would not be able to repay the monies that had been advanced to me by [R].

Citation 14: Independent Legal Representation

162. Contrary to Rule 2.04(11) of the *Code*, I entered into a transaction with a client that did not have the benefit of independent legal representation and to whom I did not recommend obtaining independent legal advice.

Citation 15: Failure to Be Candid with PF

163. Contrary Rule 2.02(2) of the *Code*, I failed to be honest and candid with PF, particulars of which include:
- a. I told PF that I would register the Loan Documents with the appropriate authorities, but failed to do so;
 - b. I did not tell PF that there was a pre-existing mortgage registered against the [M] Lands. When he discovered this fact on his own, I told him that the line of credit that had been secured by the mortgage had been paid off when amounts were still owing;
 - c. I failed to provide proof of registration of the Initial Mortgage. In particular,
 - (1) On December 22, 2014, I lied to PF when I told him I had sent the Initial Mortgage to the LTO and insinuated that this had been forgotten by accident when I knew that I had not done so; and
 - (2) On January 27, 2015, I lied to PF when I told him that the documents had been "bounced" by the LTO on a technicality.
 - d. I did not tell PF that the real estate transaction with [M and F] had fallen through; and
 - e. I did not tell PF that I had signed a Transfer of Land with [S], which would have led to additional questions from PF about why I was taking that step.

Citation 16: Failure to Respond to LSA

164. Contrary to Rule 6.01(1) of the *Code*, I failed to respond promptly or completely to communications from the LSA, particulars of which include:
- a. Between April 5, 2016, and August 25, 2016, I failed to provide a response to the [R] Complaint, despite repeated requests to do so;

- b. Between January 6, 2017, and April 12, 2017, I failed to provide a response to the Investigation Report, despite repeated requests to do so; and
- c. I failed to provide the records requested formally by the LSA Investigator.

ALL OF THESE FACTS AND ADMISSIONS ARE ADMITTED TO THIS 8th DAY OF April 2019.

Witness

"G. Ragan"
Gordon D. Ragan