

**IN THE MATTER OF PART 2 OF THE
LEGAL PROFESSION ACT, RSA 2000, c. L-8**

AND

**IN THE MATTER OF A SECTION 32 RESIGNATION APPLICATION
REGARDING SHARON DALTON
A MEMBER OF THE LAW SOCIETY OF ALBERTA**

Resignation Committee

Kelsey Meyer, K.C. – Chair
John Evans, K.C. – Committee Member
Ali Rakka – Committee Member

Appearances

Karl Seidenz – Counsel for the Law Society of Alberta
Sharon Dalton – Self-Represented

Hearing Date

April 13, 2026

Hearing Location

Virtual Hearing

RESIGNATION COMMITTEE REPORT

Overview

1. Sharon Dalton was admitted as a member of the Law Society of Alberta (LSA) on June 18, 1976. Her status with the LSA since March 15, 2022 has been "Retired". During the 45 years that she practiced law, her primary focus was residential real estate, family law, civil litigation, and private corporate law.
2. On April 5, 2019, Ms. Dalton self-reported to the Trust Safety Department of the LSA the misappropriation of funds from her trust account by her former legal assistant and paralegal (LT), and Ms. Dalton's failure to prevent the theft.
3. Ms. Dalton applied for resignation from LSA pursuant to section 32 of the *Legal Profession Act*, R.S.A. 2000, c.L-8 (*Act*). Because Ms. Dalton's conduct is the subject of citations issued pursuant to the *Act*, this Resignation Committee (Committee) was constituted to hear this application.

4. Aside from the citations resulting from the aforementioned conduct, Ms. Dalton has had no disciplinary record with the LSA over her 45-year career practicing law.
5. After reviewing all of the evidence and exhibits, and hearing submissions of the LSA and of Ms. Dalton, the Committee allowed the application pursuant to section 32 of the *Act*, and advised that a written decision would follow. This is that written decision.
6. In addition, the Committee ordered that the costs of this resignation application must be paid by Ms. Dalton prior to any application for reinstatement. Ms. Dalton is retired and has undertaken not to apply for reinstatement.

Preliminary Matters

7. 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 Ms. Dalton's resignation application proceeded.

Citations

8. Ms. Dalton faced the following citations (collectively, the Citations):
 - 1) It is alleged Sharon J. Dalton failed to supervise her employee and that such conduct is deserving of sanction.
 - 2) It is alleged Sharon J. Dalton failed to comply with Rule 119.22(1) by pre-signing cheques and that such conduct is deserving of sanction.
 - 3) It is alleged Sharon J. Dalton failed to comply with Rules 119.21(2) and 119.21(3) by not confirming the certifications she deemed to give upon signing trust cheques were in place.
 - 4) It is alleged Sharon J. Dalton failed to comply with Rule 119.24(1) by failing to maintain money on deposit in her trust account in an aggregate amount sufficient to meet all trust obligations and that such conduct is deserving of sanction.
 - 5) It is alleged Sharon J. Dalton failed to comply with Rules 119.36(1), 119.36(2), 119.36(3), and 119.36(4) by failing to maintain her firm's prescribed financial records and that such conduct is deserving of sanction.
 - 6) It is alleged Sharon J. Dalton failed to comply with Rule 119.36(4)(d) by failing to conduct and maintain monthly bank reconciliations of her trust account and that such conduct is deserving of sanction.

- 7) It is alleged Sharon J. Dalton failed to comply with Rule 119.40 by failing to conduct monthly bank reconciliations of her general account and that such conduct is deserving of sanction.
- 8) It is alleged Sharon J. Dalton failed to promptly inform her clients of the misappropriation and that such conduct is deserving of sanction.

Statement of Admitted Facts and Admissions of Guilt

Background

9. Ms. Dalton entered into a Statement of Admitted Facts and Admissions of Guilt dated March 13, 2026 (Admitted Facts), in support of her application to resign from membership in the LSA pursuant to section 32 of the *Act*.
10. As noted above, Ms. Dalton's resignation application arises from her self-reporting of the misappropriation of funds from her trust account by her former legal assistant and paralegal LT, and Ms. Dalton's failure to prevent the theft.
11. On April 5, 2019, Ms. Dalton informed the Trust Safety Department of the LSA that LT had misappropriated funds from Ms. Dalton's trust account. The LSA investigated and referred the matter to the Conduct Committee. On October 20, 2020, a panel of the Conduct Committee directed that the Citations be dealt with by a hearing committee.

Employment of LT

12. In or around January 2009, Ms. Dalton hired LT as a legal assistant. LT quickly learned additional skills and earned additional responsibilities, such as bookkeeping and paralegal work.
13. LT became an integral part of Ms. Dalton's practice, assisting her with all administrative tasks and much of the initial drafting for legal matters. She also assisted with bank deposits and was responsible for printing cheques from Ms. Dalton's trust and general accounts, receiving bank statements, and preparing the monthly bank statements for Ms. Dalton's review and reconciliation using QuickBooks.
14. Because she trusted LT, Ms. Dalton reviewed the monthly reconciliations in a cursory manner by verifying that the balances matched in all of the documents, which Ms. Dalton acknowledges was insufficient.

Responsible Lawyer Designation

15. Ms. Dalton's application to be the Responsible Lawyer for her firm was approved on September 2, 2011, subsequent to completing two LESA online training modules, which Ms. Dalton completed on October 29, 2011.

Challenges and Illnesses

16. In 2017 and 2018, Ms. Dalton suffered a series of significant personal challenges and illnesses, including but not limited to a cancer diagnosis and treatment.
17. Despite these very significant challenges, Ms. Dalton continued to operate her practice and represent her clients during that time, albeit working with reduced hours as needed to receive treatment. Ms. Dalton trusted LT to keep working diligently and to faithfully assist Ms. Dalton in continuing her practice.

Discovery of the Fraud

18. In the fall of 2018, Ms. Dalton observed LT make a number of errors. Accordingly, she and LT agreed that LT would resign effective December 31, 2018. However, they also agreed that LT would continue to assist Ms. Dalton with her bookkeeping in QuickBooks in early 2019, until Ms. Dalton was able to transition to a new bookkeeper.
19. On or about April 5, 2019, while preparing her annual accounting report to the LSA, Ms. Dalton discovered discrepancies in the reported trust account. On closer inspection, she determined that there were at least five fraudulent cheques. Ms. Dalton immediately reported the theft to the Trust Safety Department of the LSA and then to the Calgary Police Service. Shortly thereafter, as instructed by the Trust Safety Department, Ms. Dalton's trust account was frozen. Ms. Dalton also retained the services of an accountant to review her trust accounting and determine the extent to which the theft occurred.
20. The accountant determined that LT had misappropriated a total of \$225,727.58 between August 17, 2017 and March 31, 2019, using several methods to do so.

Delay in Application for Resignation

21. In January 2021, Ms. Dalton, through her legal counsel at that time, advised the LSA that she was prepared to proceed with an application for resignation pursuant to section 32 of the *Act*. This proposed resolution was acceptable to the LSA.
22. The resignation hearing was adjourned at the LSA's request and with Ms. Dalton's consent in the circumstances where a report regarding the status of Ms. Dalton's trust and general accounts was still in the process of being prepared. Further delays occurred, and the resignation application was ultimately rescheduled to April 13, 2026.

Admissions of Guilt

23. Ms. Dalton admitted guilt to each of the Citations. The Committee notes that, among other difficult circumstances, Ms. Dalton was receiving cancer treatment during the period covered by the Citations.

Acknowledgements

24. Ms. Dalton confirmed that pursuant to paragraph 47 of the Pre-Hearing and Hearing Guideline:
- She made her admissions freely and voluntarily;
 - She unequivocally admits the essential elements of the citations;
 - She understands the nature and consequences of her admissions;
 - She understands that any joint submission on sanction is entitled to deference but is not binding on the Hearing Committee;
 - She has had the opportunity to obtain independent legal advice; and
 - Pursuant to Rule 92(4) of the Rules of the LSA (Rules), her Admitted Facts and the application for resignation will be published and heard in public.

The Submissions of the Parties

25. LSA counsel and Ms. Dalton were in agreement to proceed pursuant to section 32 of the *Act*. The LSA supported Ms. Dalton's application to resign pursuant to section 32. LSA counsel noted that Ms. Dalton's legal assistant had taken advantage of Ms. Dalton's situation at the time the Citations occurred; based on its review of the Admitted Facts, the Committee agrees with this characterization.
26. Ms. Dalton submitted that she was admitted to the LSA in 1976. Ms. Dalton is 75 years old and is not seeking to practice law any further. Prior to the Citations, she had not had any issues with the LSA. She loved her general practice; her clients were mostly families, and sometimes generations of families, whom she knows well. Upon learning of the theft by LT, Ms. Dalton phoned as many of her clients as she could and apologized personally and paid them back as much as she could afford. She feels stricken that her clients have incurred any loss and expressed that she is very sorry.
27. In addition to her Admitted Facts, Ms. Dalton provided a number of undertakings, including that she would not re-apply for admission to the LSA. LSA counsel submitted,

and the Committee agrees, that Ms. Dalton has given all of the undertakings required pursuant to the Rules.

Analysis

28. As noted, LSA counsel supports Ms. Dalton's application for resignation, agreeing that Ms. Dalton's resignation pursuant to section 32 of the *Act* served the public interest. As such, the Committee considered this application to be tantamount to a joint submission and therefore deserving of deference, unless it was to bring the administration of justice into disrepute or was contrary to the public interest.
29. The issue to be determined by this Committee was whether it was in the best interests of the public to permit Ms. Dalton to resign pursuant to section 32 in the face of serious unresolved conduct matters. Under the *Act*, a member may apply to resign under either section 32 or section 61. There is a material distinction between these applications. Pursuant to section 61 of the *Act*, the member's resignation amounts to a deemed disbarment if accepted. Under section 32 of the *Act*, the application is merely one of resignation.
30. Resignation committees of the LSA have permitted members who faced serious conduct proceedings to resign pursuant to section 32 where the public interest may still be served without requiring either a public hearing into outstanding citations or a deemed disbarment. In those cases, resignation committees were satisfied that the member's conduct had been investigated and that certain mitigating factors existed that offer understanding and even explanation for the member's conduct. Equally importantly, in each instance, the applications for resignation were supported by the member's undertaking never to re-apply for admission to the LSA.
31. The Committee has carefully reviewed the materials put forth in support of the resignation application, including but not limited to the Admitted Facts, the undertakings given by Ms. Dalton, a statutory declaration given by her on March 13, 2026, and the Book of Authorities tendered by LSA counsel. The Committee is of the view that it is appropriate to grant Ms. Dalton's resignation application pursuant to section 32 of the *Act*.
32. The Committee is satisfied it is in the best interest of the public and members of the LSA to permit Ms. Dalton to resign prior to the resolution of the Citations, as set forth in the Resignation Guideline at paragraph 21.

Decision

33. The Committee finds that the Admitted Facts is in an acceptable form.

34. Based on the evidence established by the Admitted Facts, the Committee determined that it was in the best interests of the public to accept the application of Ms. Dalton to resign pursuant to section 32, effective April 13, 2026.
35. The Committee accepted the undertakings made by Ms. Dalton.
36. The Committee has reviewed the costs of this application, as prepared by the LSA. The Committee has determined that Ms. Dalton must pay these costs, in the amount of \$20,009.38 prior to any application for reinstatement.
37. Pursuant to section 32(2) of the *Act*, Ms. Dalton's name will be struck off the roll. The roll shall reflect that Ms. Dalton's application under section 32 of the *Act* was allowed on April 13, 2026.

Concluding Matters

38. The exhibits, other hearing materials, 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 Ms. Dalton will be redacted and further redactions will be made to preserve client confidentiality and solicitor-client privilege (Rule 98(3)).
39. A Notice to the Profession will be issued.
40. A Notice to the Attorney General is not required.

Dated May 7, 2026.

Kelsey Meyer, K.C.

John Evans, K.C.

Ali Rakka