

**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 MARTIN SCHULZ
A MEMBER OF THE LAW SOCIETY OF ALBERTA**

Hearing Committee

Deanna Steblyk, KC – Chair
Troy Couillard, KC – Lawyer Adjudicator

Appearances

Shanna Hunka – Counsel for the Law Society of Alberta
Simon Renouf, KC – Counsel for Martin G. Schulz

Hearing Date

June 11, 2026

Hearing Location

Virtual Hearing

HEARING COMMITTEE REPORT – SANCTION PHASE

Background and Overview

1. Martin G. Schulz is an active member of the Law Society of Alberta (LSA) who was called to the Alberta bar in 1991. He practices in Edmonton, primarily personal injury litigation.
2. The complainant in this matter, MWR, was involved in a motor vehicle accident in the United States on August 21, 2014 and sustained injuries that left him unable to work. On April 10, 2019, he retained Schulz's firm to advance his personal injury claim.
3. The parties attended a judicial dispute resolution (JDR) conference on October 1, 2020 (Initial JDR) but were unable to reach a settlement. The presiding justice adjourned the Initial JDR after directing MWR and his counsel to obtain certain additional evidence and directed the parties to reappear before her within 90 days to continue the JDR (Continued JDR).
4. MWR and Schulz came to disagree about scheduling the Continued JDR and the work that was required to prepare for it. In June 2022, Schulz's office booked the Continued

JDR for February 2, 2023. MWR maintained that Schulz did so without his knowledge and contrary to his instructions.

5. MWR and Schulz continued to disagree over the content of the brief that was to be submitted on MWR's behalf for the Continued JDR. Matters came to a head in January 2023 as Schulz's office attempted to get MWR to instruct them to file the brief they had prepared, and MWR insisted that it required more work.
6. This disagreement led Schulz to send MWR letters on January 18 and January 25, 2023 advising that he would be withdrawing as counsel and urging MWR to find new counsel as soon as possible. Although Schulz did not file a formal Notice of Withdrawal until February 7, 2023 and did not serve it on MWR until February 13, 2023, neither he nor anyone else from his office attended the Continued JDR with MWR on February 2, 2023.
7. MWR and defence counsel appeared on February 2, 2023, but the Continued JDR was adjourned to allow MWR time to find new counsel. He eventually did so, and his claim was settled in late 2023. MWR testified that he was not happy with the result but felt that his circumstances were such that he had no choice but to accept it.
8. As a result of the foregoing, the following citations were directed to hearing by a Conduct Committee Panel on September 10, 2024 (Citations):
 - 1) It is alleged that Martin G. Schulz scheduled a Judicial Dispute Resolution without his client's knowledge and contrary to his client's instructions and that such conduct is deserving of sanction.
 - 2) It is alleged that Martin G. Schulz failed to provide reasonable notice of his withdrawal from representation of his client and that such conduct is deserving of sanction.
9. On July 8, 2025, a hearing into Schulz's conduct commenced before this hearing committee (Committee), based on the above Citations (Merits Hearing). The Merits Hearing continued on July 25 and October 8, 2025.
10. After reviewing the evidence, hearing the testimony of the Merits Hearing witnesses, and considering the arguments made on behalf of the parties, the Committee found Schulz guilty of conduct deserving sanction on both Citations pursuant to section 71 of the *Legal Profession Act (Act)*: see *Law Society of Alberta v. Schulz*, 2026 ABL 5 (Merits Decision).
11. Following the issuance of the Merits Decision, this matter proceeded to a hearing on the appropriate sanction and costs orders that should be imposed against Schulz. Counsel for both parties provided the Committee with a number of case authorities in support of

their submissions on sanction and costs and made oral arguments before us on June 11, 2026 (Sanction Hearing).

12. On the consent of the parties' counsel, four exhibits were entered into evidence at the Sanction Hearing, including a certified copy of Schulz's LSA discipline record and the LSA's Estimated Statement of Costs.
13. After reviewing the evidence and hearing the arguments of counsel for the parties, for the reasons set out below, the Committee finds that based on the facts of this case, the appropriate sanction is a fine and a reprimand. In accordance with section 72(1) of the *Act*, the Committee orders that Schulz be reprimanded and, in accordance with section 72(2)(b) of the *Act*, the Committee orders Schulz to pay a fine of \$10,000.00 by April 30, 2027.
14. In addition, pursuant to section 72(2)(c) of the *Act*, the Committee orders that Schulz pay partial costs of this proceeding in the amount of \$25,000.00 by April 30, 2027.

Preliminary Matters

15. As noted in the Merits Decision, there were no objections to the constitution of the Committee or its jurisdiction, and a private hearing was not requested. No objections or private hearing applications were made during the Sanction Hearing, so it proceeded before this Committee in public.

Relevant Findings from Merits Decision

16. The Committee's reasons for the determination of guilt and a detailed summary of the facts are set out in the Merits Decision, which should be read together with this decision. However, we set out some of our findings here for ease of reference.
17. With respect to Citation 1, we found that in numerous e-mails from at least as early as June 22, 2021 through to January 16, 2023 (shortly before Schulz purported to withdraw from the file), MWR expressly, repeatedly, and consistently stated that he did not want to book the Continued JDR until he was satisfied that they were prepared to attend and make the case he wanted to be made.
18. Regardless, without MWR's knowledge and contrary to his instructions, Schulz's office contacted the Alberta Court of King's Bench (ABKB) in June 2022 to inquire about dates for the Continued JDR. On July 5, 2022, ABKB administration confirmed booking February 2, 2023 for that purpose. Despite previous opportunities to do so, Schulz did not advise MWR of the booking until August 22, 2022.
19. This Committee found that Schulz's conduct in making the booking despite MWR's instructions, "was not attributable to negligence, an understandable oversight, or a mere

misunderstanding or miscommunication. It was not a clerical error and there was no ambiguity in the instructions." Schulz simply did not agree with MWR's instructions and therefore decided to proceed as he thought best.

20. Even after MWR was advised that the Continued JDR had been booked and voiced his objections, Schulz exacerbated the situation by deliberately failing to take any steps to rectify it. Instead, he hoped that eventually, MWR would "come around" to his way of thinking.
21. This Committee found that this conduct was deserving sanction because it was "a marked departure from the conduct expected of lawyers", and "would undermine the public's trust and confidence in the legal profession".
22. We concluded:

We have no doubt that the public would be shocked to find out that despite giving legal and ethical instructions, if the lawyer they hired was of the view that another way was better, the lawyer could unilaterally decide not to follow those instructions and take a different course of action instead. The public would also be shocked to find that a lawyer might do this without their knowledge, without advising them promptly, and without taking any steps to reverse course and comply with the instructions given.

23. In other words, Schulz's conduct evidenced a failure to follow clear written instructions and was therefore a serious failure in client service.
24. Citation 2 flowed from Citation 1. As mentioned, MWR and Schulz continued to disagree over the completeness and accuracy of the brief for the Continued JDR. Because Schulz's office had booked the Continued JDR for February 2, 2023, the brief in support of MWR's position in the litigation was due to be filed on January 19, 2023.
25. However, MWR would not give instructions to file a brief he considered inadequate. As mentioned, Schulz therefore sent him letters both before and after the filing deadline purporting to withdraw as counsel. We describe this as a "purported" withdrawal because Schulz, a litigator with decades of experience, failed to follow the mandatory process for withdrawal set out in the Alberta Rules of Court, and disregarded the guidance in the LSA Code of Conduct that sets out the relevant practical and ethical considerations.
26. Worse, although Schulz acknowledged at the Merits Hearing that he knew he was still on the record on February 2, 2023, he did not attend the Continued JDR that his office had scheduled. He indicated that he had not been concerned because he was confident that MWR would be given an adjournment at the Continued JDR and would have time to retain new counsel.

27. Luckily, this is what occurred, but Schulz disregarded the risk that an adjournment would not be granted, and that MWR – a vulnerable, brain-injured client – would be forced to proceed alone, without counsel, without a brief, and without having seen the defence brief. Schulz also disregarded the inconvenience caused and discourtesy shown to the presiding ABKB justice and to defence counsel, both of whom wasted time and resources attending on February 2, 2023.
28. Accordingly, this Committee concluded that:
- ... the timing and manner of Schulz's withdrawal in this matter is virtually a case study in how a lawyer must not withdraw: on the eve of a filing deadline, without filing and serving a Notice of Withdrawal, and without showing up before a justice of the [ABKB] at an appearance he scheduled while he was still counsel of record for a vulnerable, brain-injured client.
29. As another marked departure from the conduct expected of lawyers that would undermine the public's trust and confidence in the legal profession, we found that Schulz's conduct as described in Citation 2 was also conduct deserving sanction.

Submissions on Sanction

LSA

30. Through counsel, the LSA began submissions on sanction by referencing Schulz's prior discipline record (Prior Discipline). The Prior Discipline includes the following:
- In *Law Society of Alberta v. Schulz*, 2023 ABLS 1 (Schulz #1), five citations were directed to hearing on January 18, 2022. On June 28, 2022, Schulz signed a Statement of Admitted Facts and Admission of Guilt concerning all five citations, and a Conduct Committee Panel found it to be in acceptable form. It was therefore deemed a finding of conduct deserving of sanction. A hearing on sanction followed on December 20, 2022, at which the single-Bench hearing committee accepted the parties' joint recommendation as to sanction: a \$5,000.00 fine and a reprimand. Schulz was also ordered to pay costs in the agreed amount of \$5,000.00.

The misconduct included failing to issue and serve a Statement of Claim prior to the expiry of the limitation period, failing to disclose that error to the client and to Schulz's insurer promptly, improperly amending the Statement of Claim of a former client, and failing to comply with the Alberta Rules of Court and the LSA Code of Conduct in serving an Amended Statement of Claim.

- In *Law Society of Alberta v. Schulz*, 2026 ABLS 2 (Schulz #2), five citations were directed to hearing on July 16, 2024. On November 27, 2025, Schulz signed a Statement of Admitted Facts and Admission of Guilt admitting a single amended citation that subsumed the factual elements of three of the original citations. A hearing was held on December 10, 2025. The hearing committee found Schulz guilty of conduct deserving of sanction on the single citation and accepted the parties' joint recommendation as to sanction: a \$7,500.00 fine and a reprimand. Schulz was also ordered to pay costs in the agreed amount of \$7,500.00.

The misconduct included failing to make reasonable efforts to ensure that an associate under Schulz's supervision provided timely, conscientious, and diligent services to a client (including by failing to disclose a material error promptly), and failing to provide competent, conscientious, and diligent service to the client after the associate left Schulz's firm. Part of the failures to serve included failing to obtain client instructions.

31. As mentioned, in this matter, the misconduct occurred from June 2022 through to February 2023. The Citations were directed to hearing on September 10, 2024. Schulz did not admit facts or guilt, and the Merits Hearing was held in July and October 2025. The Merits Decision was issued finding conduct deserving of sanction on March 4, 2026. Since Schulz's previous two matters overlapped in time with the current matter, the LSA acknowledged that it was somewhat difficult to apply the "step-up" or "progressive discipline" principle in this case (discussed further below).
32. The LSA submitted that the following facts are relevant to sanction in this matter:
 - The Continued JDR was booked on the same day that Schulz sent an e-mail to MWR noting that he needed instructions to "return to the JDR".
 - MWR, a vulnerable client due to his brain injury, was not informed about the date for the Continued JDR for approximately seven weeks.
 - Once MWR was informed of the date and objected, no steps were taken to cancel.
 - Schulz purported to withdraw from the file on the eve of a filing deadline for the Continued JDR that his office booked.
 - No one from Schulz's office appeared with MWR at the Continued JDR, and there was no certainty an adjournment would be granted given the defence's objection. MWR had to appear alone, without a brief.
33. The LSA further argued that Schulz deliberately took positive steps to act contrary to his client's express instructions, without regard for his client's wishes and needs and without

keeping his client informed of what was happening. In combination with the misconduct underlying Schulz's Prior Discipline – some of which the LSA contended was similar to the misconduct before us – the LSA suggested that this matter may indicate a pattern of neglect or disfunction at Schulz's firm.

34. In the LSA's submission, even if a strict application of the step-up principle would not be appropriate, there is a "concerning similarity" between the misconduct underlying the Prior Discipline and the current matter that "ought to attract a higher sanction", especially since both of Schulz's prior cases proceeded on the basis of admitted facts, admissions of guilt, and joint submissions on sanction, all of which are mitigating factors. In the LSA's view, the lack of admitted facts in this case is indicative of Schulz's "lack of insight" into the misconduct.
35. In addition to the Prior Discipline, the LSA provided 12 decisions on the issues under consideration in this case.
36. Concerning the issue of acting contrary to client instructions, the LSA referred to: *Law Society of Alberta v. Engelking*, 2016 ABLS 30; *Law Society of Alberta v. Suberlak*, 2020 ABLS 34; *Law Society of Alberta v. Billingsley*, 2023 ABLS 22; *Law Society of Alberta v. Burkinshaw*, 2016 ABLS 31; *Law Society of Alberta v. Bright*, 2015 ABLS 5; and *Law Society of Alberta v. Hodgson*, 2017 ABLS 11.
37. However, the LSA advised that these decisions may be of marginal relevance because most involved admitted facts and joint submissions as to sanction and resulted in reprimands and/or fines in the range of \$5,000-\$6,000. By contrast, the LSA acknowledged that *Hodgson* involved much more serious misconduct than Schulz's.
38. Concerning the issue of failing to provide reasonable notice of withdrawal, the LSA referred to: *Law Society of Alberta v. Christensen*, 2022 ABLS 7; *Law Society of Alberta v. Nguyen (Fox)*, 2013 ABLS 16; *Law Society of Alberta v. Ntinu*, 2023 ABLS 5; and *Re Harding*, 2016 LSBC 9. Again, the LSA acknowledged that these cases are of limited relevance because most resulted in reprimands. It also acknowledged that the *Harding* case from the Law Society of British Columbia is dated and involved more serious misconduct that resulted in a \$15,000.00 fine.
39. Concerning the issue of the applicability of the step-up principle, the LSA referred to *Law Society of Alberta v. Kobylnyk*, 2025 ABLS 2; and *Law Society of Alberta v. Amanoh*, 2020 ABLS 16. These decisions were not specifically referenced during the LSA's submissions.
40. The LSA submitted that several of the cases Schulz relied on (referenced below) were over 20 years old and therefore dated, since discipline cases "evolve over time". Accordingly, it was recommended that the Committee consider them with caution.

41. Finally, the LSA argued that Schulz's Prior Discipline in combination with the MWR matter reflect a propensity to re-offend and suggest broader practice management issues. In its submission, the public would be shocked if the step-up principle were not applied in this case because of what the LSA characterized as a "technicality".
42. Therefore, the LSA's position was that a one-month suspension plus full payment of the LSA's costs is appropriate here.
43. In the alternative, the LSA noted, the maximum fine this Committee could impose is \$10,000.00 per Citation, or a total of \$20,000.00. The LSA sought a short suspension instead because in its view, the previous two fines and reprimands were not successful, and Schulz may have considered the fines a cost of doing business.

Schulz

44. Schulz denied that this was a situation where he treated his prior fines as a simple cost of doing business, because at the time of the events that are the subject of this proceeding, he had no LSA discipline record and was not acting in the face of earlier decisions against him. Accordingly, in his submission, the Prior Discipline is not aggravating, and he should be considered a "first offender" for sanctioning purposes in these circumstances.
45. Schulz further denied that there is any overlap in the facts underlying his three LSA matters. For example, the 2022 matter involved a limitation period missed by an associate in his firm, which he contended has "absolutely nothing to do with" what occurred with MWR.
46. Schulz pointed out that he was fully cooperative during the investigation into MWR's complaint, and during the litigation. He maintained that it would be an error in principle to consider the lack of admitted facts in this case to indicate anything about his character. He reminded the Committee that while there were no admitted facts, there was an agreed book of exhibits.
47. Schulz also argued that a number of the cases on which the LSA relied were considerably more serious in terms of the consequences to the client than Schulz's actions were here. He provided a number of past LSA decisions that he contended were more comparable to this matter: *Law Society of Alberta v. Shawar*, 2019 ABLS 8; *Law Society of Alberta v. Hillenbrand*, 2023 ABLS 19; *Law Society of Alberta v. Coley*, [2008] LSDD No. 162; *Law Society of Alberta v. Gish*, [2006] LSDD No. 132; *Law Society of Alberta v. Peterson*, [2005] LSDD No. 92; *Law Society of Alberta v. Goldsworthy*, 2025 ABLS 22; *Law Society of Alberta v. Juneja*, [2014] LSDD No. 317; and *Law Society of Alberta v. Flynn*, 2013 ABLS 19.

48. In Schulz's view, these decisions support his submission that a reprimand is a sufficient sanction on these facts, given that the misconduct was more serious in those cases and each resulted in either a reprimand or a reprimand and a fine. He argued that *Goldsworthy* is particularly comparable to the matter before us, but with more serious misconduct involving aggravating factors. In that case, the hearing committee accepted the parties' joint submission and imposed a reprimand and a \$5,000.00 fine.
49. Schulz also made specific submissions about the *Juneja* decision, which he considered the most comprehensive decision cited that dealt with the step-up principle. In that case, there was overlap between the lawyer's earlier discipline and the later findings of conduct deserving of sanction, and the latter was a serious case of neglect that resulted in significant adverse consequences to a client. The step-up principle was not applied in the circumstances. Schulz acknowledged, however, that the *Juneja* hearing committee nevertheless found that the overlapping misconduct was not completely irrelevant, and could be considered relevant to the lawyer's character.
50. Concerning costs, Schulz referred to the decision of the Alberta Court of Appeal (ABCA) in *Charkhandeh v. College of Dental Surgeons of Alberta*, 2025 ABCA 258 (discussed further below). He argued that while costs are in the discretion of this Committee, *Charkhandeh* suggests that they should be no more than \$7,500.00.

Analysis and Decision on Sanction

Purpose of Sanctioning and Relevant Factors

51. According to the LSA's Pre-Hearing and Hearing Guideline (as amended May 2026) (Guideline) at paragraph 185, "[t]he fundamental purposes of sanctioning are to ensure the public is protected from acts of professional misconduct and to protect the public's confidence in the integrity of the [legal] profession." In other words, "[i]f the conduct would bring the public's perception of the legal profession into disrepute, impair a client's trust in the lawyer or otherwise bring into question the lawyer's integrity, the Law Society may take disciplinary action" (at paragraph 202).
52. Other purposes of sanctioning include specific and general deterrence, denouncing the misconduct, and ensuring that the LSA can govern its members effectively (*ibid.* at paragraph 186). Specific deterrence is directed toward the member then before a hearing committee, and general deterrence is directed toward other LSA members who might act in a similar manner. The goal of both is to prevent such misconduct from recurring in the future.
53. The particular types of sanction orders imposed in a particular case are to be determined with reference to these purposes (*ibid.* at paragraph 188). Available sanctions under section 72 of the *Act* include reprimands, fines, suspensions, and disbarment. Reprimands are intended to denounce misconduct, and the Guideline suggests that they

are appropriate where it is not necessary to limit a lawyer's ability to practice to still achieve the above-mentioned purposes (at paragraph 192). As noted by LSA counsel, fines are limited to \$10,000.00 per citation. They are imposed when a hearing committee concludes that "a reprimand alone is insufficient as a sanction but a suspension [or disbarment] is excessive" (at paragraphs 194-195).

54. A hearing committee's analysis focuses on the circumstances of both the lawyer and the misconduct and is guided by a number of factors set out in the Guideline. The primary factor is the seriousness of the misconduct, which may be determined by considering whether and to what extent the misconduct (*ibid.* at paragraph 198):
- poses a risk to the public;
 - poses a risk to the reputation of the legal profession;
 - impacts the ability of the legal profession to function properly;
 - involved a breach of trust;
 - has the potential to impact the LSA's ability to govern its members effectively; and
 - caused harm or had the foreseeable potential to cause harm to the client, the public, the profession, or the administration of justice.
55. A hearing committee will also consider the number of incidents and the length of time involved in the matter, and whether the lawyer acted intentionally, knowingly, recklessly, or negligently (*ibid.* at paragraphs 198-199). The professional obligation to act with integrity is violated by misconduct that involves knowing dishonesty, deceit, or intentional misrepresentation to a client (at paragraph 203).
56. In addition, a hearing committee is to consider any other aggravating or mitigating factors. These might include (*ibid.* at paragraph 204):
- the lawyer's prior discipline record, if any;
 - the length of time the lawyer has been in practice;
 - whether the lawyer has acknowledged the wrongdoing;
 - the lawyer's level and expression of remorse;
 - whether the lawyer cooperated during the proceedings;

- the extent to which lawyer benefitted from the misconduct; and
 - whether the misconduct involved taking advantage of a vulnerable party.
57. As mentioned, a lawyer's prior discipline record is relevant for the purpose of determining whether it is appropriate to apply the "step-up" principle, which suggests that escalating sanctions should be applied for misconduct that is repeated despite attracting prior sanction. Stated another way, sanctions are cumulative, and a record of prior misconduct will typically result in more serious sanctions for subsequent or repeated misconduct on the theory that the lawyer did not sufficiently learn from the previous sanctions – especially if the time that has elapsed between incidents is comparatively short (*ibid.* at paragraph 205).
58. As stated in *Law Society of Alberta v. Elgert*, 2012 ABLS 9 (at paragraph 49):
- A prior disciplinary record is typically an aggravating factor because it suggests that a lawyer has not sufficiently learned from past sanctions, which invites more severe sanctions to effect the necessary change in behavior.
59. However, the hearing committee in *Elgert* went on to explain (at paragraph 50) that the application of the principle "does not arise where the misconduct in question arose before the lawyer was ever sanctioned". A lawyer should not be considered a "repeat offender" if they had not yet been found to have engaged in professional misconduct or had not yet been sanctioned when the facts giving rise to the matter under consideration arose.
60. Finally, the Guideline indicates that while hearing committees are not bound by precedent, "undue disparity" with the results in previous cases with similar circumstances should be avoided. More recent decisions are more helpful in this regard, because they may more accurately reflect current regulatory trends in sanctioning (at paragraph 206).

Application to this Case

61. In the Merits Decision, this Committee found that Schulz's misconduct as described in the first Citation was serious. His office booked the Continued JDR contrary to MWR's repeated and express written instructions, did so without his knowledge, and then did not inform him of the booking for nearly two months. Once informed, MWR immediately protested and continued to protest, but Schulz took no steps at any time to ameliorate the situation and conform with his client's wishes.
62. Although we were satisfied that Schulz's intentions were not nefarious and his actions likely reflected what he thought was in MWR's best interests, those actions were

deliberate, and deliberately contrary to his client's instructions. Regardless of his motives, Schulz was not entitled to ignore instructions. The result was a serious breach of MWR's trust that would also negatively affect the public's trust and confidence in the legal profession. Such conduct is deserving of significant sanction and denunciation so that it is not repeated by Schulz or by other LSA members. The public must be able to trust that when they retain a lawyer, that lawyer will follow ethical instructions given.

63. The misconduct described in the second Citation was also serious. Schulz purported to withdraw from MWR's file on the eve of the filing deadline triggered when his office booked the Continued JDR to which MWR did not agree. He ignored the process for proper withdrawal set out in the Rules of Court, and exposed MWR to potential harm by either deliberately or negligently failing to attend the Continued JDR when he knew he was still on the record.
64. Moreover, Schulz did not provide MWR with any information as to what he could expect or what he should do when attending alone. There was no certainty an adjournment would be granted, which would have left MWR to represent himself, unprepared, without a brief, and without having seen the defence brief. Although the matter was ultimately adjourned, the court and the defence were inconvenienced, and MWR was subjected to significant stress and uncertainty in circumstances where Schulz knew MWR was already vulnerable due to his brain injury.
65. While the Committee can understand that frustration may have led Schulz to withdraw in the fashion he did, it was still incumbent on him as counsel to do so properly. This, too, was a serious failure in client service that would negatively affect the public's trust in the legal profession and compromise the reputation of the profession. This misconduct is also deserving of significant sanction and denunciation so that it is not repeated by Schulz or by other LSA members. The public must be able to rely on their lawyer not to abandon them at an important stage of their legal matter, and to withdraw representation, if necessary, only in a way that will not prejudice their interests.
66. As mentioned, MWR testified at the Merits Hearing that he was not happy with the ultimate result of his matter. It was clear that he attributed what he considered an unsatisfactory settlement at least in part to Schulz's handling of the case. However, there was no objective evidence before us that would indicate the settlement was unjust or inappropriate in the circumstances of the case, much less that the result was attributable to Schulz.
67. That said, we find that Schulz's misconduct did cause harm to MWR in the sense that the actions underlying the Citations clearly caused MWR additional stress and anxiety – as reflected in his many emails to Schulz and others in his office, and his testimony at the Merits Hearing. Knowing that his client had a brain injury and presumably having read MWR's correspondence, Schulz knew or should have known this would be the result.

68. This harm and the potential harm MWR may have suffered if the Continued JDR had not been adjourned on February 2, 2023 also suggests the need for a significant deterrent sanction.

69. Concerning the other factors set out in the Guideline, the Committee finds as follows:

- While there were essentially only two incidents underlying the Citations, both involved continuing misconduct that extended over a significant length of time.

The Continued JDR was booked without MWR's knowledge and contrary to his instructions in early June 2022, and MWR was not notified until late August 2022. Once informed, MWR objected and continued to object over the course of the ensuing months. Schulz took no steps to rectify the situation, and MWR was forced to attend the Continued JDR on February 2, 2023.

Schulz initially purported to withdraw from the file in mid-January 2023. He did not complete the necessary steps to withdraw in accordance with the Rules of Court until mid-February 2023.

- Schulz is a senior Alberta lawyer who manages his own law firm. At the time of these events, he was more than experienced enough to know better than to conduct himself as he did.
- While Schulz did not acknowledge the misconduct or express remorse, this is a neutral factor. He was entitled to dispute the Citations and to continue to dispute them. There is no evidence that he lacks insight or fails to appreciate the seriousness of the matter or our findings.
- Schulz did not admit any facts or guilt and did not make a joint submission as to sanction with the LSA, but he had no obligation to do so and the Committee was not persuaded that failing to do so says anything about his attitude or character.

Schulz was cooperative throughout the investigation and these proceedings and agreed to the exhibits entered into evidence at both the Merits Hearing and the Sanction Hearing.

- There is no evidence Schulz benefitted from the misconduct or acted with *mala fides*.
- While MWR was a vulnerable client, we do not find that Schulz took or intended to take advantage of him. That said, we are of the view that Schulz did not take the impact of MWR's brain injury fully into account during their interactions. For example, rather than engage with MWR in writing as MWR repeatedly requested,

Schulz continued to request telephone calls and meetings. Because MWR refused to take telephone calls or meet in person, much of the necessary communication between Schulz and his client did not occur. Such communication might have prevented the conduct that led to the Citations.

70. Concerning the Prior Discipline, we agree with the LSA that the step-up principle is difficult to apply in these circumstances. While the misconduct in both Schulz #1 and Schulz #2 overlapped with each other, it was complete prior to the misconduct in the present matter, and no findings of guilt and no sanction orders had yet been made in either case.
71. That said, the citations in Schulz #1 were issued before the misconduct in the present matter began. In addition, because of the extended period of time over which the misconduct in this matter took place, there was considerable overlap with the discipline process as it unfolded in Schulz #1. This included Schulz signing a Statement of Admitted Facts and Admission of Guilt, a Conduct Committee Panel accepting the admissions, the hearing at which guilt was confirmed and a reprimand was given pursuant to the parties' joint recommendation as to sanction, and the issuance of the written decision on the merits and sanction.
72. The Committee is also of the view that the misconduct in this matter is broadly similar to the misconduct in Schulz #1. Both involved acting without client instructions and without the client's knowledge, and both involved failures to comply with the Rules of Court and the LSA Code of Conduct. By the time Schulz's office booked the Continued JDR contrary to MWR's instructions, the citations in Schulz #1 had already been issued. He therefore had some warning that conduct of this nature was problematic, and that warning became more emphatic when he signed the admissions that were accepted by the Conduct Committee Panel and knew that he would be found guilty. This and the resulting sanctions were confirmed by the Schulz #1 hearing committee in December 2022. Regardless, Schulz still took no steps to reschedule the Continued JDR in accordance with MWR's instructions and still neglected to follow the proper process for withdrawing from the file.
73. We are therefore in agreement with the hearing committee in Schulz #2 as it similarly wrestled with the application of the step-up principle and concluded that it did "not apply with the same force as it would in other circumstances" (at paragraph 20). However, we are also guided by the findings in the case Schulz cited, *Juneja*, where the hearing committee found that the step-up principle could not be applied but nonetheless found that the overlapping misconduct was not irrelevant, and could be considered relevant to the lawyer's character. We would add that in exercising our discretion with respect to sanction, we have the ability and the obligation to consider the totality of the circumstances of the lawyer and the misconduct, and to decide the weight to be given to those circumstances in this matter.

74. In summary, the Committee finds a mix of aggravating, mitigating, and neutral facts and circumstances we have weighed in arriving at our conclusion with respect to the sanction orders that are appropriate here. While we have taken the Prior Discipline into account in the manner described above as one fact among the totality of the relevant facts and circumstances, given the overlap among his three discipline matters, we are not persuaded that Schulz's previous sanctions were unsuccessful or that he has shown a propensity to re-offend.
75. The final element we considered was the cases cited by both parties. While those setting out the sanctions imposed in matters involving similar misconduct provided broad guidance about the range of appropriate orders, overall, they were of little assistance.
76. The cases cited by the LSA that involved lawyers acting without or contrary to client instructions (*Engleking*, *Suberlak*, *Billingsley*, *Burkinshaw*, *Bright*, and *Hodgson*) are distinguishable because they all proceeded on admitted facts. Most also included admissions of guilt and joint submissions as to sanction. The latter are negotiated by the parties and given significant deference by hearing committees. Moreover, the misconduct in *Suberlak* was not comparable to that in this matter, and the misconduct in *Hodgson* involved much worse misconduct. Other than in *Hodgson* (which resulted in a 30-day suspension), all of the lawyers in these cases received reprimands. Only some were fined, in amounts ranging from \$5,000.00 to \$6,000.00.
77. The cases cited by Schulz that involved lawyers acting without or contrary to client instructions (*Hillenbrand* and *Flynn*) were distinguishable on the same bases. Both lawyers received reprimands, and one was also fined \$4,000.00.
78. Similarly, the cases cited by the LSA that involved lawyers improperly withdrawing representation (*Christensen*, *Nguyen (Fox)*, *Ntinu*, and *Harding*) all proceeded on admitted facts, and most also included admissions of guilt. All were based on joint submissions as to sanction. Reprimands were administered in *Christensen*, *Nguyen (Fox)*, and *Ntinu*, and a \$1,000.00 fine was imposed in *Christensen*. *Harding*, a Law Society of British Columbia case, resulted in a \$15,000.00 fine, but included other significant misconduct. Therefore, these cases are also all distinguishable.
79. Schulz cited only one case involving an improper withdrawal from the record, *Goldsworthy*. It too was distinguishable as having proceeded on admitted facts, an admission of guilt, and a joint submission as to sanction. The lawyer was reprimanded and fined \$5,000.00. The other cases Schulz cited (*Shawar*, *Coley*, *Gish*, and *Peterson*) did not involve comparable misconduct.

Conclusion on Sanction Orders

80. In view of all the foregoing, the Committee concluded that the appropriate sanction in this matter is a reprimand and a fine of \$10,000.00. We are satisfied that this properly

reflects the applicable aggravating and mitigating factors and is proportionate to the results in the cases cited by the parties, insofar as the cases all suggested that reprimands and fines are suitable in matters that involved somewhat comparable facts and circumstances. Given that those decisions would have reflected the mitigating effect of admissions and joint submissions on sanction and any fines imposed were in the range of \$1,000.00 to \$6,000.00, we are satisfied that an amount less than \$10,000.00 would be insufficient, but more would be excessive. In that regard, we also note that the Prior Discipline resulted in fines of \$5,000.00 and \$7,500.00, and both matters similarly involved admissions and joint submissions on sanction.

81. As we have concluded that a fine in excess of \$10,000.00 is unnecessary to achieve the goals of specific and general deterrence, denounce the misconduct, serve the public interest, and protect the reputation of the legal profession in Alberta, we have similarly concluded that a suspension would be excessive in the circumstances. That result may or may not have been appropriate if the step-up principle could be applied, but in this case, we determined that it was unnecessary to limit Schulz's ability to practice. At the same time, his misconduct was significant and unacceptable, and a reprimand alone would be insufficient to convey our disapprobation.
82. We are therefore satisfied that the combination of a reprimand and a \$10,000.00 fine will achieve the purposes of sanctioning and is in the public interest. It is a meaningful penalty for a lawyer of Schulz's standing and experience.

Costs

83. As mentioned, the LSA entered its Estimated Statement of Costs as an exhibit at the Sanction Hearing. The total is \$37,080.77. Schulz's position was that costs are in the discretion of this Committee, but in view of the *Charkhandeh* decision, he should be ordered to pay no more than \$7,500.00.
84. According to the Guideline (at paragraph 221), "[i]t is the Law Society's default position that when a lawyer is found guilty of conduct deserving of sanction, the actual costs of the hearing should be paid by the lawyer." However, in *Charkhandeh* the ABCA stated (at paragraph 145) that "[f]ull indemnity is neither the starting point nor the default award". *Charkhandeh* also tells us (at paragraph 136) that we must first decide whether costs are warranted at all, and then, if so, the quantum. Factors we should consider in making these determinations include:
 - the number of allegations and the overall success of each party (see paragraph 137);
 - the length and scope of the hearing and the issues involved (see paragraphs 139-140, 144);

- the conduct of the parties during the process (see paragraphs 139-140; we note that this is also in accordance with paragraph 220 of the Guideline, which states that the lawyer's level of cooperation is factor to be considered in assessing costs);
 - whether costs were needlessly increased by things like delay, the introduction of unnecessary or irrelevant evidence, refusal to admit uncontested facts, or unnecessary interlocutory applications (see paragraph 142);
 - whether the costs were reasonably incurred given the nature of the investigation, the allegations, and the hearing process itself (see paragraphs 144, 146); and
 - the hourly rates charged by counsel for the regulator, the number of counsel involved, and whether the amount of preparation was excessive (see paragraph 152).
85. The seriousness of the misconduct is relevant only to sanction, not costs. In addition, the ABCA has held that a disciplined member should not have to pay all of the costs associated with the "infrastructure" of the hearing, which we interpret to include court reporter fees (*ibid.* at paragraphs 139-140, 150).
86. The Committee is of the view that some award of costs is warranted in this matter, as Schulz appeared to acknowledge. There were no circumstances that suggested otherwise, such as misconduct or bad faith on the part of the LSA or its counsel. No citations were dismissed as unwarranted or unmerited.
87. We therefore proceed to consider quantum, beginning with a careful review of the Estimated Statement of Costs. Other than court reporter attendance fees in the total amount of \$2,252.25, it is comprised solely of the time billed by a single investigator at \$100 per hour, and a single lawyer at \$125 per hour. We find both rates eminently reasonable, especially for counsel for the LSA, who is a very senior lawyer with nearly 40 years of experience at the bar.
88. We also find that the amount of time spent by the investigator and by counsel was reasonable given the nature and number of the allegations, the extensive written record, the length of time over which the misconduct occurred, the absence of admissions, the necessary pre-hearing steps, and the need for both a Merits Hearing and a separate Sanction Hearing. We further note that while LSA counsel was prepared to make closing arguments on the merits orally during the Merits Hearing, counsel for Schulz expressed a preference for written submissions. We do not fault him for doing so in the circumstances, but it required additional time to be spent by LSA counsel.

89. On the other hand, we find that Schulz was partially successful at the sanction stage of this matter, given that the LSA sought a suspension that was not ordered. This suggests that some reduction in the amount of costs he should pay is warranted.
90. After deduction of the court reporter fees, the total amount of costs remaining under the Estimated Statement of Costs is \$34,828.52. We have determined that it is reasonable for us to exercise our discretion and deduct another \$9,828.52 from that sum to reflect Schulz's partial success at the sanction stage, his agreement to the exhibits entered at both hearings, and his cooperation throughout the proceeding.
91. We are satisfied that in accordance with the principles in *Charkhandeh*, this amount is fair, reasonable, and proportionate to the circumstances of the case and the member before us. It is not so high as to be unduly onerous or "crushing" and would not deter a member in a similar position from mounting a defence.

Concluding Matters

92. Since Schulz made no submissions indicating that he required time to pay a fine and costs in this matter, the Committee orders that both must be paid by April 30, 2027.
93. The Committee's reprimand of Schulz is attached to these reasons as Appendix A.
94. Neither a Notice to the Profession nor a Notice to the Attorney General is required or ordered.
95. 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 Schulz will be redacted and further redactions will be made to preserve client confidentiality and solicitor-client privilege (Rule 98(3)).

Dated October 8, 2026.

Deanna Steblyk, KC

Troy Couillard, KC

APPENDIX A

REPRIMAND

Mr. Schulz –

We have found you guilty of two Citations involving serious failures in client service. This occurred while you were representing a vulnerable, brain-injured client who relied on you to help him seek compensation for the life-altering consequences of a motor vehicle accident for which he was not at fault.

While you may have intended to assist him to the best of your ability, it was incumbent on you to pay heed to his wishes in the conduct of his case, to communicate with him in the manner in which he felt capable of communicating, to provide him with the careful explanations of the law and the process that he required, and to follow his clear written instructions. Moreover, it was certainly incumbent on you not to abandon him at the eleventh hour and leave him to face a legal proceeding alone, with no guidance, no brief to support his case, and no knowledge of the case the defence intended to present. Your desire to cease representing your client may have been understandable in the circumstances, but the manner in which you attempted to do so was, to say the least, completely unacceptable, not to mention contrary to the Alberta Rules of Court and the Law Society's Code of Conduct.

Your behaviour in ignoring your client's instructions, failing to inform him of your actions in a timely manner, failing to take steps to undo those actions when he clearly expressed his disagreement with them, and then failing to attend a judicial dispute resolution conference that you scheduled contrary to his instructions, without regard for the inconvenience you caused to the court and your defence colleague, is deeply concerning. It was beneath you as a senior member of the Alberta bar who knew better than to conduct himself in this way, and it reflected poorly on the legal profession in this province.

Your clients deserve respect even if you think they are being irrational and unreasonable, and you have a professional and ethical obligation to follow their instructions. You may be certain that your way is the better way, and perhaps it is. However, that does not change the fact that you work for them, and you must manage their files as they wish, not as you wish. If you find that you simply cannot act in accordance with their instructions, your obligation is to withdraw from the file, and to do so in the proper fashion.

As a senior member of the bar, your regulator, the profession, and the public rely on you to set an example for more junior members, and to ensure that your conduct is above reproach. We are confident that you knew better than to conduct yourself as you did in this matter. In the future, we expect that you will take a lesson from this experience and ensure that you represent your clients in a way that will support the public's confidence in the legal profession.

You must do better going forward. You appear to have gone through a period of time that generated several complaints on different matters, and we hope that that was an aberration in your lengthy and otherwise unmarred career. Your regulator does not want to see you in the disciplinary process again.