



DISCIPLINE CASE *DIGEST*

Case 18-07

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| Member: | Midori Adachi |
| Jurisdiction: | Winnipeg, Manitoba |
| Called to the Bar: | June 16, 2005 |
| Particulars of Charges: | Professional Misconduct (13 Charges): <ul style="list-style-type: none">▪ Breach of Rule 3.4 (9 sub-rules) of the <i>Code</i> [conflict of interest] [x7]▪ Breach of Rule 2.1-1 of the <i>Code</i> [breach of duty to act with integrity] [x3]▪ Breach of Rule 3.2-7(a) of the <i>Code</i> [knowingly assisting or encouraging dishonesty] [x3] |
| Plea: | Guilty |
| Date of Hearing: | December 10, 2018 |
| Panel: | <ul style="list-style-type: none">▪ Catherine Finnbogason (Chair)▪ Grant Mitchell, Q.C.▪ Brian McLeod (Public Representative) |
| Counsel: | <ul style="list-style-type: none">▪ David M. Skwark for the Law Society▪ Nicole Watson for the Member |
| Disposition: | <ul style="list-style-type: none">▪ Suspension (10 months)▪ Conditions that Ms Adachi:<ol style="list-style-type: none">i. Shall not represent certain named partiesii. Shall not act for opposing parties to a transactioniii. Transfer a certain property▪ Costs of \$35,000.00 |

Conflict of Interest / Failing to Act with Integrity / Assisting or Encouraging Dishonesty

Facts

Over a number of years, Ms Adachi acted in a series of commercial transactions involving a particular regular client or persons and entities associated with that client. In all of these transactions, Ms Adachi allowed herself to be the dupe of the client and in the process, her conduct fell well below the standards expected of a lawyer. At the regular client's request, Ms Adachi acted for opposite parties in several matters while there was a conflict of interest as

between the regular client and other parties without taking any of the steps that the particular circumstances required to obtain necessary consents, or to inform the other client of her relationship with the regular client. Ms Adachi preferred the interests of the regular client over others, accepted that client's word as to the execution of documents when the circumstances of their execution was suspicious, deviated from norms of practise such that other clients were not protected, was not candid with other clients and in some cases actively misled them.

Plea

Ms Adachi entered a guilty plea to 13 charges of professional misconduct.

Decision and Comments

The Panel accepted the joint recommendation, noting that it was made by experienced, competent and well informed counsel on both sides and that in the circumstances, they should not depart from a joint submission unless it would bring the administration of justice into disrepute or otherwise be contrary to the public interest. In considering the joint submission, the Panel took into account the principles applicable to penalty. The Panel commented that Ms Adachi's conduct over several years fell well below the standard expected of a lawyer but noted, also, that her misconduct was the result of allowing herself to become the tool or dupe of a single regular client and was limited to matters involving that client. As a result of interim conditions imposed by the Law Society in 2016, Ms Adachi had stopped dealing with that client's matters. Ms Adachi had fully cooperated with the investigations and had practised without incident since the interim conditions were imposed.

Penalty

The Panel ordered that:

- a. Ms Adachi be suspended from practising law for a period of 10 months;
- b. She not act for the particular client or associated persons or entities;
- c. She not act for opposing parties to any transaction;
- d. She do all things necessary to complete the remedy of the results of the conflict in one matter; and
- e. She pay a contribution of \$35,000.00 to the Law Society's costs in instalments as agreed.