



DISCIPLINE CASE *DIGEST*

Case 10-10

Member:	Paul Frederick Lasko
Jurisdiction:	Winnipeg, Manitoba
Called to the Bar:	June 25, 1976
Particulars of Charges:	Professional Misconduct (3 counts): <ul style="list-style-type: none">▪ Failure to deposit funds received from a client into a pooled trust account contrary to Law Society Rule 5-43(1)(a) [X2]▪ Transferring funds from trust to general account on account of fees before a Statement of Account was rendered contrary to Law Society Rule 5-43(1)(c)
Plea:	Guilty
Date of Hearing:	November 23, 2010
Panel:	<ul style="list-style-type: none">▪ Bjorn (Barney) Christianson, Q.C. (Chair)▪ Celia Gorlick, Q.C.▪ Miriam Browne (Public Representative)
Counsel:	<ul style="list-style-type: none">▪ Paul L. Jensen for The Law Society of Manitoba▪ Z. Ian Garber for the Member
Disposition:	<ul style="list-style-type: none">▪ Fine of \$15,000.00▪ Costs of \$10,500.00▪ Restitution to 2 clients of \$750.00 and \$2,375.00▪ Practice under supervision for a period of 1 year with conditions

Breach of Accounting Rules

Facts

A client retained Mr. Lasko on a wrongful dismissal matter in 2007. Between May 30, 2007 and May 6, 2008, while acting for the client, Mr. Lasko received \$500.00 by way of cheque from the client and failed to deposit the funds into a pooled trust account as required by Rule 5-43(1)(a) of the Rules of the Law Society of Manitoba. The money was deposited into Mr. Lasko's personal business account on May 30, 2007. A further \$300.00 in cash was received from the client and not deposited as required by the Rule. Receipts were not provided to the client. Subsequent to the commencement of the investigation, Mr. Lasko repaid the client who was by then represented by new counsel.

In June, 2004, while acting on behalf of a client on a domestic matter, Mr. Lasko received a money order from her husband, payable to Mr. Lasko in the amount of \$750.00. The funds were a contribution to costs for a divorce. Mr. Lasko failed to deposit the \$750.00 into a pooled trust account as required by Rule 5-43(1)(a) of the Rules of the Law Society of Manitoba.

In August 2009, while acting for a client on a civil collection matter, Mr. Lasko received \$50,000.00 in settlement monies for his client, which were deposited into his firm trust account. He then paid \$45,000.00 out to his client and \$5,000.00 was retained in his trust account. Shortly thereafter the sum of \$4,750.00 was transferred from the trust account to the general account for fees without a statement of account having been rendered. A statement of account was rendered approximately one month later. There was a component charge in the Statement of Account for \$2,375.00 which was not reasonable and should not have been charged.

Plea

Mr. Lasko entered a guilty plea to 3 counts of Professional Misconduct.

Decision and Comments

The panel found Mr. Lasko guilty of the charges in the citation based on his admissions of guilt. After reviewing aggravating and mitigating factors, the panel imposed a penalty that it considered severe compared to similar cases in the past. The panel also observed that in the civil collection matter Mr. Lasko was dealing with a difficult client. In spite of having obtained a good result for the client in a timely manner, Mr. Lasko's failure to strictly comply with Rule 5-43(1)(c) opened the door to an aggressive and very negative response from that client. The panel noted that the consequences are a good reminder to the profession that strict compliance with the Rules will protect the lawyer as well as the clients.

Penalty

The panel accepted the joint recommendation made by counsel for the Law Society and Mr. Lasko and ordered that:

1. Mr. Lasko be fined in the amount of \$15,000.00;
2. The Practising Certificate of Mr. Lasko be cancelled and that a new Certificate be issued subject to the following conditions:
 - (i) that Mr. Lasko practice under supervision by a member approved by the Society for a period of one year;
 - (ii) the supervision of Mr. Lasko would be subject to the following conditions:
 - the supervisor will act as co-signatory on all trust accounts of Mr. Lasko;
 - prior to executing any trust cheques on behalf of Mr. Lasko relating to his client matters, the supervisor will review the file in question as well as the client trust ledger sheet and any other records that may reasonably be required in order to ensure that monies are properly due and payable;
 - the supervisor will review all statements of account prepared by Mr. Lasko as well as the file in question, the client trust ledger sheet and any other records that may reasonably be required in order to ensure that the fees are properly due and payable to Mr. Lasko;

- the supervisor will remit reports to the Law Society at 6 month intervals and those reports shall include a confirmation that there have been no problems with the handling of firm or client trust funds; and
 - the supervisor will confirm that Mr. Lasko notifies his clients that there is a supervisor who is a co-signatory on his trust accounts and his statements of account, that the supervisor practises outside of Mr. Lasko's firm and that he will have access to the client's file.
3. Mr. Lasko pay costs to the Society in the amount of \$10,500.00 as a contribution towards the costs associated with the investigation, prosecution and hearing of the matter.
 4. Mr. Lasko pay restitution to J.C., the complainant in Count 3, in the amount of \$750.00 within two weeks of the Decision, by delivering a cheque payable to J.C. to the Society for forwarding to the complainant.
 5. Mr. Lasko pay restitution to B.B., the complainant in Count 4, in the amount of \$2,375.00 within two weeks of the Decision, by delivering a cheque payable to B.B. to the Society for forwarding to the complainant.

The fine and costs are to be paid within four months after the time for payment of the restitution to the complainants J.C. and B.B.