



AGENDA

Benchers

Date: Thursday, September 7, 2023

Time: 12:00 p.m.

Location: Elkhorn Resort, Clear Lake, Manitoba and via Videoconference

ITEM	TOPIC	TIME (min)	SPEAKER	MATERIALS	ACTION
1.0 PRESIDENT'S WELCOME AND TREATY ACKNOWLEDGEMENT					
	The President will welcome Andrea Argue, KC, and Timothy Brown, KC and Pam Kovacs, President, Executive Director and Senior Policy Counsel, respectively, of the Law Society of Saskatchewan, as well as benchers, guests and staff to the meeting.				
2.0 IN MEMORIAM					
	Thomas John Wood , who passed away on May 26, 2023 at the age of 80. Mr. Wood received his call to the Bar in Manitoba on June 28, 1972. He practised in Winnipeg for two years as a sole practitioner before relocating to Australia where he continued to practice law and resided at the time of his death.				

Robert Steven Nozick, who passed away on June 13, 2023 at the age of 76. Mr. Nozick received his call to the Bar on June 26, 1973. He taught at the University of Alberta for 16 years before returning to Winnipeg in 1989 to practice with Buchwald Asper Henteleff. Mr. Nozick retired from practice in 1997.

Honourable Charles Richard Huband, who passed away on June 14, 2023 at the age of 91. Mr. Huband received his call to the Bar on September 17, 1956. He practised as a partner in the firm known today as Taylor McCaffrey LLP for 23 years and was then appointed a judge of the Manitoba Court of Appeal in 1979. Mr. Huband served on the bench for 28 years and then returned to practice, first as an associate with Taylor McCaffrey LLP for 11 years and then as a sole practitioner for four years. He retired from practice in 2022.

Paul Frederick Lasko, who passed away on June 20, 2023 at the age of 73. Mr. Lasko received his call to the Bar on June 25, 1976. Over the course of 46 years of practice, Mr. Lasko practised as an associate with several Winnipeg firms and at the time of his death was practising as a sole practitioner.

Honourable Theodore Joseph Lismer, who passed away on June 17, 2023 at the age of 90. Mr. Lismer received his call to the Bar on September 4, 1958. He practised law in Winnipeg for 18 years and also served as a part-time magistrate for five years. In 1977 he was appointed a judge of the Provincial Court of Manitoba. He served in this position for 40 years, retiring in 2017. Mr. Lismer was appointed Queen's Counsel in 1970.

Honourable Sylvia Jean Guertin-Riley, who passed away on June 23, 2023 at the age of 86. Ms Guertin-Riley received her call to the Bar on June 25, 1981. She practised as an associate and partner with McJannet Weinberg Rich and Riley Orle Guertin Born for 14 years. In 1995 Ms Guertin-Riley was appointed a judge of the Court of Queen's Bench. She served in this position for 16 years, retiring in 2011. Ms Guertin-Riley was appointed Queen's Counsel in 1991.

Nestor Dmetro Bodnarchuk, who passed away on July 4, 2023 at the age of 78. Mr. Bodnarchuk received his call to the Bar on June 29, 1971. He served as legal counsel to the City of Winnipeg for 29 years. From 2000 to the date of his death Mr. Bodnarchuk practised as a sole practitioner.

Patricia Louise Fraser, who passed away on July 4, 2023 at the age of 71. Ms Fraser received her call to the Bar on June 30, 1988. She practised as a partner with Meighen Haddad LLP in Brandon for 30 years, retiring in 2018. Ms Fraser served as a bencher of the Law Society for eight years and in 2008 was appointed a Life Bencher.

Donald James Dacquisto, who passed away on July 5, 2023 at the age of 64. Mr. Dacquisto received his call to the Bar in Manitoba on June 26, 1986. Over the course of a career that spanned 37 years, he practised in both Ontario and Manitoba, with Winnipeg being his primary residence. Mr. Dacquisto was a practising member at the time of his death.

Honourable Robert Maxwell Carr, who passed away on July 10, 2023 at the age of 75. Mr. Carr received his call to the Bar on June 26, 1973. He practised with Taylor McCaffrey for ten years. In 1983 he was appointed a judge of the Court of Queen's Bench, where he served for 31 years. Mr. Carr was the recipient of the Queen Elizabeth II Golden Jubilee Medal in 2002.

Alvin Ronald McGregor, KC, who passed away on July 10, 2023 at the age of 80. Mr. McGregor received his call to the Bar on June 26, 1968. He practised with Buchwald Asper Henteleff for 33 years and then as a sole practitioner for eight years, retiring in 2009. Mr. McGregor was appointed Queen's Counsel in 1981.

Murdoch MacKay, KC, who passed away on July 18, 2023 at the age of 93. Mr. MacKay received his call to the Bar on November 8, 1955. He practised with Inkster Christie Hughes MacKay for 34 years and then joined the firm known today as Duboff Edwards Schachter Law Corporation, where he practised up to the date of his death. Mr. MacKay was appointed Queen's Counsel in 1969.

Arthur Valentine Mauro, KC, who passed away on August 4, 2023 at the age of 96. Mr. Mauro received his call to the Bar on November 4, 1953. He practised with Aikins, MacAulay & Thorvaldson for 31 years and over a period of 17 years served as in-house counsel, president and chief executive officer of Investors Group. Mr. Mauro retired from practice in 2003. In 1964 he was appointed Queen's Counsel and was a subsequent recipient of the Orders of Canada, Manitoba and the Buffalo Hunt, and also received the Queen Elizabeth II Golden and Diamond Jubilee Medals.

Garth Peter James Reimer, who passed away on August 27, 2023 at the age of 69. Mr. Reimer received his call to the Bar on June 26, 1980. He practised with the firm most recently known as Campbell, Marr LLP for 36 years and then with Fast Trippier Clunie Wittman Santos LLP for two years. Mr. Reimer retired from practice in 2018.

ITEM	TOPIC	TIME (min)	SPEAKER	MATERIALS	ACTION
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3.0 CONSENT AGENDA

The Consent Agenda matters are proposed to be dealt with by unanimous consent and without debate. Benchers may seek clarification or ask questions without removing a matter from the consent agenda. Any bencher may request that a consent agenda item be moved to the regular agenda by notifying the President or Chief Executive Officer prior to the meeting.

3.1	Minutes of June 22, 2023 Meeting	5		Attached	Approval
3.2	Final Approval of Rule Amendments to Mandate <i>The Path</i>			Attached	Approval

ITEM	TOPIC	TIME (min)	SPEAKER	MATERIALS	ACTION
3.3	Report of the Complaints Investigation Committee			Attached	Information
3.4	Reports of the Discipline Committee			Attached	Information
4.0 EXECUTIVE REPORTS					
4.1	President's Report	10	Wayne Onchulenko	Attached	Briefing
4.2	CEO Report	15	Leah Kosokowsky	Attached	Briefing
5.0 DISCUSSION/DECISION					
5.1	Anti-Money Laundering and Terrorist Financing - Amendments to Client Identification and Verification Rules	15	Leah Kosokowsky	Attached	Discussion/ Decision
5.2	Proposed Removal of Inactive Member Status	10	Rennie Stonyk/ Richard Porcher	Attached	Discussion/ Decision
6.0 COMMITTEE REPORTS					
6.1	Admissions and Education Committee	10	Christian Monnin		Briefing
6.2	Indigenous Advisory Committee	10	Alissa Schacter	Attached	Briefing
7.0 MONITORING REPORTS					
7.1	Profit and Loss Statements - July 31, 2023	10	Leah Kosokowsky/ Colleen Malone	Attached	Briefing
7.2	Investment Compliance - June 30, 2023	10	Leah Kosokowsky/ Colleen Malone	Attached	Briefing

8.0 GUEST PRESENTATIONS

8.1	Future of Legal Services Initiative	45	Andrea Argue, KC/ Tim Brown, KC/ Pam Kovacs		Briefing/Discussion
8.2	Risk Registers and Strategic Plan	30	Leah Kosokowsky	Attached	Discussion/Decision

9.0 MISCELLANEOUS BUSINESS

9.1	Bencher Evaluation Survey Results	5	Leah Kosokowsky	Attached	Briefing
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10.0 FOR INFORMATION

10.1	Invitation to Swearing-In Ceremony of the Honourable Chief Justice Marianne Rivoalen			Attached	Information
10.2	Media Reports			Attached	Information



MEMORANDUM

To: **Benchers**

From: **Rennie Stonyk**

Date: **August 28, 2023**

Re: **Rule Amendments to Mandate *The Path***

At the June 2023 bencher meeting, you approved draft rule amendments that provide the Society with the authority to mandate *The Path* for lawyers in Manitoba. As you may recall, the amendments set out:

- the requirement for lawyers to complete Indigenous intercultural awareness and competency training and the timelines in which the training must be completed;
- the consequences of failing to comply with the requirement - a member faces potential administrative suspension and ultimately, a failure to comply with the new rules may amount to professional misconduct.

These amendments have now been translated and the finalized English and French versions are attached for the benchers' final approval. Lawyers are expected to complete the training by no later than April 1, 2025, being 18 months after the launch of *The Path* on October 1, 2023. Therefore, we ask that you approve these amendments to take effect on October 1, 2023.

RLS

- 2-78(6) Appearance before committee
- 2-79(1) Notice of Judgment
- 2-79(2) Appearance before committee
- 2-80(1) Notice of charges
- 2-80(2) Appearance before committee
- 2-81(1) Answer within 14 days
- 2-81(2) Failure to reply

DIVISION 8.1 – PROFESSIONAL DEVELOPMENT

- 2-81.1(1) Definitions
- 2-81.1(2) Professional Development
- 2-81.1(3) Requirement to report continuing professional development activities
- 2-81.1(4) Mandatory Indigenous Intercultural Awareness and Competency training
- 2-81.1(5) Mandatory Indigenous Intercultural Awareness and Competency training for other members
- 2-81.1(6) Extension of time for completion of training or reporting
- 2-81.1(7) Failure to comply
- 2-81.1(8) Mandatory continuing professional development
- 2-81.1(9) Carry over permitted only in exceptional circumstances
- 2-81.1(10) Exemption in year of call
- 2-81.1(11) Auditing compliance
- 2-81.1(12) Failure to complete continuing professional development activities
- 2-81.1(13) Referral to complaints investigation committee

DIVISION 8.2 – ANNUAL MEMBER REPORT

- 2-81.2(1) Annual member report
- 2-81.2(2) Extension of time for filing annual report
- 2-81.2(3) Failure to file

DIVISION 9 – FEES AND ASSESSMENTS

- 2-82 Definition
- 2-83 Annual practising certificate
- 2-84 Proportionate payment
- 2-85 Special fees, levies and assessments
- 2-86(1) Notice from society – practicing fees
- 2-86(2) Notice from society – contribution to claims fund
- 2-87(1) Late payment penalty
- 2-87(2) Waiver of penalty
- 2-88 Suspension for non-payment of annual fee, penalties
- 2-89 Reinstatement fee
- 2-90 Refund during practising year

Division 8.1 – Professional Development

(ENACTED 05/11)

Definitions

2-81.1(1) In this division,

“continuing professional development” means learning activities that protect the public interest by enhancing the competence, integrity and professional responsibility of lawyers;

“eligible activities” are learning activities determined by the chief executive officer that comply with the guiding principles for mandatory continuing professional development approved by the benchers. (ENACTED 05/11)

“IIAC training program” means the society’s continuing professional development program on Indigenous intercultural awareness and competency.

Professional Development

2-81.1(2) In order to enhance standards for the education, professional responsibility and competence of lawyers, the benchers may, from time to time, require lawyers to:

- (a) report annually on the extent of their continuing professional development activities,
- (b) complete a minimum number of hours of continuing professional development,
- (c) complete mandatory training and educational requirements relating to the practice of law or a particular area of law,
- (d) complete such other programs, training or reporting as the benchers determine may be appropriate for this purpose.

(ENACTED 02/11) (AM 05/11)

Requirement to report continuing professional development activities

2-81.1(3) On or before April 1st in each year, all members who maintained active practising status during the preceding calendar year or for any part of that year must file a report with the chief executive officer with respect to their continuing professional development activities during the preceding calendar year. The report must be in the form prescribed by the chief executive officer. (ENACTED 10/07) (AM. 02/11; 05/11)

Mandatory Indigenous Intercultural Awareness and Competency training

2-81.1(4) All practising lawyers must successfully complete the IIAC training program before April 1, 2025.

Mandatory Indigenous Intercultural Awareness and Competency training for other members

2-81.1(5) When a new, non-practising, inactive or suspended member who has not completed the IIAC training program begins or resumes active practice, they must successfully complete the IIAC training program by December 31 of the following calendar year from when they first begin or first resume active practice.

Extension of time for completion of training or reporting

2-81.1(6) The chief executive officer may extend the time for completion of the requirements set out in subsections (3), (4) and (5). (ENACTED 02/11) (AM. 05/11; 10/21)

Failure to comply

2-81.1(7) Failure to complete the requirements set out in subsections (3), (4), (5) or and (11), without reasonable excuse, may constitute professional misconduct. (ENACTED 02/11) (AM 05/11; 10/21)

Mandatory continuing professional development

2-81.1(8) Subject to subsection (10), a practising lawyer must complete one hour of eligible activities for each month or part of a month in a calendar year during which the lawyer maintained active practising status. Where the lawyer maintained active practising status for three or more months in the calendar year, one and a half hours of the total eligible hours must relate to ethics, professional responsibility or practice management. (ENACTED 05/11) (AM. 10/21)

Carry over permitted only in exceptional circumstances

2-81.1(9) In exceptional circumstances, the chief executive officer may permit the carry over of not more than 12 hours of eligible activities to the next calendar year. (ENACTED 05/11)

Exemption in year of call

2-81.1(10) A practising lawyer is exempt from complying with subsection (8) in the calendar year in which the lawyer is called to the bar in Manitoba, but must comply with the requirement to report set out in subsection (3). (ENACTED 05/11)

Auditing compliance

2-81.1(11) In order to demonstrate compliance with subsection (8), a member must:

- (a) keep all documents substantiating the completion of the eligible activities set out in the member's annual reporting until December 31 of the year following the year in which the activities were reported; and
- (b) provide the documents set out in paragraph (a) to the chief executive officer on request, together with such further information as may be reasonably required by the chief executive officer for purposes of auditing the member's

compliance with the rules.

(ENACTED 05/11)

Failure to complete continuing professional development activities

2-81.1(12)

- (a) Where a practising lawyer fails to comply with subsection ~~(4), (5) or (8)~~, the chief executive officer may send a letter to the lawyer advising that he or she must comply with the requirements within 60 days from the date the letter is sent. A member who fails to comply within 60 days is automatically suspended from practising law until such time as the requirements have been met and a reinstatement fee paid.
- (b) Where a member is suspended under ~~subsection paragraph~~ (a) for a period of 30 days or less, the member must be reinstated on the date of payment, provided the requirements under ~~rule subsection (4), (5) or 2-81.1(8), as the case may be,~~ have been met.
- (c) Where a member is suspended under ~~subsection paragraph~~ (a) for a period exceeding 30 days, then in addition to meeting the requirements under ~~rule subsection (4), (5) or 2-81.1(8)~~ and paying the reinstatement fee, the member must apply to resume active practice under rule 5-28.2.

(ENACTED 05/11) (AM. 09/13; 10/21)

Referral to complaints investigation committee

2-81.1(13) Where a member is suspended more than once for failing to comply with subsection (8), the chief executive officer may also refer the matter to the complaints investigation committee for its consideration. (ENACTED 05/11)

- 2-76 Avis d'appartenance à un autre ordre professionnel de juristes
- 2-77(1) Représentants désignés
- 2-78(1) Avis de faillite
- 2-78(2) Approbation d'un signataire substitut
- 2-78(3) Avis de libération
- 2-78(4) Caducité de l'engagement
- 2-78(5) Dispense de fournir l'engagement
- 2-78(6) Comparution devant le comité
- 2-79(1) Avis de jugement
- 2-79(2) Comparution devant le comité
- 2-80(1) Avis d'accusation
- 2-80(2) Comparution devant le comité
- 2-81(1) Réponse dans un délai de 14 jours
- 2-81(2) Défaut de répondre

SECTION 8.1 - PERFECTIONNEMENT PROFESSIONNEL

- 2-81.1(1) Définitions
- 2-81.1(2) Perfectionnement professionnel
- 2-81.1(3) Perfectionnement professionnel – Rapport annuel obligatoire
- 2-81.1(4) Formation obligatoire de sensibilisation aux cultures autochtones et d'acquisition de compétence interculturelle
- 2-81.1(5) Formation obligatoire de sensibilisation aux cultures autochtones et d'acquisition de compétence interculturelle – autres membres
- 2-81.1(6) Prorogation
- 2-81.1(7) Défaut
- 2-81.1(8) Perfectionnement professionnel permanent obligatoire
- 2-81.1(9) Report possible dans des circonstances exceptionnelles
- 2-81.1(10) Exemption – première année d'exercice
- 2-81.1(11) Vérification de l'observation
- 2-81.1(12) Défaut
- 2-81.1(13) Renvoi au comité d'examen des plaintes

SECTION 8.2 - RAPPORT ANNUEL

- 2-81.2(1) Rapport annuel obligatoire
- 2-81.2(2) Prorogation
- 2-81.2(3) Défaut de déposer le rapport

Division 8.1 – Perfectionnement professionnel

(ADOPTÉ 05/11)

Définitions

2-81.1(1) Les définitions qui suivent s'appliquent à la présente section.

« **activités admissibles** » Activités de formation acceptées par le directeur général qui sont conformes aux principes directeurs en matière de perfectionnement professionnel obligatoire approuvés par les conseillers. (“eligible activities”)

« **perfectionnement professionnel permanent** » Activités de formation qui protègent le public en augmentant la compétence, l'intégrité et la responsabilité professionnelle des avocats. (“continuing professional development”) (ADOPTÉ 05/11)

« **programme de sensibilisation aux cultures autochtones et d'acquisition de compétences interculturelles** » Programme de perfectionnement professionnel permanent de la société visant la sensibilisation aux cultures autochtones et l'acquisition de compétences interculturelles. (“IIAC training program”)

Perfectionnement professionnel

2-81.1(2) Afin de hausser le niveau des normes applicables à la formation, à la responsabilité professionnelle et à la compétence des avocats, les conseillers peuvent obliger les membres à :

- a) faire rapport chaque année des activités de perfectionnement professionnel auxquelles ils ont participé;
- b) compléter un nombre minimal d'heures de perfectionnement professionnel chaque année;
- c) participer à des programmes obligatoires de formation professionnelle ou d'instruction liés à l'exercice du droit ou à un domaine du droit en particulier;
- d) participer à tout autre programme ou cours, et établir des rapports, de la façon que les conseillers peuvent déterminer dans chaque cas.

(ADOPTÉ 02/11) (MOD 05/11)

Perfectionnement professionnel – Rapport annuel obligatoire

2-81.1(3) Au plus tard le 1^{er} avril de chaque année, tous les membres qui ont exercé activement le droit au cours de la totalité ou d'une partie de l'année civile précédente sont tenus de déposer auprès du directeur général un rapport faisant état des activités de perfectionnement professionnel auxquelles ils ont participé pendant cette année. Le rapport est conforme au modèle déterminé par le directeur général. (ADOPTÉ 10/07) (MOD. 02/11) (MOD. 05/11)

Formation obligatoire de sensibilisation aux cultures autochtones et d'acquisition de compétence interculturelle

2-81.1(4) Les avocats en exercice doivent suivre et réussir le programme de formation de sensibilisation aux cultures autochtones et d'acquisition de compétence interculturelle avant le 1^{er} avril 2025.

Formation obligatoire de sensibilisation aux cultures autochtones et d'acquisition de compétence interculturelle - autres membres

2-81.1(5) Les membres qui commencent à exercer le droit ou reprennent l'exercice du droit, notamment après une période d'inactivité ou de suspension du droit d'exercice, doivent, à moins de l'avoir déjà réussi, suivre le programme de formation de sensibilisation aux cultures autochtones et d'acquisition de compétence interculturelle et le réussir au plus tard le 31 décembre de l'année civile qui suit leur entrée en exercice ou leur reprise de l'exercice.

Prorogation

2-81.1(6) Le directeur général peut proroger le délai pour se conformer aux obligations prévues aux paragraphes (3), (4) et (5). (ADOPTÉ 02/11) (MOD. 05/11; 10/21)

Défaut

2-81.1(7) Est susceptible de constituer une faute professionnelle, le fait de ne pas se conformer aux obligations prévues au paragraphe (3), (4), (5) ou (11) sans excuse légitime. (ADOPTÉ 02/11) (MOD. 05/11; 10/21)

Perfectionnement professionnel permanent obligatoire

2-81.1(8) Sous réserve du paragraphe (10), les avocats en exercice sont tenus d'effectuer une heure d'activités admissibles par mois ou partie de mois de l'année civile au cours de laquelle ils exercent activement le droit. Les avocats qui exercent le droit pendant au moins trois mois au cours de l'année sont tenus de consacrer au moins une heure et demie de leurs activités admissibles totales à la déontologie, à la responsabilité professionnelle et à la gestion de l'exercice de la profession. (ADOPTÉ 05/11) (MOD. 10/21)

Report possible dans des circonstances exceptionnelles

2-81.1(9) Dans des circonstances exceptionnelles, le directeur général peut autoriser le report à l'année civile suivante d'au plus 12 heures d'activités admissibles. (ADOPTÉ 05/11)

Exemption - première année d'exercice

2-81.1(10) L'avocat en exercice est exempté de l'application du paragraphe (8) pour l'année civile au cours de laquelle il est admis au Barreau du Manitoba; il est toutefois tenu de se conformer aux exigences de rapport obligatoire prévues au paragraphe (3). (ADOPTÉ 05/11)

Vérification de l'observation

2-81.1(11) Pour pouvoir prouver qu'il a observé le paragraphe (8), le membre doit :

- a) conserver tous les documents faisant état des activités admissibles qu'il a

effectuées et qu'il mentionne dans son rapport annuel jusqu'au 31 décembre de l'année qui suit celle du rapport;

- b) fournir ces documents au directeur général sur demande, accompagnés de tous les renseignements que celui-ci peut lui demander pour lui permettre de vérifier si le membre s'est conformé aux règles.

(ADOPTÉ 05/11)

Défaut

2-81.1(12)

- a) Le directeur général peut aviser par écrit l'avocat en exercice qui ne s'est pas conformé au paragraphe (4), (5) ou (8) qu'il est tenu de le faire avant l'expiration d'un délai de 60 jours à compter de l'envoi de l'avis. L'avocat qui ne se conforme pas à ce paragraphe avant l'expiration du délai est automatiquement suspendu et ne peut exercer le droit avant de s'être conformé à ce paragraphe et d'avoir versé les droits de réinscription.
- b) Le membre dont le droit d'exercice a été suspendu en application de l'alinéa a) pour une période de 30 jours ou moins doit être réinscrit à la date de paiement, pourvu que les exigences prévues au paragraphe (4), (5) ou (8), selon le cas, aient été remplies.
- c) Le membre dont le droit d'exercice a été suspendu en application de l'alinéa a) pour une période de plus de 30 jours doit, pour reprendre l'exercice du droit, présenter une demande prévue à l'article 5-28.2 en vue de reprendre l'exercice du droit, en plus de devoir satisfaire aux exigences prévues au paragraphe (4), (5) ou (8) et d'acquitter les frais de réinscription.

(ADOPTÉ 05/11) (MOD. 09/13; 10/21)

Renvoi au comité d'examen des plaintes

2-81.1(13) Le directeur général peut renvoyer au comité d'enquête sur les plaintes le cas de l'avocat qui est suspendu plusieurs fois pour défaut d'observation du paragraphe (8).

(ADOPTÉ 05/11)



Centre de traduction et de documentation juridiques
Centre for Legal Translation and Documentation

CERTIFICATE OF TRANSLATION ACCURACY

I, Lyne Jolette, being a member of the Ordre des traducteurs, terminologues et interprètes agréés du Québec (OTTIAQ) hereby certify that I am fluent in the English and the French languages and that the translation in the here-attached file named *Division 8.1- Professional Development-The Path-Amendments for Translation (00219709xA227A)FR.pdf* is accurate.

A handwritten signature in blue ink, appearing to read 'Lyne Jolette', is written over a horizontal line.

Lyne Jolette
Certified translator
Translator-Editor



August 25, 2023
Date



REPORT OF THE COMPLAINTS INVESTIGATION COMMITTEE

Benchers Meeting of September 7, 2023

In its last report to the Benchers, the Complaints Investigation Committee provided an update on its activities up to, and including, May 11, 2023.

On May 18, 2023, the Benchers appointed the members of the 2023-2024 Committee. First-time Committee members attended orientation on June 23 and 26, 2023, and the Committee held its first regular meeting on August 23, 2023. At that one meeting held between May 12, 2023 and August 28, 2023, the Committee considered 9 complaints about 9 members.

MEMBER #1 | CHARGES | INTEGRITY, TRUST ACCOUNTING, FEES & WITHDRAWAL

After considering a complaint from a former family law client of Member #1, the Committee resolved to authorize four (4) charges against the member for professional misconduct and breaches of the trust accounting rules of the Law Society.

The charges were for:

- breach of integrity;
- failing to deposit trust money;
- charging and accepting a fee that was not fair or reasonable; and
- improper withdrawal of services.

MEMBER #2 | FORMAL CAUTION | FEES

The Committee considered a Law Society investigation about the conduct of Member #2 in relation to fees charged in an Estate matter. The Committee was satisfied that the member had breached his obligation in that he charged a fee or disbursement that was not fair and reasonable and was not disclosed in a timely fashion, but elected to offer a formal caution to the member in lieu of a charge of professional misconduct.

MEMBER #3 | BENCHER COMPLAINT | NO FURTHER ACTION

The Committee considered a client complaint about Member #3 – a Bencher.

The Committee resolved to take no further action as the member had provided a satisfactory response to the quality of service concerns identified by the complainant.

MEMBER #4 | FORMAL CAUTION | CONFLICT OF INTEREST

The Committee considered a complaint about the conduct of Member #4 in relation to conflict of interest concerns from a former client. The Committee was satisfied that the member had breached his obligation in that he acted without consent against a former client in the same matter or a related matter, but elected to offer a formal caution to the member in lieu of a charge of professional misconduct.

MEMBER #5 | CHARGES & PERSONAL APPEARANCE BREACH OF UNDERTAKING, TRUST ACCOUNTING RULES & INTEGRITY

After considering a Law Society investigation about Member #5, the Committee resolved to authorize four (4) charges against the member for professional misconduct and breaches of the trust accounting rules of the Law Society.

The charges were for:

- breach of integrity;
- failing to deposit trust money into a trust account;
- depositing trust money into his general account; and
- breach of an undertaking previously provided to the Society.

In addition to the charges authorized, the Committee considered concerns about protection of the public pending the resolution of the charges. The Committee ordered that the member appear on an urgent basis, and that personal appearance has been scheduled for September 19, 2023

MEMBER #6 | CHARGES | INTEGRITY & CONDUCT UNBECOMING

The Committee considered a complaint from a creditor regarding the conduct of Member #6, an articling student at the time, in his attempts to evade payment to the creditor. The Committee resolved to authorize two (2) charges of professional misconduct for a breach of integrity and conduct unbecoming.

MEMBER #7 | CHARGES & INTERIM SUSPENSION | INTEGRITY & BREACH OF UNDERTAKING

The Committee considered a complaint about the conduct of Member #7, an inactive member, in relation to integrity concerns and breach of an undertaking previously provided to the Society. The Committee resolved to authorize two (2) charges of professional misconduct for:

- breaching the undertaking the member had previously provided to the Society; and
- breach of integrity.

After authorizing the charges, and following further deliberations, the Committee then determined that the protection of the public required Member #7 to be immediately suspended from the practise of law pending the completion of the ongoing investigations and the conclusion of the disciplinary proceedings.

MEMBER #8 | CHARGE | CONDUCT UNBECOMING

The Committee considered a Law Society investigation about the conduct of Member #8 in relation to criminal charges that ultimately led to the member being convicted. The Committee resolved to authorize a charge of conduct unbecoming against the member.

MEMBER #9 | FORMAL CAUTION | INTEGRITY

The Committee considered a Law Society investigation about Member #9, an articling student at the time, regarding integrity concerns that arose during the course of his articles. The Committee was satisfied that the articling student had breached his obligations regarding integrity, but elected to offer a formal caution to the member in lieu of a charge of professional misconduct.



REPORT of the Discipline Committee

Member:	Thomas William Turner
Jurisdiction:	Winnipeg, Manitoba
Called to the Bar:	June 26, 1986
Particulars of Charges:	Professional Misconduct (2 Charges): <ul style="list-style-type: none">▪ Breach of Rule 2.1-1 of the <i>Code</i> [integrity]▪ Breach of Rule 5-44(1) of the <i>Rules</i> [breach of trust accounting rules]
Plea:	Guilty
Date of Hearing:	June 2, 2023
Panel:	<ul style="list-style-type: none">▪ Lynda Troup (Chair)▪ James McLandress, K.C.▪ Miriam Browne (Public Representative)
Counsel:	<ul style="list-style-type: none">▪ Ayli Klein for the Law Society of Manitoba▪ Gavin Wood for the Member
Dates of Decisions:	June 2, 2023 (Oral Decision) June 30, 2023 (Reasons for Decision)
Consequences:	<ul style="list-style-type: none">▪ 60 Day Suspension (commenced July 1, 2023)▪ Costs of \$4,000.00



REPORT of the Discipline Committee

Member:	Troy Patrick Harwood-Jones
Jurisdiction:	Winnipeg, Manitoba
Called to the Bar:	June 20, 2002
Particulars of Charge:	Professional Misconduct (1 Charge): <ul style="list-style-type: none">▪ Breach of Chapter 9 of the <i>Code</i> (in effect prior to January 1, 2011) [failure to treat Court with courtesy and respect]
Plea:	Guilty
Date of Hearing:	April 27, 2023
Panel:	<ul style="list-style-type: none">▪ Donald Knight, K.C. (Chair)▪ Wendy Stewart▪ Neil Cohen (Public Representative)
Counsel:	<ul style="list-style-type: none">▪ Ayli Klein for the Law Society of Manitoba▪ Saul Simmonds, K.C. for the Member
Dates of Decisions:	April 27, 2023 (Oral Decision) July 28, 2023 (Reasons for Decision)
Consequences:	<ul style="list-style-type: none">▪ Fine of \$5,000.00▪ Costs of \$3,000.00



PRESIDENT'S REPORT

To: Benchers
From: Wayne Onchulenko
Date: August 30, 2023

It has been a busy couple of months. I have participated in three Judicial appointment committee meetings, one King's Counsel appointment meeting, the Bencher orientation, and a CIC meeting. We have met as an executive and are working on some transition planning. By the time you read this I will also have spoken on your behalf to the new law students. After the bencher meeting, I will be staying on to participate in the CLE program on Friday and golf on Saturday. There is a CBA reception for the new president the following week and four Judicial swearing-in ceremonies between September 29 and October 27 (one in The Pas). Finally, before our next bencher meeting, I will be in Whitehorse at the Federation of Law Society meetings whose focus is AI.



CEO REPORT

To: **Benchers**
From: **Leah Kosokowsky**
Date: **August 30, 2023**

1. I hope that everyone has had a great summer with an opportunity for rest and relaxation. Most of the Law Society staff have taken advantage of the summer weather and are preparing for the fall bustle of activities.
2. As many of you learned at the June bencher meeting, our long-standing CFO, Colleen Malone, CPA, CA will be retiring early in 2024. We have established a small committee, consisting of me, Rennie Stonyk, Susan Boulter and Wayne Onchulenko to begin the difficult work of finding Colleen's replacement. Of course, we will rely heavily upon Colleen as we work our way through this process.
3. In August, a few of our senior staff, along with Wayne, held an orientation session for our new benchers, Chris Lange and Sarah Inness, KC. We shared some knowledge and some processes, but more importantly, we were able to get to know Sarah and Chris on a more personal level. We are very pleased to have Chris join us in our important work and we are sad to say goodbye to Sarah so quickly (see item 14 herein).
4. Some of my national work continued over the summer. The AMLTF working group has now become a standing committee of the Federation and we continue to review the model rules and the guidance for the profession. You can expect that I will return to you from time to time with updates and with some proposed changes to our own anti-money laundering rules.
5. I attended a meeting of the Standing Committee on National Discipline Standards in Toronto on August 11th. The meeting focused on new standards in the areas of reconciliation and anti-money laundering. We also reviewed the various forms of diversion programs across the country with a discussion as to the advisability of establishing a national discipline standard in the area of lawyer wellness.

After consulting with the trust safety counterpart group, the discipline administrators steering committee and the AMLTF standing committee, the committee settled upon a set of standards in the area of anti-money laundering regarding:

- The training of staff and volunteers in the areas of audit, complaints investigation and discipline;
- Establishing policies and processes to detect anti-money laundering in lawyers' practices;
- Establishing policies and processes to refer non-compliance with the anti-money laundering rules to the complaints process;
- The tracking of the regulatory response to instances of non-compliance with the anti-money laundering rules and the regulatory response.

The Federation Council will be asked to approve of these standards at their council meeting in Whitehorse in October.

6. As some of you will know, Dr. Kara Mitchelmore, who was the inaugural chief executive officer of CPLED, has been on a medical leave and Liza Worthington has been the acting CEO for the past year. Dr. Mitchelmore has formally stepped down as CEO and the CPLED Board has appointed Liza to be the CEO effective immediately. You can find the announcement [here](#).
7. In September, I will be travelling to Calgary with Kris Dangerfield for a CPLED board meeting and strategic planning session.
8. After a three-year hiatus, the Manitoba Courts have resumed the practice of hosting swearing-in ceremonies for the newly appointed judges and justices. This means a busy time for Wayne who will bring greetings from the Law Society at the following events:

September 29 th :	Chief Justice Rivoalen
October 6 th :	Judge Hunter (The Pas)
October 19 th :	Chief Judge Rolston
October 27 th :	Judge Ireland and Judge Kantor
9. September is also a time where we introduce the Law Society to the law students and articling students. On September 5th, Wayne and I will attend a welcoming reception for the new first year law students where they will be presented with their bound copies of the *Code of Professional Conduct*. For the first time, students will have the option of receiving their copy of the *Code* in English or French.
10. On September 20th and 21st, I will address the combined second and third year LPPR classes regarding the role of the Law Society and on October 5th we will host the new articling class to welcome them to the Law Society and to outline for them the services and supports that we provide.

11. You are likely to have seen or heard some media coverage regarding the discipline hearings of John Carpay and Jay Cameron, who hired a private investigator to conduct surveillance of the Chief Justice of the Court of King's Bench, who had a decision under reserve involving their organization. Messrs. Carpay and Cameron entered guilty pleas to acting without integrity and the hearing panel accepted the joint submissions that will ban both lawyers from practising law in Manitoba and which will require each lawyer to pay \$5,000 as a contribution to the costs of the investigation and prosecution. This was the harshest penalty we could obtain, given that neither lawyer is a member of the Law Society of Manitoba. This is not the end of the road for them as the Law Society of Alberta, where they are both members, can take disciplinary action against them based on their conviction here. They are both facing a criminal proceeding in Manitoba as well.
12. On September 18, 2023, we are scheduled to begin a five-day discipline hearing regarding the conduct of Jonathan Black-Branch. We anticipate that this will attract some media attention as well. As we did with the Carpay/Cameron matter, we will speak to the Law Society's mandate to regulate in the public interest. If you are approached to speak to the matter, please direct any inquiries to Wayne or to me.
13. Alissa Schacter, Eileen Derksen, Deirdre O'Reilly and the Indigenous Advisory Committee have been working very hard over the summer months to prepare for the launch of The Path at the beginning of October. Thanks to their efforts, we are on schedule and we will tie the launch to follow National Truth and Reconciliation Day on September 30th.
14. On August 28, 2023, the Minister of Justice and Attorney General of Canada announced the appointments of Justice James Edmond, Justice David Kroft and Justice Anne Turner to the Manitoba Court of Appeal and the appointment of Sarah Inness, K.C. to the Court of King's Bench. With Sarah's appointment, we will initiate the process for her replacement at the bencher table.



MEMORANDUM

To: Benchers
From: Leah Kosokowsky
Date: August 15, 2023
Re: Anti-Money Laundering and Terrorist Financing
- Amendments to Client Identification and Verification Rules

INTRODUCTION AND BACKGROUND

Most benchers are aware that all Canadian law societies and the Federation of Law Societies have been engaged in the fight against money laundering and terrorist financing for more than 20 years. At the outset of the work, model rules were established and adopted by the law societies that:

- require lawyers to identify their clients and to verify clients' identities in specified circumstances;
- limit the ability of lawyers to accept cash; and
- restrict the use of trust accounts.

For the next 15 years, law societies focused on educating the profession regarding their obligations and enforcing compliance with the rules. In 2017, on the recommendation of the Federation's Public Affairs and Government Relations Committee, the Anti-Money Laundering and Terrorist Financing (AMLTF) Working Group was established to address developments at the federal and international levels. The mandate of the working group includes reviewing the model rules to ensure they are both current and effective to address the risks of money laundering and terrorist financing in lawyers' practices.

Extensive amendments to the model rules were approved by the Federation in 2018, and thereafter adopted by 12 of the 14 law societies. Although they were not initially adopted in Quebec, due to their regulatory scheme, the process is now underway for both the Chambres des notaires du Québec and the Barreau du Québec. The Law Society of Manitoba incorporated the model rule amendments into our rules in 2019.

Since that time, the AMLTF working group has continued its work, with a focus on reviewing the rules to ensure they remain current and effective as well developing extensive guidance for the profession, including a series of e-learning modules that are nearing completion.

PROPOSED RULED AMENDMENTS

While more extensive model rule amendments are under consideration, they have not been recommended for adoption due to the recent adoption of the 2018 amendments in some jurisdictions and further changes would be difficult and potentially confusing for the profession at this juncture. However, the working group identified two smaller amendments that would align with the federal regulations and would bring greater clarity for lawyers. These two amendments were approved by the Federation Council at the March 2023 meeting. For consistency in approach and enforcement across the country, each law society is being asked to adopt the amendments as well. Notably, neither of the proposed amendments imposes new obligations on counsel. Rather, they assist with compliance.

Verification of Clients' Identity -- Original vs. Authentic Document

Currently, the client identification and verification rules require that documents used to verify a client's identity must be "valid, original and current." Given the constraints on person-to-person contact associated with the pandemic, in Manitoba we provided guidance to the profession that would allow them to verify a client's identity over video, but only as a last resort. Recently, however, we removed the COVID-19 protocols from our website.

In June 2019, amendments to the federal regulations, upon which our rules are largely modeled, removed the prohibition on relying on scanned or photocopied documents to verify identity. Accordingly, the amended model rule and the proposed amendment to our rules is to change "original" to "authentic" and remove the prohibition on use of an electronic image of a document. With this change, legal professionals will be able to rely on a scanned or photocopied document provided they employ a process to authenticate the document. See [DIACC](#).

For example, this method may be used where the client is not physically present and the lawyer can access a government-issued photo identification document using technology capable of determining the document's authenticity. There are several companies that offer products that use authentication technology to verify identify.

This amendment does not eliminate the option of using original personal identification in the presence of the client to verify their identify. Rather, it allows for other verification methods that do not require a face-to-face meeting with the client, but which authenticate the identifying document.

Use of Agent

Feedback received from the profession reveals that the 2018 model rule amendments created some confusion regarding the use of an agent to verify the identity of a client. As currently drafted, our Rule 5-125 reads as follows:

5-125(1) A member may rely on an agent to verify the identity of an individual client, third party or individual described in rule 5-118(1)(b)(iv) as required in the rules

in this division provided that the member and agent have an agreement or arrangement in writing for this purpose.

5-125(2) Where an individual client, third party or individual described in rule 5-118(1)(b)(iv) is not physically present in Canada, a member must rely on an agent to verify the person's identity in accordance with the rules in this division and the member and agent must have an agreement or arrangement in writing for this purpose.

5-125(3) A member who enters into an agreement or arrangement referred to in sub rules (1) or (2), must

- (a) obtain from the agent, the information that is obtained by the agent to verify the client's or person's identity, and
- (b) satisfy himself or herself that the information is valid and current and that the agent verified the identity in accordance with the rules in this division.

The working group noted when looking at the intent of the rule, the corresponding requirements in the federal regulations and the FINTRAC guidance on the use of agents:

- an agent can be used at any time by a lawyer who is required to verify the identity of a client;
- the agent is required to do what the lawyer should do to verify, in accordance with the rule;
- some methods of verification (the dual method; or credit file method) do not require that the client be present before the lawyer and in those cases, an agent would not be required;
- when the client is not present, if the lawyer wants to use a client's government-issued photo ID document to verify identity (and they do not use a technology to authenticate the document), the lawyer must use an agent to verify the identity in the presence of the client.

The working group concluded and the Federation council accepted that (the equivalent of) subsection (2) is superfluous given the purpose and intended scope of the provision on the use of agents. That is, it states the obvious for non-face-to-face situations. Furthermore, it does not accurately reflect the situations where agents may or may not be necessary (where a client is not physically present in Canada), given the types of documents/methods that can be used to verify identity.

Accordingly, the proposed amendment would delete subsection 125(2).

Attached herewith is a copy of the client identification and verification rules, with the proposed amendments, which align with the amendments approved to the model rules.

RECOMMENDATION

Subject to any questions or concerns, we recommend that the benchers adopt the amendments. If you resolve to amend the rules as proposed, we will have the amendments translated and will return them to you for final approval. We will also provide guidance to the profession regarding the nature and effect of the amendments.

ATC.

Rule Amendments:

Division 12 - Client Identification and Verification

(ENACTED 12/08)

Definitions

5-116 In this division,

"client" includes

- (a) another party that a lawyer's client represents or on whose behalf the client otherwise acts in relation to obtaining legal services from the lawyer, and
- (b) in rules 5-120 to 5-124, an individual who instructs the lawyer on behalf of a client in relation to a financial transaction;

(ENACTED 01/09)

"credit union central" means a central cooperative credit society, as defined in section 2 of the *Cooperative Credit Associations Act*, or a credit union central or a federation of credit unions or caisses populaires that is regulated by a provincial or territorial Act other than one enacted by the legislature of Quebec; (ENACTED 12/19)

"disbursements" means amounts paid or required to be paid to a third party by the member or the law firm on a client's behalf in connection with the provision of legal services to the client by the member or the law firm which will be reimbursed by the client;

(ENACTED 12/19)

"expenses" means costs incurred by a member or law firm in connection with the provision of legal services to a client which will be reimbursed by the client including such items as photocopying, travel, courier/postage, and paralegal costs; (ENACTED 12/19)

"financial institution" means

- (a) a bank that is regulated by the *Bank Act*,
- (b) an authorized foreign bank within the meaning of section 2 of the *Bank Act* (Canada) in respect of its business in Canada,
- (c) a co-operative credit society, savings and credit union or caisse populaire that is regulated by a provincial or territorial Act,
- (d) an association that is regulated by the *Cooperative Credit Associations Act* (Canada),
- (e) a financial services cooperative,
- (f) a credit union central,
- (g) a company that is regulated by the *Trust and Loan Companies Act* (Canada),

- (h) a trust company or loan company that is regulated by a provincial or territorial Act,
- (i) a department or an entity that is an agent of Her Majesty in right of Canada or of a province or territory when it accepts deposit liabilities in the course of providing financial services to the public, or
- (j) a subsidiary of the financial institution whose financial statements are consolidated with those of the financial institution;

(AM. 12/19)

"financial services cooperative" means a financial services cooperative that is regulated by *An Act respecting financial services cooperatives*, CQLR, c. C-67.3, or *An Act respecting the Mouvement Desjardins*, S.Q. 2000, c.77 other than a caisse populaire; (ENACTED 12/19)

"financial transaction" means the receipt, payment or transfer of money on behalf of a client or giving instructions on behalf of a client in respect of the receipt, payment or transfer of money;

"lawyer" means a member of a governing body who is authorized to practice law in another Canadian jurisdiction; (ENACTED 01/09)

"funds" means cash, currency, securities and negotiable instruments or other financial instruments that indicate the person's title or right to or interest in them; (AM. 02/09)

(AM. 12/19)

"organization" means a body corporate, partnership, fund, trust, co-operative or an unincorporated association;

"professional fees" mean amounts billed or to be billed to a client for legal services provided or to be provided to the client by the member or the law firm; (ENACTED 12/19)

"public body" means

- (a) a department or agent of Her Majesty in right of Canada or of a province or territory,
- (b) an incorporated city, town, village, metropolitan authority, township, district, county, rural municipality or other incorporated municipal body in Canada or an agent in Canada of any of them,
- (c) a local board of a municipality incorporated by or under an Act of a province or territory of Canada, including any local board as defined in *The Municipal Act* or similar body incorporated under the law of another province or territory,

- (d) an organization that operates a public hospital authority and that is designated by the Minister of National Revenue as a hospital authority under the *Excise Tax Act* (Canada) or an agent of the organization, (AM. 01/09)
- (e) an organization incorporated under an Act of Canada or of a province or territory for a public purpose; or (AM. 01/09)
- (f) a subsidiary of a public body whose financial statements are consolidated within those of a public body;

(ENACTED 01/09) (AM. 12/19)

"reporting issuer" means an organization that is a reporting issuer within the meaning of the securities law of any province or territory of Canada, or a corporation whose shares are traded on a stock exchange that is designated under section 262 of *The Income Tax Act* (Canada), and operates in a country that is a member of the Financial Action Task Force and includes a subsidiary of that organization or corporation whose financial statements are consolidated with those of the organization or corporation;

(ENACTED 01/09) (AM. 02/09) (AM. 12/19)

"securities dealer" means a person or entity authorized under provincial or territorial legislation to engage in the business of dealing in securities or any other financial instruments or to provide portfolio management or investment advising services, other than persons who act exclusively on behalf of such an authorized person or entity.

(ENACTED 01/09) (AM. 12/19)

Control

5-116(2) Repealed (12/19)

Application

5-117(1) Subject to subsection (2), this division applies to a member who is retained by a client to provide legal services, in keeping with the lawyer's obligation to know his or her client, understand the client's financial dealings in relation to the retainer with the client and manage any risks arising from the professional business relationship with the client, as articulated in the *Code of Professional Conduct*. (AM. 12/19)

Exemptions

5-117(2) Rules 5-118 to 5-129 do not apply when a member provides legal services

- (a) on behalf of the member's employer or engages in or gives instructions in respect of financial transactions solely in that capacity,
- (b) that do not involve a financial transaction in the following circumstances

- (i) as part of a duty counsel program sponsored by a non-profit organization,
- (ii) in the form of pro bono summary advice, or
- (c) if another member or lawyer who has complied with rules 5-118 to 5-129 or the equivalent provisions of a governing body
 - (i) engages the member to provide legal services to the client as an agent, or
 - (ii) refers a matter to the member for the provision of legal services.

(AM. 01/09; AM. 12/19)

Interpretation

5-117(3) In this division, the responsibilities of a member may be fulfilled by any member, associate or employee of the member's firm, wherever located.

(ENACTED 01/09) (AM. 12/19)

Client identification

5-118(1) A member who is retained by a client to provide legal services must obtain and record, with the applicable date, the following information:

- (a) for an individual
 - (i) the client's full name,
 - (ii) the client's home address and home telephone number,
 - (iii) the client's occupation or occupations, and
 - (iv) the address and telephone number of the client's place of work or employment, where applicable,
- (b) for an organization
 - (i) the client's full name, business address and business telephone number,
 - (ii) other than a financial institution, public body or reporting issuer, the organization's incorporation or business identification number and the place of issue of its incorporation or business identification number, if applicable, (AM 01/09)
 - (iii) other than a financial institution, public body or a reporting issuer, the general nature of the type of business or businesses or activity or activities engaged in by the client, where applicable,

(iv) the name, position and contact information for the individual who is authorized to provide and gives instructions to the member with respect to the matter for which the member is retained,

(c) if the client is acting for or representing a third party, information about the third party as set out in subsections (a) or (b) as applicable.

(AM 01/09; AM. 12/19)

Subsequent identification not required

5-118(2) Repealed (12/19)

Verification of Client's Identity - Exemptions

5-119 Rules 5-120 to 5-125 do not apply

(a) if the client is

(i) a financial institution,

(ii) a public body,

(iii) a reporting issuer, or

(iv) an individual who instructs the member on behalf of a client described in subparagraphs (i) to (iii),

(b) when the member

(i) pays to or receives funds from a financial institution, public body, or a reporting issuer,

(ii) receives funds from the trust account of another lawyer,

(iii) receives funds from a peace officer, law enforcement agency or other public official acting in his or her official capacity,

(iv) receives or pays funds to pay a fine, penalty or bail,

(v) receives or pays funds for professional fees, disbursements or expenses;

(c) to a transaction in which funds involved are transferred by electronic transmission provided that

(i) the transfer occurs between financial institutions or financial entities head-quartered in and operating in countries that are members of the Financial Action Task Force,

(ii) neither the sending nor the receiving account holders handle or transfer the funds, and

(iii) the transmission record contains

A. a reference number,

B. the date,

C. the transfer amount,

D. the currency, and

E. the names of the sending and receiving holders and the sending and receiving entities.

(AM 01/09; 12/19)

Requirement to Verify Client's Identity

5-120 When a member provides legal services in respect of a financial transaction the member must:

- (a) obtain from the client and record, with the applicable date, information about the source of the funds, and
- (b) verify the identity of the client, including the individuals described in rule 5-118(1)(b)(iv) and, where appropriate, the third party using the documents or information described in rule 5-121.

(AM. 12/19)

Documents and Information to Verify Individual's Identity

5-121(1) For the purposes of rule 5-120, if the client or third party is an individual, the individual's identity must be verified by referring to the following documents, which must be valid, authentic original and current, or the following information, which must be valid and current, and which must not include an electronic image of a document

- (a) an identification document containing the individual's name and photograph that is issued by the federal government, a provincial or territorial government or a foreign government, other than a municipal government, that is used in the presence of the individual to verify that the name and photograph are those of the individual, or
- (b) information that is in the individual's credit file if that file is located in Canada and has been in existence for at least three years that is used to verify that the name, address and date of birth in the credit file are those of the individual, or
- (c) any two of the following with respect to the individual

(i) information from a reliable source that contains the individual's name and address that is used to verify that the name and address are of those of the individual,

(ii) information from a reliable source that contains the individual's name and date of birth that is used to verify that the name and date of birth are those of the individual, or

(iii) information that contains the individual's name and confirms that they have a deposit account or a credit card or other loan amount with a financial institution that is used to verify that information.

(ENACTED 12/19)

Restriction on Source of Information

5-121(2) For the purposes of rule 5-121(1)(c)(i), (ii) and (iii), the information referred to must be from different sources and the individual, lawyer and agent cannot be a source.

(ENACTED 12/19)

Minor Clients

5-121(3) If the client is an individual who is

(a) under 12 years of age, the member must verify the identity of the individual's parent or guardian,

(b) at least 12 years of age but not more than 15 years of age, the member may verify the identity of the individual by referring to information under rule 5-121(1)(c)(i) that contains the name and address of the individual's parent or guardian and verifying that the address is that of the individual.

(ENACTED 12/19)

Documents and Information to Verify Organization's Identity

5-121(4)

(a) If the client or third party is an organization such as a corporation or a society that is created or registered pursuant to legislative authority, the organization's identity must be verified by a written confirmation from a government registry as to the existence, name and address of the organization including the names of its directors, where applicable,

such as

(i) a certificate of corporate status issued by a public body,

(ii) a copy obtained from a public body of a record that the organization is required to file annually under applicable legislation, or

(iii) a copy of a similar record obtained from a public body that confirms the organization's existence,

(b) if the client or third party is an organization, other than a corporation or society that is not registered in any government registry, such as a trust or partnership, the organization's identity must be verified by a copy of the organization's constating documents, such as a trust or partnership agreement, articles of association, or any other similar record that confirms its existence as an organization.

(AM. 12/19)

Requirement to Identify Directors, Shareholders and Owners

5-121(5) If the client or third party is an organization, the member must

(a) obtain and record, with the applicable date, the names of all directors of the organization, other than an organization that is a securities dealer, and

(b) make reasonable efforts to obtain, and if obtained, record with the applicable date

(i) the names and addresses of all persons who own, directly or indirectly, 25 percent or more of the organization or of the shares of the organization,

(ii) the names and addresses of all trustees, all known beneficiaries and settlors of the trust, and

(iii) in all cases, information establishing the ownership, control and structure of the organization.

(AM. 12/19)

Reasonable Measures to Confirm Information

5-121(6) The member must take reasonable measures to confirm the accuracy of the information obtained under rule 5-121(5).

(ENACTED 12/19)

Requirement to Record Efforts and Measures

5-121(7) The member must keep a record, with the applicable dates, that sets out

(a) the efforts made under rule 5-121(5)(b),

and

- (b) the measures taken to confirm the accuracy of information obtained under rule 5-121(5).

(ENACTED 12/19)

Alternative Measures

5-121(8) If the member is not able to obtain the information referred to in rule 5121(5) or confirm the accuracy of that information in accordance with rule 5-121(6), the member must

- (a) take reasonable measures to ascertain the identity of the most senior managing officer of the organization,
- (b) determine whether
 - (i) the client's information in respect of its activities,
 - (ii) the client's information in respect of the source of the funds, and
 - (iii) the client's instructions in respect of the transaction are consistent with the purpose of the retainer and the information obtained about the client as required by this rule,
- (c) assess whether there is a risk that the lawyer may be assisting in or encouraging fraud or other illegal conduct, and
- (d) keep a record, with the applicable date, of the results of the determination and assessment under subrules (b) and (c).

(ENACTED 12/19)

Timing of Verification – Individuals

5-122 A member must verify the identity of

- (a) a client who is an individual, and
- (b) an individual who is authorized to provide and gives instructions on behalf of an organization with respect to the matter for which the lawyer is retained

upon engaging in or giving instructions in respect of the financial transaction. (AM. 12/19)

Client identification and verification in non-face-to-face transactions

5-122(1) Repealed (12/19)

Client present elsewhere in Canada

5-122(2) Repealed (12/19)

Attestation

5-122(3) Repealed (12/19)

Permitted guarantors

5-122(4) Repealed (12/19)

Timing of Verification – Organizations

5-123 A member should verify the identity of a client that is an organization upon engaging in or giving instructions in respect of the financial transaction, but in any event, not later than 30 days thereafter. (AM. 12/19)

Subsequent Verification Not Required

5-124 Where the member has verified the identity of a client that is

- (a) an individual, the member is not required to subsequently verify that same identity unless the member has reason to believe the information or the accuracy of it has changed,
- (b) an organization and obtained information pursuant to rule 5-121(5), the member is not required to subsequently verify that identity or obtain that information unless the member has reason to believe the information or the accuracy of it has changed.

(AM. 12/19)

Use of Agent Permitted

5-125(1) A member may rely on an agent to verify the identity of an individual client, third party or individual described in rule 5-118(1)(b)(iv) as required in the rules in this division provided that the member and agent have an agreement or arrangement in writing for this purpose. (ENACTED 12/19)

Use of Agent Required

5-125(2) Where an individual client, third party or individual described in rule 5-118(1)(b)(iv) is not physically present in Canada, a member must rely on an agent to verify the person's identity in accordance with the rules in this division and the member and agent must have an agreement or arrangement in writing for this purpose. (ENACTED 12/19)

Requirements of Agent Agreement

5-125(2)(3) A member who enters into an agreement or arrangement referred to in sub rules (1) or (2), must

- (a) obtain from the agent, the information that is obtained by the agent to verify the client's or person's identity, and
- (b) satisfy himself or herself that the information is valid and current and that the agent verified the identity in accordance with the rules in this division.

(AM. 12/19)

Previous Verification by Agent

5-125(4) A member may rely on the agent's previous verification of an individual client, third party or an individual described in rule 5-118(1)(b)(iv) if the agent was, at the time that he or she verified the identity,

- (a) acting in his or her own capacity, whether or not the agent was required to verify identity under this rule, or
- (b) acting as an agent under an agreement or arrangement in writing, entered into with another lawyer who is required to verify identity under this rule, for the purpose of verifying identity in accordance with the rules in this division.

(ENACTED 12/19)

Record Keeping and Retention

5-126 A member:

- (a) must obtain and retain a copy of every document used to verify the identity of any client for the purposes of rule 5-121,
- (b) may maintain the documents used to verify the identity of the client in electronic form, provided that they are saved in a universally readable format,
- (c) must retain a record of the information, with the applicable date, and any documents obtained for the purposes of rules 5-118, 5-120 and 5-129 for the longer of
 - (i) the duration of the lawyer and client relationship and for as long as is necessary for the purpose of providing service to the client, and
 - (ii) a period of at least six years following completion of the work for which the member was retained.

(AM. 12/19)

Form of documents

5-126(2) The documents referred to in subsection (1) may be kept in a machine readable or electronic form, if a paper copy can be readily produced from it.

Application

5-127 Rules 5-117 to 5-126 apply to all matters for which a member is retained on or after January 1, 2020 regardless of whether the client is a new or existing client.

(ENACTED 12/19)

Duty to Withdraw – Information Obtained at time of Retainer

5-128 If, in the course of identifying or verifying the identity of a client, a member obtains information that causes the member to know or ought to know that he or she would be assisting a client in fraud or other illegal conduct, the member must withdraw from representing the client. (AM. 12/19)

Duty to Monitor Relationship

5-129 During a retainer with a client in respect of a financial transaction, the member must (1) monitor on a periodic basis the professional business relationship with the client for the purposes of

- (a) determining whether
 - (i) the client's information in respect of the client's activities,
 - (ii) the client's information in respect of the source of the funds,
 - (iii) the client's instructions in respect of financial transactions are consistent with the purpose of the retainer and the information obtained about the client, and
 - (b) assessing whether there is a risk that the lawyer may be assisting in or encouraging fraud or other illegal conduct, and
- (2) keep a record, with the applicable date, of the measures taken and the information obtained pursuant to subrule (i).

(ENACTED 12/19)

Criminal activity: duty to withdraw after being retained

5-129(1) If, while retained by a client, a member knows or ought to know that he or she would be assisting a client in fraud or other illegal conduct, the member must withdraw from representation of the client. (AM. 01/09)

Duty to Withdraw – Information during Retainer

5-130 During the course of a retainer, if a member knows or ought to know that he or she is or would be assisting a client in fraud or other illegal conduct, the member must withdraw from representing the client. (AM. 12/19)

Failure to Comply

5-131 Failure to comply with any of the rules in this division without reasonable excuse may constitute professional misconduct. (ENACTED 01/09) (AM. 12/19)



MEMORANDUM

To: Benchers
From: Rennie Stonyk and Richard Porcher
Date: August 30, 2023
Re: Proposed Removal of Inactive Member Status

INTRODUCTION

Pursuant to Rule 2-71(1), members fall into one of five categories of membership: practising, non-practising, inactive, suspended, and Canadian legal advisor. Practising and suspended statuses are self-explanatory, and the status of Canadian legal advisor applies to members of the Chambre des notaires du Québec who wish to practice under limited circumstances in Manitoba. Members who withdraw from practice may choose between inactive or non-practising status.

For the reasons that follow, we are recommending that you eliminate the category of “inactive status” from Rule 2-27(1).

NON-PRACTISING AND INACTIVE STATUS

Historically, there were differences between the inactive and non-practising categories. In general, non-practising status was meant for members who intended to return to practice at some point (e.g. after parental leave) in order to maintain a connection to the Society during their leave. Non-practising members paid an annual fee to receive paper communications from the Society via Canada Post and the fee was intended to offset the associated costs. Currently, for a fee of \$100, non-practising members receive Law Society communications via email, including the Communiqué and eLex.

Inactive status was intended for members who were permanently leaving practice (e.g. retirement), and therefore, there wasn't the same perceived benefit to maintaining a connection to the Society. In fact, prior to 2013 when it was eliminated, inactive members who ultimately did return to practice were required to pay the non-practising fee for the years they were inactive up to a maximum of five years. Presumably, this was to discourage members from choosing the inactive status if they anticipated returning to practice, and to instead “keep in touch” through their non-practising status.

The other remaining distinction is that the names of non-practising members appear on the Lawyer Lookup function on the website, while the names of inactive members do not appear.

With the majority of our communications, including the Communiqué, now available through our website free of charge, we are of the view that the category of “inactive status” for our members ought to be eliminated and all lawyers who have voluntarily left practice ought to receive non-practising status.

PROCESS AND IMPLICATIONS

Each year, the fees collected from non-practising members amounts to approximately \$32,000 of revenue for the Society. If the two statuses are combined, we will no longer charge a \$100 fee for non-practising status and there will be a corresponding loss of this revenue. However, this loss of revenue is insignificant in terms of the overall budget.

It would be impractical and unwieldy to include in the Lawyer Lookup all lawyers who formerly had inactive status. Accordingly, they will not be included and henceforth all members withdrawing from active practice will remain as a non-practising member in the Lawyer Lookup tool for a period of three years, so as to avoid an accumulation of “permanent” non-practising lawyers in Lawyer Lookup. Disbarred lawyers will continue to remain on Lawyer Lookup indefinitely with an indication that they have been disbarred.

Non-practising lawyers will be entitled to receive Society email communications for a period of three years (unless they choose to opt out sooner), after which, they will be removed from the mailing list.

RECOMMENDATION

It is recommended that the benchers direct the Society to eliminate the category of “inactive member” and convert the status of all members who have voluntarily left active practice to “non-practising”. If you agree with this recommendation, we will return to you rule amendments for your approval.



MEMORANDUM

To: Benchers
From: Alissa Schacter
Date: August 31, 2023
Re: Update on the Work of the Indigenous Advisory Committee

The Indigenous Advisory Committee has continued to focus on The Path as the launch date approaches. NVision recently converted the four newly created Manitoba lessons to video format. The committee had an opportunity to review the videos for the first time in advance of their meeting on August 22. The Manitoba lessons have been reviewed by three Indigenous academics: Daniel Diamond, Assistant Professor at Robson Hall and member of Opaskwayak First Nation; Dr. Leo Baskatawang, Assistant Professor at Robson Hall who is Anishinaabe from Lac Des Mille Lacs First Nation in Treaty #3 territory; and Dr. Chantal Fiola, Associate Professor, Urban and Inner-City Studies at the University of Winnipeg who is Red River Métis, with family from St. Laurent and Ste. Geneviève, Manitoba.

Between now and the launch of The Path on Monday, October 2, the technical aspects of the course will be finalized, the Manitoba lessons will be integrated into The Path on NVision's Learning Management System and a group of pilot testers (including Law Society staff and a member of the IAC) will take the course to provide feedback on the navigation. The Law Society's project team has been hard at work developing communication materials about The Path, responding to member inquiries and establishing systems and processes to monitor and track compliance for the different member cohort groups.

The Indigenous Advisory Committee recommended the Law Society offer two optional facilitated sessions for Indigenous lawyers to gather in a culturally safe space and share their experiences taking The Path. Jennifer David of NVision will facilitate these sessions, both of which will include a female and male Elder. One session will be held in-person and one will take place via Zoom so it is accessible for members outside of Winnipeg. Once finalized, the details will be announced well in advance.

Following a brief discussion of other business that was put over to the next meeting, the committee discussed whether it would be appropriate for the Law Society to include land acknowledgements in email signatures or on its website, as some organizations do. The consensus was it is appropriate but the wording must be considered carefully so it is not a token gesture. Some potential resources to assist were identified and staff will follow up.



MONITORING REPORT

To: Benchers

From: Leah Kosokowsky and Colleen Malone

Date: August 30, 2023

**Re: Profit and Loss Statements
- April 1, 2023 to July 31, 2023**

Attached you will find the profit and loss statements for the first four months of the 2023-2024 fiscal year. Overall, net income to date of \$4.8 million exceeds the budgeted year-to-date of \$4.0 million and is similar to the results at this time in the previous fiscal year. Herein you will find a brief summary of the operations to July 31, 2023, with an explanation of the more significant variances from the budget and from the previous fiscal year.

As you will recall, the Law Society accounts for its financial activities through four separate funds: the General Fund (GF), the Reimbursement Fund (RF), the Professional Liability Claims Fund (PLCF) and the Education and Competence Fund (ECF).

The General Fund reflects the financial performance of the general operations of the Law Society, including accounting, admissions and membership, benchers, complaints resolution, discipline, general administration and information technology. The Reimbursement Fund exists for the benefit of clients who suffer losses in the event of the theft of client funds by lawyers. It includes the operations of the audit department. The Professional Liability Claims Fund provides professional liability insurance coverage to all Manitoba lawyers and includes the operations of our insurance team. The Education and Competence Fund supports lawyers by providing knowledge and skills to remain competent to serve the public. This fund includes the operations of our education experts who develop and deliver relevant programs and resources.

Below you will find a brief summary of the operations of each of the four funds to July 31, 2023.

GENERAL FUND

In the General Fund, the net income for the first four months is \$3,077,117.66, exceeding the budgeted amount of \$2,914,910.12 and last year's performance of \$3,009,996.11. Notably, the

majority of the practising fees are paid by April 1st of each year and they represent the most significant source of the Society's revenue. The significant variances from the budget and from the last fiscal year are set out below:

Income

- Late payment penalty: The late payment penalties exceed both the budget and the previous year due to stricter enforcement by the Society.
- Practising fee: The practising fee allocated to the GF increased this year to \$2,145 per member from the previous year of \$2,130 per member.
- Call Fees: The revenue from the Call to the Bar fees is lower due to a smaller class size.
- Costs recovered – discipline: The discipline costs recovered are lower, largely because last year's recoveries were unusually higher than average.
- Manitoba Law Foundation Grant: The Manitoba Law Foundation provided a two- year grant to fund the Access to Justice Coordinator position which came to an end on March 31, 2023. The final payment for this grant was provided to the Society this year after satisfying the final reporting requirements.
- Interest income: Interest earned on the bank accounts balances was higher than the previous year due to increases in both the principal held and interest rates.

Expenses

- Custodial expenses: The Society did not renew its contract with a specific firm to manage its custodial matters and has incurred significant expenses in relation to one custodianship with nominal recovery anticipated.
- Forgivable loan: The forgivable loan program has been cancelled. The expense reflected on these statements represents the forgiveness of previous loans for recipients delivering legal services in rural communities.
- Law(yer) Strong: Last year a grant was provided from the GF. This year, the grant is provided by the RF given that support of the wellness of lawyers is a loss prevention endeavour.
- PREP subsidy: The subsidy of \$2,600 per articling student remains unchanged.
- Competency profile: The Society contributed to the cost of a facilitator for the initial work on this initiative.
- Indigenous advisor: The Indigenous Advisor position has not been active in the first four months of the year, and no expenses were incurred.

- Pension expense – current service: Although the contribution required by the Society has remained unchanged, the increase is due to additional employees joining the pension plan following the required one-year wait period.
- Salaries expense: The Access to Justice salary was eliminated at the end of March 2023.
- Staff travel: Travel has resumed. Included is the cost of a flight to the ILLACE conference in Hobart, Australia. (International Institute of Law Association Chief Executives)

REIMBURSEMENT FUND

Net income in the reimbursement fund for the first four months was \$228,434.47, exceeding budget by \$65,564.47 but falling short of last year by \$960,957.51. Notable items include:

Income

- Practising fee: The practising fees allocated to the RF decreased from \$540 per member to \$440 per member in the current year.

Expenses

- Damages paid and recovered: It appears that there is a significant increase in the net damages paid. In fact, this results from the fact that the Paul Hesse defalcation resulted in a large recovery last year, but the related payouts were made in the previous year.
- Law(yer) Strong: As noted above, the allocation of the grant to Law(yer) Strong was moved from the GF to the RF.
- Lawyers' assistance, Blue Cross: The Blue Cross expenses for the lawyer assistance program were recorded in PLCF last year. Similar to the Law(yer) Strong grant, this expense was re-allocated to the RF.
- Lawyers trust protection premium: The premiums have increased due to increased claims experience.
- Practice advisor: This expense was recorded in PLCF last year. The change occurred as better practices should lead to reduced claims.
- Pension expense – current service: The current service expense exceeds last year as one audit department employee did not qualify for entry into the pension until March 1, 2023.

PROFESSIONAL LIABILITY CLAIMS FUND

In the Professional Liability Claims fund, net income for the first four months was \$1,540,331.57, compared with budgeted of \$825,442.28 and last year's net income of \$387,550.00. The items of significance are:

Income

- Insurance levy: The insurance year is from July 1st to June 30th. Currently, the annual insurance levy is \$2,014 (pre-tax) per member, allocated \$1,332 to the Society for running the program, \$593 to CLIA to cover the annual premium and \$89 for the annual cyber premium. In the prior year, the levy was \$1,699, allocated \$1,075 to the Society, \$550 to CLIA and \$74 to cyber coverage. As reported at the June bencher meeting, when the budget was prepared in February, we anticipated a total levy of \$1,705. It increased to \$2,014 due to the actuarial findings.
- Cyber insurance income: The cost of cyber insurance has increased substantially. Last year, the cost was \$74 per member and this year we budgeted for \$80 per member. In fact, the cost, and the amount charged to each member was \$89.
- RBC investment income: The higher than budgeted investment income reflects the difficulty of predicting in times of market volatility. This fund holds 98.16% of the total investments.

Expenses

- Damage/defence costs paid and recovered: These amounts are difficult to predict and depend on the nature, severity and timing of the claims arising.
- Cyber insurance premium: As noted above, the premium of \$89 per member was higher than budgeted (\$80) and higher than the previous year (\$74).
- Lawyers' assistance, Blue Cross: This year, the lawyers assistance program was recorded in RF.
- Mandatory insurance: When preparing the budget in January/February 2023, the amount that CLIA would be charging to the Society for mandatory and cyber insurance premium was unknown. This year, the amount charged in July 2023 was higher than last year but not as high as anticipated.
- RST, collected for CLIA and RST, paid to CLIA: The Society collects 7% provincial sales tax on both CLIA's portion of the insurance levy and cyber insurance. This is recorded in one account. In another account, the 7% RST paid to CLIA on the mandatory insurance premium is recorded. In a perfect world, these amounts should agree as the Society is in fact collecting

the mandatory and cyber premiums on CLIA's behalf. However, the Society's insured members come and go throughout the year, resulting in minor differences.

- Investment management expense: The difference noted is due to the timing of the annual expense to the individual months.
- Practice advisor: The practice advisor expense is recorded in RF this year.

EDUCATION AND COMPETENCE FUND

The Education and Competence Fund shows a net loss of \$36,301.41 to date, compared to a budgeted net income of \$62,326.44 and last year's net income of \$271,658.00. Items of significance are:

Income

- Practising fees: For the current year, fees were reduced from \$175 to \$75 due to the increase in the statutory grant from the Manitoba Law Foundation.
- CPD program revenue: The revenue received to date is below the budgeted and last years amount. This is a function of the programs offered.
- Manitoba Law Foundation grant: The grant from the Manitoba Law Foundation is received in four payments, with \$100,000 received in each of the months of June, September and December 2023 and the remainder of the grant received in March 2024. One half of the amounts received is recorded in the ECF.

ATC.

Law Society of Manitoba
Profit & Loss General Fund (GF)
April 1, 2023 to March 31, 2024

Actual YTD		2023/24 Budget		Variances YTD		
April to July 2023	April to July 2022	April to July 2022	April 2023 to March 2024	(Actual - Budget) April to July 2023	(Actual) April to July 2023 to 2022	
Column 1	Column 2	Column 3	Column 4	Column 1 - 3	Column 1 - 2	
Income						
Administration fees						
Admin fee, MB Library	\$ 6,666.68	\$ 6,666.68	\$ 6,666.68	\$ 20,000.00	\$ -	\$ -
Instalment payment fee	\$ 32,300.00	\$ 30,080.00	\$ 28,000.00	\$ 56,000.00	\$ 4,300.00	\$ 2,220.00
Late payment penalty	\$ 15,580.00	\$ 3,860.00	\$ 5,250.00	\$ 7,500.00	\$ 10,330.00	\$ 11,720.00
Refund fee	\$ 6,400.00	\$ 9,000.00	\$ 12,000.00	\$ 20,000.00	\$ (5,600.00)	\$ (2,600.00)
Total Administration fees	\$ 60,946.68	\$ 49,606.68	\$ 51,916.68	\$ 103,500.00	\$ 9,030.00	\$ 11,340.00
Annual fee						
Non-practising	\$ 31,200.00	\$ 30,000.00	\$ 31,000.00	\$ 31,000.00	\$ 200.00	\$ 1,200.00
Practising	\$ 4,532,151.89	\$ 4,402,382.29	\$ 4,343,625.00	\$ 4,826,250.00	\$ 188,526.89	\$ 129,769.60
Total Annual fee	\$ 4,563,351.89	\$ 4,432,382.29	\$ 4,374,625.00	\$ 4,857,250.00	\$ 188,726.89	\$ 130,969.60
Application fees						
Application fee - other	\$ -	\$ 100.00	\$ 336.00	\$ 1,000.00	\$ (336.00)	\$ (100.00)
Application to article	\$ 8,900.00	\$ 8,700.00	\$ 10,400.00	\$ 13,000.00	\$ (1,500.00)	\$ 200.00
Exemption from articling	\$ 350.00	\$ 700.00	\$ 933.36	\$ 2,800.00	\$ (583.36)	\$ (350.00)
Law student registration	\$ 300.00	\$ 180.00	\$ 600.00	\$ 3,000.00	\$ (300.00)	\$ 120.00
Resumption of active practise	\$ 3,000.00	\$ 4,200.00	\$ 3,000.00	\$ 9,000.00	\$ -	\$ (1,200.00)
Transfer to Manitoba Bar	\$ 3,600.00	\$ 3,000.00	\$ 2,500.00	\$ 7,500.00	\$ 1,100.00	\$ 600.00
Total Application fees	\$ 16,150.00	\$ 16,880.00	\$ 17,769.36	\$ 36,300.00	\$ (1,619.36)	\$ (730.00)
Call fees						
PREP	\$ 54,000.00	\$ 69,000.00	\$ 66,000.00	\$ 66,000.00	\$ (12,000.00)	\$ (15,000.00)
Transfers	\$ 6,600.00	\$ 3,900.00	\$ 4,800.00	\$ 14,400.00	\$ 1,800.00	\$ 2,700.00
Total Call fees	\$ 60,600.00	\$ 72,900.00	\$ 70,800.00	\$ 80,400.00	\$ (10,200.00)	\$ (12,300.00)
Contribution, leasehold allowance						
Capital items	\$ 24,300.44	\$ 24,300.44	\$ 24,300.00	\$ 72,900.00	\$ 0.44	\$ -
Expense items	\$ 4,327.20	\$ 4,852.78	\$ 4,360.00	\$ 13,080.00	\$ (32.80)	\$ (525.58)
Total Contribution, leasehold allowance	\$ 28,627.64	\$ 29,153.22	\$ 28,660.00	\$ 85,980.00	\$ (32.36)	\$ (525.58)
Costs recovered - discipline	\$ 21,417.00	\$ 51,433.32	\$ 30,000.00	\$ 90,000.00	\$ (8,583.00)	\$ (30,016.32)
Grants						
Employment	\$ -	\$ -	\$ -	\$ 3,500.00	\$ -	\$ -
MB Law Foundation grant	\$ 21,058.75	\$ 65,377.50	\$ -	\$ -	\$ 21,058.75	\$ (44,318.75)
Total Grants	\$ 21,058.75	\$ 65,377.50	\$ -	\$ 3,500.00	\$ 21,058.75	\$ (44,318.75)

Law Society of Manitoba
Profit & Loss General Fund (GF)
April 1, 2023 to March 31, 2024

Actual YTD		2023/24 Budget		Variances YTD	
April to July 2023	April to July 2022	April to July 2022	April 2023 to March 2024	(Actual - Budget) April to July 2023	(Actual) April to July 2023 to 2022
Column 1	Column 2	Column 3	Column 4	Column 1 - 3	Column 1 - 2

Interest income	\$ 55,772.15	\$ 19,755.43	\$ 32,000.00	\$ 40,000.00	\$ 23,772.15	\$ 36,016.72
Other income						
Certificate of standing	\$ 2,600.00	\$ 4,000.00	\$ 3,336.00	\$ 10,000.00	\$ (736.00)	\$ (1,400.00)
Fast track	\$ 28,350.00	\$ 27,230.00	\$ 28,125.00	\$ 28,125.00	\$ 225.00	\$ 1,120.00
Law corporation fees	\$ 82,600.00	\$ 80,250.00	\$ 82,400.00	\$ 88,500.00	\$ 200.00	\$ 2,350.00
Locker rental	\$ 9,600.00	\$ 10,000.00	\$ 10,500.00	\$ 10,500.00	\$ (900.00)	\$ (400.00)
Miscellaneous	\$ 274.80	\$ 431.23	\$ 336.00	\$ 1,000.00	\$ (61.20)	\$ (156.43)
Section 51	\$ -	\$ -	\$ -	\$ 74,909.00	\$ -	\$ -
Total Other income	\$ 123,424.80	\$ 121,911.23	\$ 124,697.00	\$ 213,034.00	\$ (1,272.20)	\$ 1,513.57
Total Income	\$ 4,951,348.91	\$ 4,859,399.67	\$ 4,730,468.04	\$ 5,509,964.00	\$ 220,880.87	\$ 91,949.24

Expense						
Allowances - Pres/Vice	\$ -	\$ -	\$ -	\$ 77,500.00	\$ -	\$ -
Buliding operation/maintenance						
Building insurance	\$ 19,633.50	\$ 17,788.17	\$ 18,000.00	\$ 18,000.00	\$ 1,633.50	\$ 1,845.33
Janitorial services	\$ 8,196.97	\$ 10,012.48	\$ 8,693.36	\$ 26,080.00	\$ (496.39)	\$ (1,815.51)
Janitorial supplies	\$ 487.35	\$ 387.03	\$ 400.00	\$ 1,200.00	\$ 87.35	\$ 100.32
Maintenance	\$ 963.44	\$ 2,721.34	\$ 2,166.64	\$ 6,500.00	\$ (1,203.20)	\$ (1,757.90)
Total Buliding operation/maintenance	\$ 29,281.26	\$ 30,909.02	\$ 29,260.00	\$ 51,780.00	\$ 21.26	\$ (1,627.76)
Catering/Other Functions						
Call ceremony	\$ 15,357.91	\$ 14,557.83	\$ 20,000.00	\$ 20,000.00	\$ (4,642.09)	\$ 800.08
Coffee/water/pop/milk	\$ 2,523.07	\$ 1,997.10	\$ 1,666.64	\$ 5,000.00	\$ 856.43	\$ 525.97
Committee meetings	\$ 466.89	\$ 961.08	\$ 900.00	\$ 3,000.00	\$ (433.11)	\$ (494.19)
Meetings	\$ 2,860.01	\$ 1,606.72	\$ 2,000.00	\$ 10,000.00	\$ 860.01	\$ 1,253.29
Other receptions	\$ 725.00	\$ 3,112.87	\$ 6,500.00	\$ 18,500.00	\$ (5,775.00)	\$ (2,387.87)
President's reception	\$ 8,036.97	\$ 10,199.48	\$ 11,000.00	\$ 11,000.00	\$ (2,963.03)	\$ (2,162.51)
Staff functions	\$ 1,270.90	\$ 1,664.44	\$ 3,450.00	\$ 13,300.00	\$ (2,179.10)	\$ (393.54)
Total Catering/Other functions	\$ 31,240.75	\$ 34,099.52	\$ 45,516.64	\$ 80,800.00	\$ (14,275.89)	\$ (2,858.77)
Counsel - prosecution & investigation	\$ 3,260.67	\$ 110.00	\$ 1,000.00	\$ 3,000.00	\$ 2,260.67	\$ 3,150.67

Law Society of Manitoba
Profit & Loss General Fund (GF)
April 1, 2023 to March 31, 2024

Actual YTD		2023/24 Budget		Variances YTD	
April to July 2023	April to July 2022	April to July 2022	April 2023 to March 2024	(Actual - Budget) April to July 2023	(Actual) April to July 2023 to 2022
Column 1	Column 2	Column 3	Column 4	Column 1 - 3	Column 1 - 2

Custodial expenses

Custodian fees	\$ 58,288.21	\$ 12,037.50	\$ 16,666.64	\$ 50,000.00	\$ 41,621.57	\$ 46,250.71
File Storage costs	\$ 11,130.80	\$ 4,010.58	\$ 3,600.00	\$ 10,800.00	\$ 7,530.80	\$ 7,120.22
Total Custodial expenses	\$ 69,419.01	\$ 16,048.08	\$ 20,266.64	\$ 60,800.00	\$ 49,152.37	\$ 53,370.93

Depreciation expense

Hardware	\$ -	\$ 4,237.32	\$ -	\$ -	\$ -	\$ (4,237.32)
Furniture/equipment	\$ 2,488.32	\$ 2,488.32	\$ 2,688.00	\$ 3,360.00	\$ (199.68)	\$ -
Leasehold improvement	\$ 21,812.12	\$ 21,812.12	\$ 21,820.00	\$ 65,460.00	\$ (7.88)	\$ -
Software	\$ 5,750.76	\$ -	\$ 5,666.64	\$ 17,000.00	\$ 84.12	\$ 5,750.76
Total Depreciation expense	\$ 30,051.20	\$ 28,537.76	\$ 30,174.64	\$ 85,820.00	\$ (123.44)	\$ 1,513.44

Grants/prizes

CANLII grant	\$ 46,982.58	\$ 46,500.38	\$ 47,000.00	\$ 94,000.00	\$ (17.42)	\$ 482.20
CLEA grant	\$ 40,000.00	\$ 33,500.00	\$ 40,000.00	\$ 80,000.00	\$ -	\$ 6,500.00
FLSC annual levy	\$ 30,792.22	\$ 27,467.39	\$ 29,000.00	\$ 58,000.00	\$ 1,792.22	\$ 3,324.83
Forgivable loan	\$ 26,950.01	\$ 17,450.00	\$ -	\$ -	\$ 26,950.01	\$ 9,500.01
Gifts	\$ 3,508.56	\$ 800.30	\$ 3,000.00	\$ 6,000.00	\$ 508.56	\$ 2,708.26
Law(yer) Strong	\$ -	\$ 53,526.00	\$ -	\$ -	\$ -	\$ (53,526.00)
MLL Library grant	\$ 175,000.00	\$ 175,000.00	\$ 175,000.00	\$ 525,000.00	\$ -	\$ -
Misc grants/donations	\$ 1,200.00	\$ -	\$ 1,200.00	\$ 2,500.00	\$ -	\$ 1,200.00
PREP subsidy	\$ 40,300.00	\$ 26,650.00	\$ 42,000.00	\$ 260,000.00	\$ (1,700.00)	\$ 13,650.00
Prizes	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ -	\$ -
Staff recognition	\$ -	\$ -	\$ 333.36	\$ 1,000.00	\$ (333.36)	\$ -
Total Grants/prizes	\$ 369,233.37	\$ 385,394.07	\$ 342,033.36	\$ 1,031,000.00	\$ 27,200.01	\$ (16,160.70)

Honoraria

Honoraria	\$ 5,400.00	\$ 6,600.00	\$ 7,320.00	\$ 26,000.00	\$ (1,920.00)	\$ (1,200.00)
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Initiatives

Access to justice	\$ -	\$ 1,575.18	\$ -	\$ 12,000.00	\$ -	\$ (1,575.18)
Competency profile	\$ 8,497.07	\$ -	\$ 10,000.00	\$ -	\$ (1,502.93)	\$ 8,497.07
Equity, diversity and inclusion	\$ -	\$ -	\$ -	\$ 5,000.00	\$ -	\$ -
Public awareness/stakeholder confidence	\$ -	\$ -	\$ -	\$ 12,500.00	\$ -	\$ -
Total Initiatives	\$ 8,497.07	\$ 1,575.18	\$ 10,000.00	\$ 29,500.00	\$ (1,502.93)	\$ 6,921.89

Law Society of Manitoba
Profit & Loss General Fund (GF)
April 1, 2023 to March 31, 2024

Actual YTD		2023/24 Budget		Variances YTD	
April to July 2023	April to July 2022	April to July 2022	April 2023 to March 2024	(Actual - Budget) April to July 2023	(Actual) April to July 2023 to 2022
Column 1	Column 2	Column 3	Column 4	Column 1 - 3	Column 1 - 2

Interfund admin charges

Education and Competence	\$ (33,333.32)	\$ (33,333.32)	\$ (33,333.36)	\$ (100,000.00)	\$ 0.04	\$ -
Professional Liability Claims	\$ (158,333.32)	\$ (158,333.32)	\$ (158,333.36)	\$ (475,000.00)	\$ 0.04	\$ -
Reimbursement	\$ (100,000.00)	\$ (100,000.00)	\$ (100,000.00)	\$ (300,000.00)	\$ -	\$ -
Total Interfund admin charges	\$ (291,666.64)	\$ (291,666.64)	\$ (291,666.72)	\$ (875,000.00)	\$ 0.08	\$ -

Miscellaneous expense	\$ 4,324.88	\$ 483.89	\$ 483.36	\$ 1,500.00	\$ 3,841.52	\$ 3,840.99
Office and sundry						
Courier	\$ 1,316.78	\$ 1,703.02	\$ 1,333.36	\$ 4,000.00	\$ (16.58)	\$ (386.24)
Office furniture/equipment	\$ 1,579.84	\$ 339.75	\$ 666.64	\$ 2,000.00	\$ 913.20	\$ 1,240.09
Office supplies	\$ 3,857.51	\$ 3,369.46	\$ 4,333.36	\$ 13,000.00	\$ (475.85)	\$ 488.05
Photocopying	\$ 10,910.93	\$ 10,902.90	\$ 11,000.00	\$ 22,000.00	\$ (89.07)	\$ 8.03
Postage/fax	\$ 1,658.50	\$ 1,898.41	\$ 1,666.64	\$ 5,000.00	\$ (8.14)	\$ (239.91)
Total Office and sundry	\$ 19,323.56	\$ 18,213.54	\$ 19,000.00	\$ 46,000.00	\$ 323.56	\$ 1,110.02
Other services						
Court reporters	\$ 865.45	\$ 1,504.25	\$ 2,333.36	\$ 7,000.00	\$ (1,467.91)	\$ (638.80)
Filing fees	\$ 899.00	\$ 694.40	\$ 833.36	\$ 2,500.00	\$ 65.64	\$ 204.60
Notifications	\$ 605.00	\$ 1,079.84	\$ 833.36	\$ 2,500.00	\$ (228.36)	\$ (474.84)
Serving of documents	\$ 294.85	\$ 53.60	\$ 500.00	\$ 1,500.00	\$ (205.15)	\$ 241.25
Total Other services	\$ 2,664.30	\$ 3,332.09	\$ 4,500.08	\$ 13,500.00	\$ (1,835.78)	\$ (667.79)
Professional development						
Course/conference fees	\$ 7,039.63	\$ 2,486.81	\$ 3,600.00	\$ 17,000.00	\$ 3,439.63	\$ 4,552.82
Membership fees	\$ 4,506.03	\$ 3,780.78	\$ 3,000.00	\$ 6,000.00	\$ 1,506.03	\$ 725.25
Total Professional development	\$ 11,545.66	\$ 6,267.59	\$ 6,600.00	\$ 23,000.00	\$ 4,945.66	\$ 5,278.07

Law Society of Manitoba
Profit & Loss General Fund (GF)
April 1, 2023 to March 31, 2024

Actual YTD		2023/24 Budget		Variances YTD	
April to July 2023	April to July 2022	April to July 2022	April 2023 to March 2024	(Actual - Budget) April to July 2023	(Actual) April to July 2023 to 2022
Column 1	Column 2	Column 3	Column 4	Column 1 - 3	Column 1 - 2

Professional fees

Complaints commissioner	\$ -	\$ -	\$ 3,125.00	\$ 12,500.00	\$ (3,125.00)	\$ -
Contract services	\$ 7,283.40	\$ 312.00	\$ 9,426.64	\$ 28,280.00	\$ (2,143.24)	\$ 6,971.40
Discipline chair	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 27,500.00	\$ -	\$ -
External audit	\$ 41,216.40	\$ 38,926.60	\$ 40,000.00	\$ 40,000.00	\$ 1,216.40	\$ 2,289.80
General legal/consulting	\$ 10,197.90	\$ 10,965.35	\$ 14,400.00	\$ 47,800.00	\$ (4,202.10)	\$ (767.45)
Health recovery	\$ -	\$ -	\$ 2,666.64	\$ 8,000.00	\$ (2,666.64)	\$ -
Indigenous advisor	\$ -	\$ 5,000.00	\$ 5,000.00	\$ 20,000.00	\$ (5,000.00)	\$ (5,000.00)
Pension advisor	\$ 10,645.00	\$ 1,315.00	\$ 10,000.00	\$ 20,000.00	\$ 645.00	\$ 9,330.00
Speaker fee	\$ 300.00	\$ 100.00	\$ 1,000.00	\$ 4,000.00	\$ (700.00)	\$ 200.00
Systems consulting	\$ -	\$ -	\$ -	\$ 7,500.00	\$ -	\$ -
Total Professional fees	\$ 74,642.70	\$ 61,618.95	\$ 90,618.28	\$ 215,580.00	\$ (15,975.58)	\$ 13,023.75

Publications

Books/subscriptions	\$ 4,903.76	\$ 3,511.88	\$ 3,500.00	\$ 10,500.00	\$ 1,403.76	\$ 1,391.88
LSM Regulations	\$ -	\$ 45.89	\$ 300.00	\$ 1,000.00	\$ (300.00)	\$ (45.89)
Outside printing	\$ -	\$ -	\$ -	\$ 1,500.00	\$ -	\$ -
Total Publications	\$ 4,903.76	\$ 3,557.77	\$ 3,800.00	\$ 13,000.00	\$ 1,103.76	\$ 1,345.99

Rent expense

Additional rent	\$ 66,396.18	\$ 67,144.94	\$ 77,600.00	\$ 232,800.00	\$ (11,203.82)	\$ (748.76)
Base rent	\$ 89,573.32	\$ 89,573.32	\$ 89,600.00	\$ 300,104.00	\$ (26.68)	\$ -
Management fee	\$ 4,478.68	\$ 4,478.68	\$ 4,480.00	\$ 15,008.00	\$ (1.32)	\$ -
Parking	\$ 4,974.37	\$ 3,916.50	\$ 333.36	\$ 1,000.00	\$ 4,641.01	\$ 1,057.87
Outside rent	\$ 500.00	\$ 1,000.00	\$ 1,166.64	\$ 3,000.00	\$ (666.64)	\$ (500.00)
Total Rent expense	\$ 165,922.55	\$ 166,113.44	\$ 173,180.00	\$ 551,912.00	\$ (7,257.45)	\$ (190.89)

Salaries and benefits

CPP	\$ 37,485.27	\$ 35,028.02	\$ 32,166.00	\$ 102,595.00	\$ 5,319.27	\$ 2,457.25
EI	\$ 11,877.65	\$ 12,597.26	\$ 10,255.00	\$ 31,360.00	\$ 1,622.65	\$ (719.61)
Group insurance	\$ 91,721.59	\$ 91,200.83	\$ 92,000.00	\$ 276,000.00	\$ (278.41)	\$ 520.76
MB payroll tax	\$ 19,887.77	\$ 21,683.52	\$ 19,939.00	\$ 62,665.00	\$ (51.23)	\$ (1,795.75)
Pension - current service	\$ 197,429.87	\$ 183,403.03	\$ 190,021.00	\$ 581,235.00	\$ 7,408.87	\$ 14,026.84
Salaries	\$ 913,314.62	\$ 996,428.67	\$ 927,324.00	\$ 2,836,515.00	\$ (14,009.38)	\$ (83,114.05)
Total Salaries and benefits	\$ 1,271,716.77	\$ 1,340,341.33	\$ 1,271,705.00	\$ 3,890,370.00	\$ 11.77	\$ (68,624.56)

Law Society of Manitoba
Profit & Loss General Fund (GF)
April 1, 2023 to March 31, 2024

Actual YTD		2023/24 Budget		Variances YTD	
April to July 2023	April to July 2022	April to July 2022	April 2023 to March 2024	(Actual - Budget) April to July 2023	(Actual) April to July 2023 to 2022
Column 1	Column 2	Column 3	Column 4	Column 1 - 3	Column 1 - 2

Service fees							
Banking	\$ 66.00	\$ 15.00	\$ 66.64	\$ 200.00	\$ (0.64)	\$ 51.00	
Bill payment	\$ 382.50	\$ 361.25	\$ 400.00	\$ 1,200.00	\$ (17.50)	\$ 21.25	
CAFT	\$ 278.60	\$ 312.80	\$ 300.00	\$ 900.00	\$ (21.40)	\$ (34.20)	
Credit card	\$ 552.18	\$ 464.69	\$ 400.00	\$ 1,200.00	\$ 152.18	\$ 87.49	
Payworks	\$ 1,178.02	\$ 1,150.49	\$ 1,275.00	\$ 3,900.00	\$ (96.98)	\$ 27.53	
Total Service fees	\$ 2,457.30	\$ 2,304.23	\$ 2,441.64	\$ 7,400.00	\$ 15.66	\$ 153.07	
Technology							
Hardware	\$ 1,591.83	\$ 223.61	\$ 3,333.36	\$ 10,000.00	\$ (1,741.53)	\$ 1,368.22	
Software	\$ 12,261.28	\$ 9,921.10	\$ 12,100.00	\$ 20,000.00	\$ 161.28	\$ 2,340.18	
Tech services	\$ 18,836.22	\$ 13,214.03	\$ 11,666.64	\$ 35,000.00	\$ 7,169.58	\$ 5,622.19	
Total Technology	\$ 32,689.33	\$ 23,358.74	\$ 27,100.00	\$ 65,000.00	\$ 5,589.33	\$ 9,330.59	
Telecommunications							
Telephone	\$ 2,771.88	\$ 2,798.64	\$ 2,633.36	\$ 7,900.00	\$ 138.52	\$ (26.76)	
Total Telecommunications	\$ 2,771.88	\$ 2,798.64	\$ 2,633.36	\$ 7,900.00	\$ 138.52	\$ (26.76)	
Travel							
Bencher/committee	\$ 4,514.73	\$ 2,218.50	\$ 1,425.00	\$ 20,000.00	\$ 3,089.73	\$ 2,296.23	
President/Vice	\$ 2,533.21	\$ 3,068.61	\$ 2,500.00	\$ 20,000.00	\$ 33.21	\$ (535.40)	
Presenter	\$ -	\$ -	\$ 666.64	\$ 3,000.00	\$ (666.64)	\$ -	
Staff	\$ 19,503.93	\$ 4,119.25	\$ 15,000.00	\$ 53,000.00	\$ 4,503.93	\$ 15,384.68	
Total Travel	\$ 26,551.87	\$ 9,406.36	\$ 19,591.64	\$ 96,000.00	\$ 6,960.23	\$ 17,145.51	
Total Expense	\$ 1,874,231.25	\$ 1,849,403.56	\$ 1,815,557.92	\$ 5,502,362.00	\$ 58,673.33	\$ 24,827.69	
Net income (loss)	\$ 3,077,117.66	\$ 3,009,996.11	\$ 2,914,910.12	\$ 7,602.00	\$ 162,207.54	\$ 67,121.55	

Law Society of Manitoba
Profit & Loss Reimbursement Fund (RF)
April 1, 2023 to March 31, 2024

Actual YTD		2023/24 Budget		Variances YTD	
April to July 2023	April to July 2022	April to July 2023	April 2023 to March 2024	(Actual - Budget) April to July 2023	(Actual) April to July 2023 to 2022
Column 1	Column 2	Column 3	Column 3	Column 1 - 3	Column 1 - 2

Income

Practising fee	\$ 929,676.18	\$ 1,116,104.17	\$ 891,000.00	\$ 990,000.00	\$ 38,676.18	\$ (186,427.99)
MB Law Foundation grant	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 1,333,600.00	\$ -	\$ -
RBC investment income	\$ 6,624.46	\$ 6,487.74	\$ 5,709.00	\$ 17,300.00	\$ 915.46	\$ 136.72
Total Income	\$ 986,300.64	\$ 1,172,591.91	\$ 946,709.00	\$ 2,340,900.00	\$ 39,591.64	\$ (186,291.27)

Expense

Damages paid	\$ 22,198.67	\$ -	\$ 50,000.00	\$ 150,000.00	\$ (27,801.33)	\$ 22,198.67
Damages recovered	\$ -	\$ (550,000.00)	\$ -	\$ -	\$ -	\$ 550,000.00
Damages, net	\$ 22,198.67	\$ (550,000.00)	\$ 50,000.00	\$ 150,000.00	\$ (27,801.33)	\$ 572,198.67
Administration fees	\$ -	\$ -	\$ 3,333.36	\$ 10,000.00	\$ (3,333.36)	\$ -
Gifts	\$ -	\$ 77.04	\$ -	\$ -	\$ -	\$ (77.04)
Law(yer) Strong	\$ 143,700.00	\$ -	\$ 143,700.00	\$ 143,700.00	\$ -	\$ 143,700.00
Lawyer's assistance, Blue Cross	\$ 25,155.00	\$ -	\$ 30,000.00	\$ 90,000.00	\$ (4,845.00)	\$ 25,155.00
Lawyers trust protection premium	\$ 247,227.24	\$ 238,819.19	\$ 240,000.00	\$ 240,000.00	\$ 7,227.24	\$ 8,408.05
Lawyers trust retro assessment	\$ -	\$ -	\$ -	\$ 260,438.00	\$ -	\$ -
Admin charge (to GF)	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 300,000.00	\$ -	\$ -
Miscellaneous	\$ -	\$ -	\$ 83.36	\$ 250.00	\$ (83.36)	\$ -
Courier	\$ 331.44	\$ 200.91	\$ 166.64	\$ 500.00	\$ 164.80	\$ 130.53
Office furniture/equipment	\$ -	\$ -	\$ 100.00	\$ 300.00	\$ (100.00)	\$ -
Office supplies	\$ 183.44	\$ -	\$ 66.64	\$ 200.00	\$ 116.80	\$ 183.44
Photocopying	\$ 242.94	\$ 242.94	\$ 275.00	\$ 550.00	\$ (32.06)	\$ -
Postage/fax	\$ -	\$ 10.86	\$ -	\$ -	\$ -	\$ (10.86)
Filing fee	\$ 102.00	\$ 264.12	\$ 116.72	\$ 350.00	\$ (14.72)	\$ (162.12)
Course/conference fees	\$ 634.53	\$ 379.61	\$ 850.00	\$ 1,700.00	\$ (215.47)	\$ 254.92
Membership fees	\$ 4,483.08	\$ 4,100.00	\$ 4,400.00	\$ 4,400.00	\$ 83.08	\$ 383.08
Investment management expense	\$ 337.72	\$ 341.46	\$ 566.64	\$ 2,000.00	\$ (228.92)	\$ (3.74)
Practise advisor	\$ 10,000.00	\$ -	\$ 10,333.36	\$ 31,000.00	\$ (333.36)	\$ 10,000.00
Parking	\$ 1,950.00	\$ 1,950.00	\$ 1,600.00	\$ 4,800.00	\$ 350.00	\$ -

Law Society of Manitoba
Profit & Loss Reimbursement Fund (RF)
April 1, 2023 to March 31, 2024

	Actual YTD		2023/24 Budget		Variances YTD	
	April to July 2023	April to July 2022	April to July 2023	April 2023 to March 2024	(Actual - Budget) April to July 2023	(Actual) April to July 2023 to 2022
	Column 1	Column 2	Column 3	Column 3	Column 1 - 3	Column 1 - 2
CPP	\$ 8,229.73	\$ 7,534.71	\$ 5,498.00	\$ 16,820.00	\$ 2,731.73	\$ 695.02
EI	\$ 2,655.50	\$ 2,443.89	\$ 1,703.00	\$ 5,210.00	\$ 952.50	\$ 211.61
MB payroll tax	\$ 3,354.85	\$ 3,198.78	\$ 3,201.00	\$ 9,790.00	\$ 153.85	\$ 156.07
Pension - current service	\$ 33,755.34	\$ 26,693.62	\$ 34,680.00	\$ 106,080.00	\$ (924.66)	\$ 7,061.72
Salaries	\$ 152,289.36	\$ 145,420.02	\$ 148,831.00	\$ 455,240.00	\$ 3,458.36	\$ 6,869.34
Hardware	\$ -	\$ -	\$ 1,666.64	\$ 5,000.00	\$ (1,666.64)	\$ -
Software	\$ -	\$ 1,318.66	\$ 166.64	\$ 500.00	\$ (166.64)	\$ (1,318.66)
Staff travel	\$ 1,035.33	\$ 204.12	\$ 2,501.00	\$ 11,000.00	\$ (1,465.67)	\$ 831.21
Total Expense	\$ 757,866.17	\$ (16,800.07)	\$ 783,839.00	\$ 1,849,828.00	\$ (25,972.83)	\$ 774,666.24
Net Income (Loss)	\$ 228,434.47	\$ 1,189,391.98	\$ 162,870.00	\$ 491,072.00	\$ 65,564.47	\$ (960,957.51)
Total salaries/benefits	\$ 200,284.78	\$ 185,291.02	\$ 193,913.00	\$ 593,140.00	\$ 6,371.78	\$ 14,993.76
Total benefits	\$ 47,995.42	\$ 39,871.00	\$ 45,082.00	\$ 137,900.00	\$ 2,913.42	\$ 8,124.42
Net damages	\$ 22,198.67	\$ (550,000.00)	\$ 50,000.00	\$ 150,000.00	\$ (27,801.33)	\$ 572,198.67

Law Society of Manitoba
Profit & Loss Professional Liability Claims Fund (PLCF)
April 1, 2023 to March 31, 2024

Actual YTD		2023/24 Budget		Variances YTD	
April to July 2023	April to July 2022	April to July 2023	April 2023 to March 2024	(Actual - Budget) April to July 2023	(Actual) April to July 2023 to 2022
Column 1	Column 2	Column 3	Column 3	Column 1 - 3	Column 1 - 2

Income

Insurance levy, CLIA portion	\$ 955,187.21	\$ 879,140.87	\$ 953,100.00	\$ 1,059,000.00	\$ 2,087.21	\$ 76,046.34
Insurance levy, LSM portion	\$ 2,143,665.92	\$ 1,716,868.88	\$ 1,628,213.00	\$ 1,809,125.00	\$ 515,452.92	\$ 426,797.04
Insurance levy	\$ 3,098,853.13	\$ 2,596,009.75	\$ 2,581,313.00	\$ 2,868,125.00	\$ 517,540.13	\$ 502,843.38
Costs recovered, deductibles	\$ 29,888.19	\$ 32,884.68	\$ 30,000.00	\$ 90,000.00	\$ (111.81)	\$ (2,996.49)
Cyber insurance	\$ 144,447.07	\$ 120,192.17	\$ 127,080.00	\$ 141,200.00	\$ 17,367.07	\$ 24,254.90
Interest income	\$ 246.99	\$ 197.66	\$ 666.64	\$ 2,000.00	\$ (419.65)	\$ 49.33
RBC investment income	\$ 352,489.21	\$ 345,210.36	\$ 304,491.00	\$ 922,700.00	\$ 47,998.21	\$ 7,278.85
Miscellaneous revenue	\$ 7.89	\$ -	\$ -	\$ -	\$ 7.89	\$ 7.89
Total Income	\$ 3,625,932.48	\$ 3,094,494.62	\$ 3,043,550.64	\$ 4,024,025.00	\$ 582,381.84	\$ 531,437.86

Expense

Meetings catering	\$ 178.65	\$ -	\$ -	\$ -	\$ 178.65	\$ 178.65
Damages paid	\$ 245,961.45	\$ 1,234,823.14	\$ 293,333.36	\$ 880,000.00	\$ (47,371.91)	\$ (988,861.69)
Damages, recovered	\$ (27,756.96)	\$ (99,976.86)	\$ -	\$ -	\$ (27,756.96)	\$ 72,219.90
Administration fees paid	\$ -	\$ -	\$ 1,666.64	\$ 5,000.00	\$ (1,666.64)	\$ -
Defence costs	\$ 163,549.61	\$ 272,786.50	\$ 175,000.00	\$ 525,000.00	\$ (11,450.39)	\$ (109,236.89)
Defence, recovered	\$ (6,992.83)	\$ (104,075.33)	\$ -	\$ -	\$ (6,992.83)	\$ 97,082.50
Cyber insurance premium	\$ 151,816.50	\$ 22,000.00	\$ 143,040.00	\$ 143,040.00	\$ 8,776.50	\$ 129,816.50
Directors/officers premium	\$ 27,297.00	\$ 26,010.00	\$ 27,000.00	\$ 27,000.00	\$ 297.00	\$ 1,287.00
Excess directors/officers premium	\$ 20,110.12	\$ 19,403.91	\$ 20,000.00	\$ 20,000.00	\$ 110.12	\$ 706.21
Lawyer assistance, MB Blue Cross	\$ -	\$ 21,450.00	\$ -	\$ -	\$ -	\$ (21,450.00)
Mandatory premiums	\$ 1,043,230.50	\$ 868,814.18	\$ 1,072,800.00	\$ 1,072,800.00	\$ (29,569.50)	\$ 174,416.32
CLIA, RST collected on fees	\$ (60,082.55)	\$ (69,953.50)	\$ (75,618.00)	\$ (84,020.00)	\$ 15,535.45	\$ 9,870.95
CLIA, RST paid on premium	\$ 66,761.41	\$ 54,855.58	\$ 85,110.00	\$ 85,110.00	\$ (18,348.59)	\$ 11,905.83
Admin charge (to GF)	\$ 158,333.32	\$ 158,333.32	\$ 158,333.36	\$ 475,000.00	\$ (0.04)	\$ -
Miscellaneous	\$ -	\$ -	\$ 66.64	\$ 200.00	\$ (66.64)	\$ -
Courier	\$ 197.31	\$ 293.79	\$ 333.36	\$ 1,000.00	\$ (136.05)	\$ (96.48)
Office supplies	\$ 34.23	\$ 16.04	\$ 100.00	\$ 300.00	\$ (65.77)	\$ 18.19
Photocopying	\$ 1,283.46	\$ 1,283.46	\$ 1,400.00	\$ 2,800.00	\$ (116.54)	\$ -
Filing fees	\$ 65.00	\$ 65.00	\$ 100.00	\$ 100.00	\$ (35.00)	\$ -
Course/conference fees	\$ -	\$ -	\$ -	\$ 500.00	\$ -	\$ -
Membership fees	\$ 280.25	\$ 263.56	\$ 400.00	\$ 400.00	\$ (119.75)	\$ 16.69

Law Society of Manitoba
Profit & Loss Professional Liability Claims Fund (PLCF)
April 1, 2023 to March 31, 2024

	Actual YTD		2023/24 Budget		Variances YTD	
	April to July 2023	April to July 2022	April to July 2023	April 2023 to March 2024	(Actual - Budget) April to July 2023	(Actual) April to July 2023 to 2022
	Column 1	Column 2	Column 3	Column 3	Column 1 - 3	Column 1 - 2
Actuarial fees	\$ 30,030.00	\$ 29,531.25	\$ 30,000.00	\$ 30,000.00	\$ 30.00	\$ 498.75
Investment management expense	\$ 17,970.64	\$ 18,168.86	\$ 28,000.00	\$ 100,000.00	\$ (10,029.36)	\$ (198.22)
Practice advisor	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ (10,000.00)
Systems consulting	\$ -	\$ 3,456.00	\$ 5,000.00	\$ 35,000.00	\$ (5,000.00)	\$ (3,456.00)
Books/subscriptions	\$ 208.45	\$ -	\$ -	\$ -	\$ 208.45	\$ 208.45
CPP	\$ 10,225.83	\$ 9,627.41	\$ 7,080.00	\$ 21,665.00	\$ 3,145.83	\$ 598.42
EI	\$ 3,163.57	\$ 3,114.01	\$ 2,218.00	\$ 6,785.00	\$ 945.57	\$ 49.56
MB payroll tax	\$ 4,177.18	\$ 4,086.81	\$ 4,152.00	\$ 12,700.00	\$ 25.18	\$ 90.37
Pension - current service	\$ 41,605.30	\$ 32,199.98	\$ 42,133.00	\$ 128,880.00	\$ (527.70)	\$ 9,405.32
Salaries	\$ 191,735.19	\$ 187,723.53	\$ 193,060.00	\$ 590,530.00	\$ (1,324.81)	\$ 4,011.66
Hardware	\$ 11.56	\$ -	\$ 666.64	\$ 2,000.00	\$ (655.08)	\$ 11.56
Software	\$ -	\$ 2,635.36	\$ 733.36	\$ 2,200.00	\$ (733.36)	\$ (2,635.36)
Tech services	\$ 9.38	\$ -	\$ -	\$ -	\$ 9.38	\$ 9.38
Conferencing	\$ -	\$ 8.62	\$ -	\$ -	\$ -	\$ (8.62)
Staff travel	\$ 2,197.34	\$ -	\$ 2,000.00	\$ 3,000.00	\$ 197.34	\$ 2,197.34
Total Expense	\$ 2,085,600.91	\$ 2,706,944.62	\$ 2,218,108.36	\$ 4,086,990.00	\$ (132,507.45)	\$ (621,343.71)
Net Income (Loss)	\$ 1,540,331.57	\$ 387,550.00	\$ 825,442.28	\$ (62,965.00)	\$ 714,889.29	\$ 1,152,781.57
Total salaries/benefits	\$ 250,907.07	\$ 236,751.74	\$ 248,643.00	\$ 760,560.00	\$ 2,264.07	\$ 14,155.33
Total benefits	\$ 59,171.88	\$ 49,028.21	\$ 55,583.00	\$ 170,030.00	\$ 3,588.88	\$ 10,143.67
Net damages	\$ 218,204.49	\$ 1,134,846.28	\$ 293,333.36	\$ 880,000.00	\$ (75,128.87)	\$ (916,641.79)
Net defence	\$ 156,556.78	\$ 168,711.17	\$ 175,000.00	\$ 525,000.00	\$ (18,443.22)	\$ (12,154.39)

Law Society of Manitoba
Profit & Loss Education and Competence Fund (ECF)
April 1, 2023 to March 31, 2024

Actual YTD		2023/24 Budget		Variances YTD	
April to July 2023	April to July 2022	April to July 2023	April 2023 to March 2024	(Actual - Budget) April to July 2023	(Actual) April to July 2023 to 2022
Column 1	Column 2	Column 3	Column 3	Column 1 - 3	Column 1 - 2

Income

Practising fee	\$ 158,466.68	\$ 361,696.60	\$ 151,874.00	\$ 168,750.00	\$ 6,592.68	\$ (203,229.92)
CPD program	\$ 65,008.00	\$ 174,498.50	\$ 187,500.00	\$ 375,000.00	\$ (122,492.00)	\$ (109,490.50)
MB Law Foundation grant	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 1,333,600.00	\$ -	\$ -
Material	\$ 90.00	\$ -	\$ -	\$ -	\$ 90.00	\$ 90.00
Total Income	\$ 273,564.68	\$ 586,195.10	\$ 389,374.00	\$ 1,877,350.00	\$ (115,809.32)	\$ (312,630.42)

Expense

Coffee/water/pop/milk	\$ -	\$ -	\$ 166.64	\$ 500.00	\$ (166.64)	\$ -
Meetings	\$ 5.49	\$ -	\$ 450.00	\$ 1,500.00	\$ (444.51)	\$ 5.49
Program catering	\$ 844.12	\$ 545.81	\$ 9,000.00	\$ 30,000.00	\$ (8,155.88)	\$ 298.31
Gifts	\$ -	\$ -	\$ -	\$ 4,000.00	\$ -	\$ -
Anti money laundering	\$ -	\$ -	\$ -	\$ 10,000.00	\$ -	\$ -
Cultural awareness, The Path	\$ 2,540.00	\$ -	\$ -	\$ 43,000.00	\$ 2,540.00	\$ 2,540.00
Admin charge (to GF)	\$ 33,333.32	\$ 33,333.32	\$ 33,333.36	\$ 100,000.00	\$ (0.04)	\$ -
Miscellaneous	\$ 171.35	\$ -	\$ 33.36	\$ 100.00	\$ 137.99	\$ 171.35
Courier	\$ 29.72	\$ 23.66	\$ 166.64	\$ 500.00	\$ (136.92)	\$ 6.06
Office furniture/equipment	\$ 96.29	\$ -	\$ 166.64	\$ 500.00	\$ (70.35)	\$ 96.29
Office supplies	\$ 603.27	\$ 26.74	\$ 333.36	\$ 1,000.00	\$ 269.91	\$ 576.53
Photocopying	\$ 3,024.58	\$ 3,024.58	\$ 3,100.00	\$ 6,200.00	\$ (75.42)	\$ -
PREP subsidy	\$ -	\$ 1,300.00	\$ -	\$ -	\$ -	\$ (1,300.00)
Course/conference fees	\$ -	\$ 60.00	\$ -	\$ 7,000.00	\$ -	\$ (60.00)
Membership fees	\$ 842.14	\$ 387.86	\$ 1,000.00	\$ 2,450.00	\$ (157.86)	\$ 454.28
Contract services	\$ 1,293.75	\$ 693.75	\$ 3,000.00	\$ 10,000.00	\$ (1,706.25)	\$ 600.00
Program speaker fee	\$ -	\$ 4,282.77	\$ -	\$ 20,000.00	\$ -	\$ (4,282.77)
Program printing	\$ -	\$ -	\$ -	\$ 2,500.00	\$ -	\$ -
Outside rent	\$ 210.00	\$ 2,000.00	\$ 500.00	\$ 2,500.00	\$ (290.00)	\$ (1,790.00)
CPP	\$ 10,042.41	\$ 10,139.94	\$ 7,955.00	\$ 24,335.00	\$ 2,087.41	\$ (97.53)
EI	\$ 3,222.29	\$ 3,368.20	\$ 2,563.00	\$ 7,840.00	\$ 659.29	\$ (145.91)
MB payroll tax	\$ 4,271.21	\$ 4,510.83	\$ 4,457.00	\$ 13,635.00	\$ (185.79)	\$ (239.62)
Pension - current service	\$ 42,196.22	\$ 34,416.86	\$ 43,363.00	\$ 132,640.00	\$ (1,166.78)	\$ 7,779.36
Salaries	\$ 196,114.42	\$ 207,242.00	\$ 207,276.00	\$ 634,015.00	\$ (11,161.58)	\$ (11,127.58)

Law Society of Manitoba
Profit & Loss Education and Competence Fund (ECF)
April 1, 2023 to March 31, 2024

	Actual YTD		2023/24 Budget		Variances YTD	
	April to July 2023	April to July 2022	April to July 2023	April 2023 to March 2024	(Actual - Budget) April to July 2023	(Actual) April to July 2023 to 2022
	Column 1	Column 2	Column 3	Column 3	Column 1 - 3	Column 1 - 2
Credit card fees	\$ 1,113.09	\$ 2,987.01	\$ 4,000.00	\$ 12,000.00	\$ (2,886.91)	\$ (1,873.92)
Paypal fee	\$ -	\$ -	\$ 250.00	\$ 1,000.00	\$ (250.00)	\$ -
AV services	\$ -	\$ -	\$ -	\$ 5,000.00	\$ -	\$ -
Hardware	\$ 5,220.67	\$ 236.80	\$ 1,000.00	\$ 3,000.00	\$ 4,220.67	\$ 4,983.87
Software	\$ 2,166.59	\$ 3,701.05	\$ 1,333.36	\$ 4,000.00	\$ 833.23	\$ (1,534.46)
Tech services	\$ 2,525.16	\$ 2,255.92	\$ 1,600.00	\$ 4,800.00	\$ 925.16	\$ 269.24
Presenters travel	\$ -	\$ -	\$ 2,000.00	\$ 10,000.00	\$ (2,000.00)	\$ -
Staff travel	\$ -	\$ -	\$ -	\$ 15,000.00	\$ -	\$ -
Total Expense	\$ 309,866.09	\$ 314,537.10	\$ 327,047.36	\$ 1,109,015.00	\$ (17,181.27)	\$ (4,671.01)
Net Income (Loss)	\$ (36,301.41)	\$ 271,658.00	\$ 62,326.64	\$ 768,335.00	\$ (98,628.05)	\$ (307,959.41)
Salaries/benefits	\$ 255,846.55	\$ 259,677.83	\$ 265,614.00	\$ 812,465.00	\$ (9,767.45)	\$ (3,831.28)
Benefits	\$ 59,732.13	\$ 52,435.83	\$ 58,338.00	\$ 178,450.00	\$ 1,394.13	\$ 7,296.30



MONITORING REPORT

To: Benchers

From: Leah Kosokowsky and Colleen Malone

Date: August 30, 2023

Re: Investment Compliance - June 30, 2023

The Law Society's Investment Committee exists to review and amend the investment policies and goals for both the Reserve Fund and the Office Staff Pension Fund. The current policy was last amended in August 2022. This Committee also reviews the performance of the Society's portfolio and monitors compliance with the investment policies.

Since 2011, Mawer Investment Management has been providing the expertise regarding investment advice and options. RBC is the holder or custodian of these investments.

The Investment Committee meets with its Mawer advisor, currently Andrew Johnson, at least once annually. At this meeting, the Committee is updated on Mawer's philosophy/personnel changes, the performance of the investment and compliance with the asset allocation guidelines as defined within the policies. Since the onset of the pandemic, these meetings have been held virtually, which has worked well as Mawer is located in Calgary.

On a quarterly basis, Mawer provides an investment and compliance report for each fund. RBC provides a monthly report for each, which is used for recording purposes. Attached to this report is the quarterly compliance reports for both the Reserve Fund and the Office Staff Pension Fund for June 30, 2023. This report shows the investments are in compliance with the guidelines established by the Investment Committee.

The last Investment Committee meeting was held on June 29, 2022. We are currently working at scheduling the next meeting in the month of October 2023.

As of June 30, 2023, the investments held for the Office Staff Pension Plan had a cost of approximately \$29.1 million and a market value of approximately \$33.0 million. The assets continually increase with regular pension contributions by the Society's employees, the required

payment by the Society itself and the returns earned. These investments will eventually be used to satisfy the Society's pension obligations. The first six months of 2023 saw a rate of return of 5.13%, which fell short of the benchmark by 1.32%. Since inception, the pension portfolio has experienced a return of 8.24%, exceeding the benchmark that was established of 6.61%.

The investments held for the Reserve Fund (cost of approximately \$23.9 million and a market value of approximately \$24.9 million at June 30, 2023) are maintained for possible reimbursement and insurance payouts as well as for operational shortfalls. For the six months ended June 30, the assets had a rate of return of 4.32% (blended benchmark of 5.24%). Since Mawer became the Society's investment counsel in 2011, the return has been 6.41%, exceeding the benchmark of 5.25%.

Although the markets continued to be resilient, Mawer's philosophy is to stay balanced and prepared for a variety of different scenarios.

ATC.

Investment Policy

As at: June 30, 2023

Account Name: Law Society of Manitoba Reserve Fund

Account Number: 1713894

	Policy (%)		Actual (%)*
	Min	Max	
Cash and Cash Equivalents	0	20	9.4
Fixed Income	40	75	50.9
Canadian Fixed Income			50.9
Equity	25	55	39.6
Canadian Equity	5	25	12.3
Foreign Equity	15	35	27.3

*Based on security level exposure

Compliance Guidelines:

Effective as of August 2022

General Compliance:

Asset class weights are within maximum and minimum limits

In Compliance

No prohibited investments (as defined by the IPS) have been made

In Compliance

Each mutual fund and pooled fund utilized in the portfolio is in compliance with its respective Investment Policy Statement (IPS). There have been no changes to the IPS of any of the underlying mutual or pooled funds during the reporting period.

In Compliance

- Further, a copy of the underlying mutual/pooled fund IPS' compliance statements are available upon request at any time.

- In the event there is a change to one of the underlying IPS', a summary of the change and updated IPS will be provided as per Section 6.2 of the Law Society of Manitoba's IPS'

Notes/Reasons for Non-Conformity:

Manager Signature



Date: July 27, 2023

Andrew Johnson, CFA

Investment Policy

As at: June 30, 2023

Account Name: Law Society of Manitoba Office Staff Pension Plan

Account Number: 1713893

	Policy (%)		Actual (%)*
	Min	Max	
Cash and Cash Equivalents	0	20	10.1
Fixed Income	30	55	31.0
Canadian Fixed Income			31.0
Equity	40	70	58.9
Canadian Equity	15	35	20.6
Foreign Equity	25	45	38.3

*Based on security level exposure

Compliance Guidelines:

Effective as of August 2022

General Compliance:

Asset class weights are within maximum and minimum limits

In Compliance

No prohibited investments (as defined by the IPS) have been made

In Compliance

Each mutual fund and pooled fund utilized in the portfolio is in compliance with its respective Investment Policy Statement (IPS). There have been no changes to the IPS of any of the underlying mutual or pooled funds during the reporting period.

In Compliance

• Further, a copy of the underlying mutual/pooled fund IPS' compliance statements are available upon request at any time.

• In the event there is a change to one of the underlying IPS', a summary of the change and updated IPS will be provided as per Section 6.2 of the Law Society of Manitoba's IPS

Notes/Reasons for Non-Conformity:



Manager Signature

Date: July 27, 2023

Andrew Johnson, CFA