

**NOVA SCOTIA BARRISTERS' SOCIETY**

**HEARING COMMITTEE**

**IN THE MATTER OF:**                    The *Legal Profession Act*, S.N.S. 2004, c.28,

**BETWEEN:**

**The Nova Scotia Barristers' Society**

Applicant

- and -

**Jason Boudrot**

Respondent

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**RESOLUTION**

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**WHEREAS** the Charges dated May 13, 2019 were laid by the Nova Scotia Barristers' Society (the "Society") against Jason Boudrot (the "Member"), pursuant to Regulations made under the *Legal Profession Act*, S.N.S. 2004, c. 28;

**AND WHEREAS** a Settlement Agreement was negotiated between the Society and the Member and was presented to the Panel composed of members of the Hearing Committee;

**AND WHEREAS** the Settlement Agreement has been consented to by the Member and the Society and recommended by the Complaints Investigation Committee;

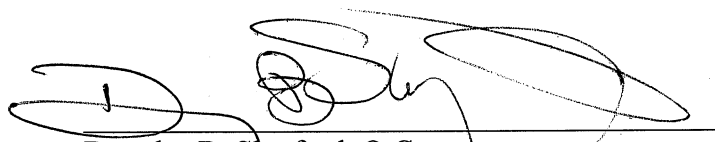
**AND WHEREAS** the Panel of the Hearing Committee unanimously approved the Settlement Agreement;

**IT IS RESOLVED THAT** pursuant to the provisions of Section 42(k) of the *Legal Profession Act*, S.N.S. 2004, c. 28, the Settlement Agreement, a copy of which is attached hereto as Schedule "A", is hereby approved and the Member is disbarred on the following terms:

1. The Member's disbarment from the Society will be effective upon the approval and execution of this Settlement Agreement by the Hearing Panel, pursuant to Section 45(4)(a) of the *Legal Profession Act*, S.N.S. 2004, c. 28;
2. The Member shall not be entitled to apply for readmission to the Bar for a period of at least five years;
3. The Member shall adhere to the Nova Scotia Barristers' Society Guidelines for Suspended or Disbarred Members and those who are Permitted to Resign;

4. In the event that the Member applies for readmission, all relevant information and documents in the possession of the Society shall be made available to the Credentials Committee;
5. In the event that the Member applies for readmission, the Member will pay a special assessment levy in an amount representing 50% of the costs of the Society-appointed Custodian for the practice of law of the Member and ALRG (formerly Boudrot Rodgers Law Group Inc.); and
6. There shall be no costs.

**DATED** at Halifax, Nova Scotia this 25<sup>th</sup> day of September, 2019.



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Douglas B. Shatford, Q.C.  
Chair of the Panel of the Hearing Committee of the  
Nova Scotia Barristers' Society

## Schedule "A"

2019

### NOVA SCOTIA BARRISTERS' SOCIETY

**IN THE MATTER OF:** *The Legal Profession Act*, S.N.S. 2004, c. 28 and the Regulations of the Nova Scotia Barristers' Society, as amended

**BETWEEN:** The Nova Scotia Barristers' Society (the "Society")

- and -

Jason Boudrot of Port Hawkesbury, Nova Scotia

### SETTLEMENT AGREEMENT

**Whereas** on October 29, 2018, the Executive Director of the Society authorized the commencement of an investigation of Jason Boudrot's law practice (the "Complaint").

**And Whereas** the investigation of the Complaint resulted in a formal complaint, dated May 13, 2019, against Mr. Boudrot alleging breaches of the Code of Professional Conduct and the *Legal Professional Act* and the Regulations thereunder (the "Charges").

**Now, Therefore** Jason Boudrot, a member of the Society, hereby consents to a disposition of the Charges. Mr. Boudrot does not contest the Charges and does not admit guilt to the allegations set out in this Agreement in respect of the Charges.

#### I. Member Background

1. Jason Boudrot was called to the Nova Scotia Bar in 1997.
2. Mr. Boudrot practiced with LeBlanc MacDonald in Port Hawkesbury, Nova Scotia from 1997 to 2005, at which time the firm name changed to MacDonald Boudrot Law Firm.
3. In 2007, the firm again changed name to Boudrot Rodgers Law Inc. ("BRLI") when Mr. Boudrot and Adam Rodgers became law partners.
4. At the time the complaint arose, Mr. Boudrot conducted a general practice that included primarily real estate and wills/estates. At this time, BRLI had a head office in Port Hawkesbury, with satellite offices in Halifax, Baddeck, Antigonish, and Inverness.
5. Mr. Boudrot has no prior relevant complaints history.

## II. Allegations

6. On October 29, 2018, Mr. Boudrot reported to the Society that he had some issues with his trust account. It was later reported that BLRI's trust account was short by approximately \$290,000.
7. On October 31, 2018, without opposition from Mr. Boudrot, Mr. Boudrot's practicing certificate was suspended by the Complaints Investigation Committee under s. 37 (1) of the *Legal Profession Act*. A forensic audit was also ordered pursuant to s. 36(2)(f) of the *Legal Profession Act*. Grant Thornton was retained as auditors.
8. On November 6, 2018, John Rafferty, Q.C. was appointed Receiver for the practice of Jason Boudrot.
9. Mr. Rafferty discovered that for many months during 2018, BRLI's general account was in overdraft. Throughout 2018, BRLI was in significant debt. Adam Rodgers attempted to continue to operate the firm, and changed its name to Adam Rodgers Law Group ("ARLG").
10. On November 21, 2018, the Bank of Nova Scotia provided Mr. Boudrot with notice of default under a loan agreement and advised Mr. Boudrot that they would be appointing a consultant to assist in assessing Mr. Boudrot's financial affairs.
11. In December 2018, ARLG became insolvent. On December 10, 2018, the Court ordered the appointment of John Rafferty, Q.C. as Custodian for the law firm of ARLG (formerly Boudrot Rodgers Law Group Inc.) and Jason Boudrot.
12. On December 21, 2018, Mr. Boudrot made an Assignment in Bankruptcy. His debts are listed as \$1,334,096 and assets listed at \$288,334.
13. At least three creditors have filed court actions against Mr. Boudrot:
  - a. On February 22, 2019, the Toronto Dominion Bank filed a Notice of Action for Debt and Claim, claiming an amount of \$93,406.65;
  - b. In March, 2019, Business Development Bank of Canada filed a law suit against BRLI, ARLG, and Mr. Boudrot personally;
  - c. In April, 2019 BridgePoint Financial Services Ltd filed a law suit against BRLI for a claimed debt of \$535,000.
14. On February 5, 2019 and March 20, 2019, Mr. Rafferty reported on the status of the Custodianship. Based on Mr. Rafferty's review of Mr. Boudrot's files and from information contained in claims files, the Society alleges:

- a. Between January 1, 2016 and October 31, 2018, Mr. Boudrot created invoices not supported by file work, primarily on files involving wills and estates matters, non-resident holdbacks on real property transactions, and construction holdbacks.
  - b. During the period from January 1, 2016 and October 31, 2018, clients were not provided with copies of the invoices referred to above, and clients understood and believed that their matters were moving forward.
  - c. Mr. Boudrot caused funds to be removed from clients' trust accounts for purposes other than for clients' benefit.
  - d. In some cases, the misappropriated trust funds were subsequently replenished in whole or in part.
15. On February 15, 2019, Grant Thornton provided the results of its forensic audit of trust fund transactions from January 1, 2016 to October 31, 2018. This Report identified numerous trust transactions where invoices were paid out of trust funds without records necessary to confirm the work performed by Mr. Boudrot in order to substantiate the invoices.
16. To date, the Society has received 52 claims against the Lawyers' Fund for Client Compensation. Fifteen (15) of these claims have been approved, and the remaining claims are in the process of assessment. For the approved claims, clients have thus far been paid \$261,115.23 in total.

### **III. The Complaint**

17. Charges against Mr. Boudrot were issued in a Complaint dated May 13, 2019, alleging that Mr. Boudrot has engaged in conduct that constitutes professional misconduct, because he:
- a. Failed to carry on the practice of law and discharge responsibilities to his clients honourably and with integrity, contrary to Rule 2.1-1 of the Code;
  - b. Failed to observe all relevant laws and rules respecting the protection and safekeeping of clients' property entrusted to him, contrary to Rule 3.5-2 of the Code;
  - c. Charged fees that were not fair, reasonable, and/or disclosed in a timely manner, contrary to Rule 3.6-1 of the Code;
  - d. Withdrew or transferred funds from clients' trust accounts for improper purpose, contrary to Regulation 10.3.4; and
  - e. Failed to protect clients' interests, contrary to Regulation 10.3.5.

(collectively, the "Charges")

#### IV. No Contest

18. Mr. Boudrot does not contest the Charges and does not admit guilt.

#### V. Acceptance of Penalty and Disposition

19. Mr. Boudrot consents to and accepts the following disposition of this matter:

- a. Mr. Boudrot shall be disbarred, pursuant to Section 45(4)(a) of the *Legal Profession Act*, S.N.S. 2004, c. 28. , effective upon the acceptance of this Settlement Agreement by the Hearing Panel;
- b. Mr. Boudrot agrees that he cannot apply for readmission to the Bar for a period of at least five years;
- c. In the event that Mr. Boudrot applies for readmission, all information and documents in the possession of the Society shall be made available to the Credentials Committee; and
- d. Mr. Boudrot shall adhere to the Nova Scotia Barristers' Society Guidelines for Suspended or Disbarred Members and those who are Permitted to Resign.

20. Notwithstanding the Society's discretion under section 44(2)(d) of the *Legal Professional Act* to release information to law enforcement authorities and under section 44(2)(e) and 77A(3) of the *Legal Professional Act* to release specific information to specific persons where it is in the public interest to do so, the Society agrees that materials related to the Complaint and the investigation of the Complaint (including Grant Thornton's report) are confidential and, except as compelled by law (legislation, warrant, subpoena, order, etc), shall not be disclosed to:

- a. Police, RCMP, or other authorities or agencies; or
- b. Creditors, civil litigants, or members of the general public

For clarity, (1) in relation to claims under the Lawyers' Fund for Compensation, the number of claimants paid and the amounts paid; and (2) this Settlement Agreement if accepted by the Hearing Panel, are not "materials related to the Complaint and the Investigation of the Complaint" and may be disclosed by the Society.

21. The consent and acceptance are made only for the purpose of proceedings pursuant to Part III of the *Legal Profession Act*, SNS 2004, c.28.

#### VI. Costs


22. It is agreed that, given Mr. Boudrot's cooperation in the early resolution of this matter, there shall be no costs payable.

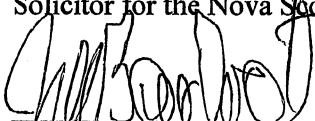
23. In the event that Mr. Boudrot applies for readmission, Mr. Boudrot will pay a special assessment levy in an amount representing 50% of the costs of the Society-appointed Custodian for the practice of law of Mr. Boudrot and ARLG (formerly Boudrot Rodgers Law Group Inc.).

This Settlement Agreement shall only become effective and binding upon its acceptance by the Hearing Panel appointed to conduct the hearing of the Complaint.


**THIS SETTLEMENT AGREEMENT** made this 18<sup>th</sup> day of July, 2019.

**CONSENTED TO BY:**

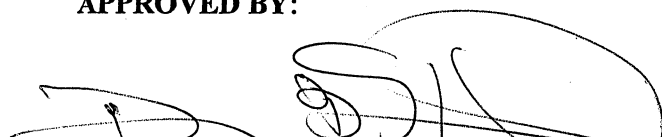
  
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Bernadine MacAulay  
Solicitor for the Nova Scotia Barristers' Society


  
\_\_\_\_\_  
Jason Boudrot

**RECOMMENDED BY:**

  
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Complaints Investigation Committee this 18<sup>th</sup> day of July, 2019.  
(Elizabeth Wernik, Chair)

**APPROVED BY:**

  
\_\_\_\_\_  
Hearing Panel of the Nova Scotia Barristers' Society, this 15 day of Sept, 2019.

  
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Hearing Panel of the Nova Scotia Barristers' Society, this 25 day of Sept, 2019

  
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Hearing Panel of the Nova Scotia Barristers' Society, this 25 day of September, 2019