

# Communiqué

Number 119

26th February 1982

To clarify the amendment to Rule 10.1: When a Solicitor quotes a fee for a real estate transaction or bills a fee for such a transaction, the fee quoted or billed must be a single amount which shall include fees for services performed by the lawyer or anyone else, including free-lance title searchers or conveyancers, and fees payable by the lawyer for services performed by others cannot be billed as a disbursement. The lawyer may, however, indicate in his quotation or bill that part of the fee represents fees he will pay or has paid for services performed by other persons. The Rule is not applicable to fees paid by the lawyer to a lawyer in another community to perform certain services in connection with a transaction.

Budget Resolution 27 that for fiscal periods ending after 1981, work in progress at the end of the period be included in computing income for that period is to be phased in over two years so will not affect fiscal periods ending on or before December 31st, 1982 and for the 1983 fiscal period only one half of the year end work in progress need be included in professional income. After this transition, cost of work in progress will not be deductible until revenue from the work is included in income. Cost of work in progress will not include fixed or indirect overheads such as rental, secretarial and general office expenses, but is restricted to costs to be recovered in future billings such as salaries paid to professional employees. No cost need be imputed to partners' time.

Convocation voted today to form a standing committee on Continuing Legal Education separate from the Legal Education Committee and with a separate budget.

The rights and privileges of over 300 members of the Society were suspended today for failure to pay their annual fees.

James Howard Freeman Dunham of Hamilton was disbarred. He had misappropriated over \$65,000 of clients' trust funds.

Norman James Peter Melnick of Toronto was reprimanded in Convocation and required to pay costs of \$3,750 within 90 days. He had failed to maintain his professional accounts properly. Certain clients' funds, though at all times under his control, were placed in a trust account other than his firm trust account.

Samuel Stein of Toronto was disbarred. He had made misrepresentations to clients in connection with a mortgage transaction and misapplied funds given to him for investment purposes by clients.

Kenneth Jarvis,  
Secretary.