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Case No:

BEFORE THE SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974 (as amended)

AND IN THE MATTER OF:

SOLICITORS REGULATION AUTHORITY LIMITED

Applicant

and

**JUDE SEBASTIAN FLETCHER
(ALSO KNOWN AS JUDE GRAMMER)**

Respondent

**STATEMENT PURSUANT TO RULE 12(2) OF THE SOLICITORS (DISCIPLINARY
PROCEEDINGS RULES) 2019**

I, **TINA WHITMAN**, am a Solicitor and Legal Director at Blake Morgan LLP of One Central Square, Cardiff, CF10 1FS.

I make this Statement on behalf of the Applicant, the Solicitors Regulation Authority Limited ("**SRA**").

The Allegations

1. The allegations against the Respondent, Mr Jude Sebastian Fletcher (also known as Jude Grammer), are that, while in practice as a solicitor at Fletcher Day Limited of 30 Moorgate, London, EC2R:

1.1 Between January 2022 and July 2022, the Respondent misappropriated a minimum of £997,417.58 of client money, contributing to an overall client account shortage of £2,096,757.59 as at 30 September 2022.

In doing so, the Respondent breached Rules 5.1, 5.2 and 6.1 of the SRA Accounts Rules 2019 ("**the Accounts Rules**"), Paragraph 4.2 of

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the Code of Conduct for Solicitors, RELs and RFLs 2019 (“**the Code**”) and Principles 2, 4 and 5 of the SRA Principles 2019 (“**the Principles**”).

The facts and matters relied upon in support of this allegation are set out in paragraphs 21-43 below.

1.2 The Respondent provided the SRA with information which he knew or ought to have known to be false and/or misleading in relation to Metro Bank account number [REDACTED] 5577 in the following ways:

- (a) On or about 9 December 2020, the Respondent provided the SRA with a falsified copy of the statement for Metro Bank account number [REDACTED] 5577 for November 2020, and
- (b) On or about 6 January 2021, the Respondent provided the SRA with a falsified letter from Metro Bank dated 21 December 2020

In doing so, the Respondent breached any or all of Principles 2, 4 and 5 of the Principles and failed to comply with paragraphs 7.3 and 7.4 of the Code.

The facts and matters relied upon in support of this allegation are set out in paragraphs 74-90 below.

1.3 On or about 6 October 2022, the Respondent provided copies of statements for Metro Bank account number [REDACTED] 5577 for the period April 2022 to September 2022 to staff at the Firm to mislead them and which he knew or ought to have known were false.

In doing so, the Respondent breached Paragraph 1.4 of the Code and Principles 2, 4 and 5.

The facts and matters relied upon in support of this allegation are set out in paragraphs 74-90 below.

Appendices and Documents

2. I attach to this Statement the following appendices:

2.1. Appendix 1: Relevant Rules and Regulations

3. I also attach to this statement a bundle of documents, marked “**Exhibit TW1**” to which I refer in this statement. Unless otherwise stated, page references in this statement relate to documents contained in that bundle.

4. The bundle is divided into the following sections:

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- 4.1. Section A: 2023 Forensic Investigation [TW1, 3-232]
- 4.2. Section B: Metro Bank Statement [TW1, 233-268]
- 4.3. Section C: 2021 Forensic Investigation [TW1, 269-340]
- 4.4. Section D: SRA Decisions [TW1, 341-390]
- 4.5. Section E: Tracing [TW1, 392-418]

Professional Details

- 5. The Respondent, who was born on [REDACTED] [REDACTED], is a solicitor, having been admitted to the Roll on 1 September 1999.
- 6. The Respondent is understood to have changed his name to Jude Grammer on or about 20 November 2020 [TW1, 107-110]. A passport was issued in this name on 5 January 2021 [TW1, 112].
- 7. At the time of the alleged misconduct, the Respondent was owner, director, manager and COFA of Fletcher Day Limited ('the Firm') and had been since the Firm's inception.
- 8. The Firm was incorporated on 21 January 2013 [TW1, 361] and traded from 1 September 2014 [TW1, 7]. The Firm was the successor practice of Fletcher Day LLP ('the LLP'), which had traded between 8 November 2010 and 1 September 2014 and was dissolved on 8 September 2015 [TW1, 8]
- 9. The Firm became the successor practice of Silver Law LLP in August 2021.
- 10. The Respondent was based at the Firm's head offices at 30 Moorgate, London, EC2R 6DA.
- 11. The SRA intervened in the Firm on 22 February 2023 [TW1, 341-347].
- 12. The Respondent's Practising Certificate for 2022/2023 was subject to conditions imposed on 8 September 2023 [TW1, 350-357]:
 - 12.1 He may not act as a manager or owner of any authorised body.
 - 12.2 He may act as a solicitor only as an employee and only where the employment has first been approved by the SRA.
 - 12.3 He may not practise on his own account under regulation 10.2(a) or (b) of the SRA Authorisation of Individuals Regulations.

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- 12.4 He is not to act as a compliance officer for legal practice (COLP) or a compliance officer for finance and administration (COFA) for any authorised body.
- 12.5 He does not hold, receive, or have access to client money, or act as a signatory to any client or office account, or have the power to authorise electronic transfers from any client or office account.
13. As of the date of this statement, the Respondent does not have a practising certificate.

The facts and matters relied upon in support of the allegations

Background

14. The conduct in this matter came to the attention of the SRA on 8 February 2023 when the Firm's COLP, [REDACTED] reported to the SRA that HM Revenue and Customs had issued a winding up petition against the Firm for an outstanding debt of £1.2 million [TW1, 8].
15. In summary, it is alleged that, between January and July 2022, the Respondent misappropriated a minimum of £997,417.58 of client money, contributing to an overall client account shortage of £2,096,757.59 as at 30 September 2022. The Respondent also misled the SRA and the Firm in relation to the balance of bank accounts held by Metro Bank and falsified bank statements.
16. In addition to the Respondent, the officers of the Firm in January 2023 were:
- 16.1 [REDACTED] Person A, director and solicitor. Person A resigned on [REDACTED].
- 16.2 [REDACTED] Person B, director and solicitor. Person B resigned on [REDACTED].
- 16.3 [REDACTED], COLP and solicitor.
- 16.4 [REDACTED], MLRO, MLCO and solicitor.
17. Following meetings between the Firm, the SRA and the Firm's insolvency practitioners, the SRA took the decision to intervene in the Firm on 21 February 2023 as the Firm was insolvent, had client account deficiencies and the Respondent was missing and/or believed to be too unwell to manage the Firm [TW1, 346].
18. The Firm held accounts with Lloyds Bank PLC ('Lloyds') and Metro Bank PLC ('Metro Bank').

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19. The SRA commissioned a Forensic Investigation in April 2023. The Forensic Investigation Report was produced on 26 September 2023 [TW1, 3-24].
20. The Firm had previously been the subject of a Forensic Investigation between December 2020 and 1 November 2021 [TW1, 269-299].

Allegation 1.1 - The Respondent misappropriated a minimum of £997,417.58 of client money, contributing to an overall client account shortage of £2,096,757.59 as at 30 September 2022.

Particularisation of Allegation 1.1

21. The SRA relies upon paragraphs 14-20 above. Additionally, the SRA relies upon the following facts and matters.
22. The Firm's cashier, [REDACTED] had carried out the last client account reconciliation for the Firm in September 2022. There had been no reconciliations since that date [TW1, 9].
23. The reconciliation carried out in September 2022 had indicated that the Firm held sufficient client monies to meet its total liabilities to clients [TW1, 13 and 38-39]
24. The September 2022 reconciliation had included a statement dated September 2022 from Metro Bank showing that there were funds of £2.1 million being held in account number [REDACTED]5577 [TW1, 69] which were sufficient to balance the reconciliation [TW1, 5].
25. The September 2022 Metro Bank statement had been provided to [The Cashier] by the Respondent on 6 October 2022 [TW1, 41]. [The Cashier] did not have access to the Metro Bank account and was reliant on the Respondent providing him with the necessary statements [TW1, 39].
26. The other officers of the Firm have advised the SRA as follows:
- 26.1 [Person B] was not provided with any information relating to the Firm's accounts despite making a number of requests. In interview on 6 July 2023, he stated *'I'd been asking for access to the client account and access to the banking, or...to be on the banking mandate and authorisation, which I wasn't...'* [TW1, 144] and in response to a question asking him what he knew about the Metro Bank accounts *'Absolutely nothing'* [TW1, 164].

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- 26.2 **Person A** was not on the banking mandates and never gave a bank instruction. At interview on 31 July 2023, in response to questions about who was on the bank mandate, he stated *'I assumed it would have only been Jude by himself because he signed off everything'* [TW1, 192] and regarding operation of the online banking facility *'I always thought it was only Jude who could do the client processing...'* [TW1, 192]. **Person A** only found out about the Metro Bank accounts in February 2023 [TW1, 193].
- 26.3 **The COLP** was interviewed on 31 July 2023. She advised that *'Jude was the one that was authorised [sic] the payments...they weren't allowed to just do things without Jude's authority...'* [TW1, 222]. She also advised that *'I wasn't aware until the, prior to the intervention, that we had a Metro Bank account'* [TW1, 226]
27. At a meeting on 10 February 2023, representatives of the Firm informed the SRA that the last contact between the Respondent and the Firm had been on 2 February 2023 [TW1, 8-9].
28. By 14 February 2023, it had been identified that there was a potential client account shortfall [TW1, 25-27]. The Firm could not get access to the account held by Metro Bank as the accounts were in the name of the LLP with the Respondent being the only signatory [TW1, 9].
29. As a result of the SRA's intervention in the Firm, both Lloyds and Metro Bank provided details of accounts held by the Firm and the LLP.
30. There were three accounts held on behalf of the Firm by Lloyds. The signatories to these accounts, according to a mandate signed in 2020, were the Respondent, **██████████** (former Head of Accounts) and **██████████** (Administrator) [TW1, 54-57]. At intervention, the balances on the Lloyds accounts were [TW1, 11]:

Account Name	Account Number	Account Balance
Lloyds Client	██████7368	£184,248.20 Credit
Lloyds Reserve	██████0360	£0.00
Lloyds Business	██████0768	£9,930.44 Credit

31. There were three accounts held on behalf of the LLP by Metro Bank. Metro Bank did not hold any accounts in the name of the Firm. At intervention, the balances on the Metro Bank accounts were [TW1, 12]:

Account Name	Account Number	Account Balance	Date of Last Transaction
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Client	██████████5488	£38.00 Credit [TW1, 61]	01.01.2023
Client	██████████5537	£16.09 Credit [TW1, 62]	28.03.2022
Client	██████████5577	£3,165.92 Credit [TW1, 64]	12.07.2022

32. The Forensic Investigation Officer ('FIO'), ██████████, utilised an extraction date of 30 September 2022 to assess the Firm's liabilities to clients. The information available at that date was:

Liabilities to Clients	£3,748,261.28 [TW1, 88]
Cash held in Lloyds client accounts	£1,648,261.28 [TW1, 89]
Difference	(£2,100,000.000)
Cash held in Metro Bank client accounts	£3,242.41 [TW1, 90-93]
Total client account shortage	(£2,096,757.59) [TW1, 17]

33. The FIO was not able to fully identify the cause of the cash shortage of £2,096,757.59 [TW1, 17], but part of the shortage was caused by the following transactions involving Metro Bank account ██████████5577:

	Date	Payments In	Payments Out	Balance
1	28.01.2022	£2,000,000.00 by CHAPS from Firm's Lloyds client account ██████████0360		£2,000,650.00 [TW1, 99]
2	28.01.2022		£66.50 transfer to office account	£2,000,583.50 [TW1, 99]
3	29.01.2022		£20,000 Faster payment to Jude Grammer 'sale of oxford gate'	£1,980,583.50 [TW1, 99]
4	29.01.2022		£250,000 Faster payment to Jude Grammer 'Sale of Oxford GTE'	£1,730,583.50 [TW1, 99]
5	31.01.2022		£706,417.58 Faster payment to Jude Grammer 'Sale of Oxford GTE'	£1,024,165.92 [TW1, 99]
6	18.02.2022		£500,000 by CHAPS to Lloyds	£524,165.92 [TW1, 99]

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			Client [REDACTED] 7368 'Return client fund'	
7	24.02.2022		£500,000 by CHAPS to Lloyds Client [REDACTED] 7368 'Return client fund'	£24,165.92 [TW1, 100]
8	10.3.2022	£50,000 from Jude Grammer 'purchase funds'		£74,165.92 [TW1, 101]
9	11.3.2022	£150,000 from Jude Grammer 'purchase funds'		£224,165.92 [TW1, 101]
10	24.03.2022		£20,000 Faster payment to [REDACTED] Client A [REDACTED] 'replay cl'.	£204,165.92 [TW1, 101]
11	24.03.2022		£80,000 Faster payment to [REDACTED] Client A	£124,165.92 [TW1, 101]
12	11.05.2022		£20,000 Faster payment to Jude Grammer 'share sale'	£104,165.92 [TW1, 101]
13	13.05.2022		£20,000 Faster payment to Jude Grammer 'share sale pt2'	£84,165.92 [TW1, 101]
14	14.05.2022		£20,000 Faster payment to Jude Grammer 'share sale part 3'	£64,165.92 [TW1, 102]
15	16.05.2022		£20,000 Faster payment to Jude Grammer 'share sale pt 4'	£44,165.92 [TW1, 102]
16	19.05.2022		£20,000 Faster payment to Jude Grammer 'share sale pt5'	£24,165.92 [TW1, 102]
17	12.07.2022		£21,000 Faster payment to Jude Grammer 'share sale'	£3,165.92 [TW1, 102]

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Final balance at 27 February 2023 before transfer to SRA	£3,165.92
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34. These transactions show that a total of £897,417.58 was paid out of client funds held in account [REDACTED] 5577 to 'Jude Grammer' between 29 January and 12 July 2022. These payments were made after the Respondent had changed his name from Jude Fletcher to Jude Grammer (see paragraph 6 above).
35. The three payments made from account [REDACTED] 5577 to Jude Grammer in January 2022 refer to the sale of 'Oxford Gate'. This is a reference to a property at [REDACTED] Oxford Gate, [REDACTED], which had associations with the Respondent, being the address given by the Respondent on the Deed Poll of 20 November 2020 and on the Individual Insolvency Register as the Respondent's last known address [TW1, 348].
36. The Register of Title for [REDACTED] Oxford Gate confirms that this property was last sold on 29 September 2009 and the registered proprietor since 14 October 2009 had been [REDACTED] [TW1, 113].
37. On 24 March 2022, two payments, totalling £100,000, were made to Client A [REDACTED], who was both a client of, and lender to, the Firm.
38. Client A [REDACTED] had initially loaned £750,000 to the Firm in March 2016. This loan had been renewed on 1 April 2020, [TW1, 115-122] to be repaid in instalments of £250,000 on 31 December 2020, 21 December 2021 and 31 December 2022 [TW1, 118].
39. As at 21 June 2021, the Firm owed £403,750 to Client A [REDACTED] [TW1, 123].
40. Nominal balance reports for early 2022 demonstrate the following:
- 40.1 The report printed on 10 March 2022 [TW1, 129] shows the amount owed to Client A [REDACTED] ('3703: Loan Client A [REDACTED]') was £373,939.50.
- 40.2 The report printed on 14 April 2022 [TW1, 130] shows the amount owed to Client A [REDACTED] ('3703: Loan Client A [REDACTED]') was £323,939.50, a reduction of £50,000 from the previous month.
- 40.3 The report printed on 10 May 2022 [TW1, 131] shows the amount owed to Client A [REDACTED] ('3703: Loan Client A [REDACTED]') was £313,939.50, a reduction of £10,000 from the previous month.

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41. The Firm's Lloyd's Bank business account shows three payments to 'Client A' on 28 February 2022, 24 March 2022 and 21 April 2022, of £8,750, £50,000 and £10,000 respectively [TW1, 21].
42. Client ledger balance reports for early 2022 demonstrate the following matters being handled by the Firm for Client A. Client A is a Company A [TW1, 133-134].

Date Report Printed	Client Name	Description	Client Balance	TW1 Ref.
10.03.2022	Client A	Purchase – Land Parcel, [REDACTED] London	£1,307.56	TW1, 124
14.04.2022	Company A	R/F 282/284 [REDACTED] London	£50.00	TW1, 125
14.04.2022	Client A	Purchase – Land Parcel, [REDACTED] London	£2,680.44	TW1, 126
10.05.2022	Company A	R/F 282/284 [REDACTED] London	£50.00	TW1, 127
10.5.2002	Client A	Purchase – Land Parcel, [REDACTED] London	£202.44	TW1, 128

43. The Respondent was not a director of any company other than the Firm, in either the name of Fletcher or Grammer [TW1, 358-361], at the time of the payments made to Jude Grammer for 'share sales' between 11 May and 12 July 2022.
44. The Respondent has not provided any representations for the reasons set out in paragraphs 121 and 124 below.

Breaches of the Principles, the Code, the Accounts Rules and the Code for Firms in relation to Allegation 1.1

The Respondent misappropriated a minimum of £997,417.58 of client money.

Principle 4 – Honesty

45. The Applicant relies upon the test for dishonesty stated by the Supreme Court in *Ivey v Genting Casinos [2017] UKSC 67*, which applies to all forms of legal

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proceedings, namely that the person has acted dishonestly by the ordinary standards of reasonable and honest people:

“When dishonesty is in question the fact-finding tribunal must first ascertain (subjectively) the actual state of the individual’s knowledge or belief as to the facts. The reasonableness or otherwise of his belief is a matter of evidence (often in practice determinative) going to whether he held the belief, but it is not an additional requirement that his belief must be reasonable; the question is whether it is genuinely held. When once his actual state of mind as to knowledge or belief as to facts is established, the question whether his conduct was honest or dishonest is to be determined by the fact-finder by applying the (objective) standards of ordinary decent people. There is no requirement that the defendant must appreciate that what he has done is, by those standards, dishonest.”

46. Between 28 January 2022 and 12 July 2022, the Respondent knew or believed the following matters:

- 46.1 That he was the only signatory to the three Metro Bank accounts which were operating in the name of the LLP, and the only person who could authorise payments out of the accounts.
- 46.2 That he was the only person with access to the three Metro Bank accounts and that information about those accounts could only be obtained by him.
- 46.3 That client funds of £2 million had been transferred into the LLP’s Metro Bank account [REDACTED]5577 from the Firm’s Lloyds client account on 28 January 2022.
- 46.4 That payments were paid out of Metro Bank account [REDACTED]5577 to Jude Grammer on 29 and 31 January 2022, a name which the Respondent had adopted in or around November 2020.
- 46.5 That those payments made to Jude Grammer on 29 and 31 January 2022 purported to relate to the sale of a property at [REDACTED] Oxford Gate, [REDACTED], to which the Respondent had an apparent connection, but not as the proprietor or seller.
- 46.6 That payments totalling £100,000 were paid out of Metro Bank account [REDACTED]5577 on 24 March 2022. Those payments were stated to be made to **Client A**, but did not relate to any client matters which the Firm was handling on **Client A**’s behalf at the material time.

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- 46.7 That payments totalling £121,000 were paid out of Metro Bank account [REDACTED] 5577 to Jude Grammer between 11 May and 12 July 2022. Those payments were stated to relate to the sale of shares but the Respondent did not own shares in any companies listed in Companies House other than the Firm.
- 46.8 That all payments out of Metro Bank account [REDACTED] 5577 between 29 January and 12 July 2022 were taken from client money but not for client purposes.
- 46.9 That by permitting client money to be transferred from the Firm's Lloyds client account to Metro Bank account [REDACTED] 5577 and then permitting payments to be made out of Metro Bank account [REDACTED] 5577 for non client related reasons, the Firm's client account reserves would be depleted, leading to a client account shortage.
47. A solicitor acting honestly is expected to be scrupulous about the management and safeguarding of client money. As an experienced solicitor, owner, director and COFA, the Respondent would understand that he had no entitlement to client money, save in payment of the Firm's fees.
48. By transferring funds from the Firm's Lloyds Bank client account into Metro Bank account [REDACTED] 5577 to which he had sole access, and then making payments to himself or others out of the Metro Bank account, the Respondent deliberately sought to misappropriate client funds.
49. The transfer of monies to Jude Grammer in January, May and July 2022 could only have been authorised by the Respondent for his own benefit as the payments were not made in relation to any legitimate transaction where the Firm was acting on his behalf.
50. The transfer of monies to 'Client A [REDACTED]' on 24 March 2022 could only have been authorised by the Respondent and did not relate to any legitimate transaction where the Firm was acting for Client A [REDACTED]. Any repayment of loan monies due to Client A [REDACTED] should not have been made from client monies.
51. Ordinary and decent people would regard the taking of money belonging to clients for a solicitor's personal benefit and/or the benefit of his Firm as dishonest.
52. Ordinary people would also regard operating bank accounts which are, or purport to be, for the use of the clients of a firm of solicitors, but which are solely accessible to a single individual for his own purposes, with no independent control or oversight, as dishonest.

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53. For the reasons given, the Respondent was dishonest by the standards of ordinary decent people and was in breach of Principle 4.

Principle 5 - Integrity

54. In *Wingate v Solicitors Regulation Authority v Malins* [2018] EWCA Civ 366, it was said by Lord Justice Jackson that integrity connotes adherence to the ethical standards of one's profession:

"Integrity is a broader concept than honesty. In professional codes of conduct the term "integrity" is a useful shorthand to express the higher standards which society expects from professional persons and which the professions expect from their own members".

55. Lord Justice Jackson's judgement in *Wingate* also gave examples of what constitutes acting without integrity, including: "*Subordinating the interests of the clients to the solicitors' own financial interests*" (*SRA v Chan* [2015] EWHC 2659 (Admin)) and "*Making improper payments out of the client account*" (*Scott v SRA* [2016] EWHC 1256 (Admin)).

56. A solicitor acting with integrity is expected to be scrupulous about the management and safeguarding of client money. By transferring funds from the Firm's Lloyds Bank client account into Metro Bank account [REDACTED] 5577 to which he had sole access, and then making payments to himself or others out of the Metro Bank account, the Respondent deliberately sought to misappropriate client funds. The payments out of Metro Bank account [REDACTED] 5577 between 29 January and 12 July 2022 were not accidental or mistaken, as the number, duration and named recipients of the transfers demonstrate a conscious decision to avail himself of client funds for his benefit or the benefit of others, but not for the benefit of clients.

57. In acting in this way, the Respondent has failed to meet the higher standards that the public expects from a solicitor and has demonstrated a lack of integrity.

58. Paragraphs 46-52 are repeated as further evidence of a lack of integrity.

59. The Respondent therefore breached Principle 5 of the SRA Principles.

Principle 2 – Public Trust

60. The conduct alleged also amounted to a breach by the Respondent of the requirement to behave in a way which maintains the trust placed by the public in

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them and in the provision of legal services. As the owner, director and COFA of the Firm, and as a solicitor, the Respondent was in a position of trust and responsibility.

61. Public confidence in the Respondent, in solicitors and in the provision of legal services is likely to be undermined by the Respondent's actions in transferring funds from the Firm's Lloyds Bank client account into Metro Bank account [REDACTED] 5577 to which he had sole access, and then making payments to himself or others out of the Metro Bank account. In so acting, the Respondent has abused the trust placed in him by clients and the public.
62. Paragraphs 46-52 and 56 are repeated as evidence of conduct which undermines public trust and confidence in the solicitor's profession.
63. The Respondent therefore breached Principle 2 of the SRA Principles.

Paragraph 4.2 of the Code – You safeguard money entrusted to you by clients

64. The public places its trust in solicitors and solicitor's firms to protect their money by placing it in a client account where it will only be accessed for the purposes for which it was received from a client. A loss of client money is a fundamental breach of that trust.
65. Lord Justice Jackson in *Levy v SRA* [2011] EWHC 740 (Admin) said: "*Client money is sacrosanct, and a proper stewardship in relation to it is vital. Client money can only be used for that client's matters.*"
66. The significant client account shortage identified in 2023 and the deliberate misappropriation of client money between January and July 2022 demonstrates the Respondent's failure to safeguard the money entrusted to him and his Firm by clients.
67. Paragraphs 46-52, 56 and 61 are repeated as evidence of conduct which failed to safeguard client money.
68. The Respondent therefore breached Paragraph 4.2 of the Code.

Rules 5.1, 5.2 and 6.1 of the Accounts Rules – Withdrawals from client account

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69. There was a withdrawal from the Firm's Lloyds client on 28 January 2022 into Metro Bank account [REDACTED]5577 which also purported to be a client account but was not held in the name of the Firm.
70. There were withdrawals from Metro Bank account [REDACTED]5577 between 29 January and 12 July 2022 which were not made for the purposes for which the client money was being held or following receipt of client instructions.
71. The use of Metro Bank account [REDACTED]5577 was in the sole control of the Respondent and could not be accessed or supervised by the Firm.
72. The transfer of client funds from the Firm's Lloyds client on 28 January 2022 into Metro Bank account [REDACTED]5577 and the subsequent withdrawals from Metro Bank Account [REDACTED]5577 between 29 January and 12 July 2022 led to a client account shortage from at least September 2022 onwards. These monies were not replaced.
73. None of the requisite conditions with respect to Rule 5.1 applied to justify the withdrawals the Respondent is alleged to have made. The Respondent therefore breached Rules 5.1, 5.2 and 6.1 of the Accounts Rules.

Allegation 1.2(a), 1.2(b) and 1.3 - The Respondent provided the SRA and his Firm with false and/or misleading information

Particularisation of Allegations 1.2(a), 1.2(b) and 1.3

74. The first Forensic Investigation into the Firm was commenced by the SRA on 2 December 2020 [TW1, 269-299]. This Forensic Investigation was commissioned due to concerns about use of the Firm's client account as a banking facility, the management and financial stability of the Firm and loans made to the Firm by clients or companies controlled by clients [TW1, 271-272]
75. On 9 December 2020 [TW1, 31], the Respondent sent the SRA's Forensic Investigation Officer ('FIO'), [REDACTED] various documents, including a client account reconciliation for 30 November 2020. This reconciliation included a bank statement for Metro Bank account [REDACTED]5577 for 1-30 November 2020 showing a balance of £1.1 million [TW1, 32].
76. **The FIO** emailed the Respondent on 17 December 2020 asking him to provide *'letters from Metro Bank and Lloyds Bank confirming the balances held in all of the*

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firm's accounts as at 30 November 2020' [TW1, 29]. The FIO used 30 November 2020 as the extraction date for the purposes of the Forensic Investigation.

77. On 6 January 2021 [TW1, 34-35], the Respondent provided The FIO with a letter from Metro Bank dated 21 December 2020 written in the name of ██████████ Business Support Specialist. This letter stated *'I am pleased to confirm that as at close of business on the 30/11/2020, a balance of £1,100,000.00 CR was showing for the Fletcher Day client account with...account number ██████████5577. I can also confirm that the Client Account detailed above is the only account open in the name of Fletcher Day Ltd'* [TW1, 36].
78. At the time of completing her Forensic Investigation Report dated 1 November 2021, The FIO had understood that the Firm operated three bank accounts at Lloyds and account ██████████5577 at Metro Bank and that the Respondent and Ms ██████████ Head of Accounts, were the signatories for all accounts [TW1, 273].
79. The FIO's FIR noted that the Firm had outstanding liabilities of £2,072,865.89 as at 8 June 2021 [TW1, 276].
80. As part of the 2023 Forensic Investigation, the FIO, ██████████ took a witness statement from ██████████ the Firm's cashier [TW1, 38-39]. The Cashier had taken over responsibility for the Firm's client account reconciliations in November or December 2021.
81. The Cashier did not have access to the Metro Bank accounts and had relied on the Respondent to provide statements for the Metro Bank accounts so that he could complete month end reconciliations [TW1, 39].
82. On 6 October 2022, the Respondent had provided The Cashier with statements from Metro Bank account ██████████5577 for the period 1 April to 30 September 2022 [TW1, 42-53]. All six statements were addressed to *'Fletcher Day Ltd Client Deposit Account, ██████████ Monument Street'* and showed a balance of £2.1 million throughout the six month period covered by the statements, with no transactions in or out.
83. Following its intervention in the Firm, the SRA wrote to Metro Bank on 2 March 2023, seeking clarification of the balance of account ██████████5577 [TW1, 65]. The SRA provided Metro Bank with two statements for account ██████████5577:

Account Details	Date of Statement	Period of Statement	Opening and Closing Balances
Fletcher Day LLP, ██████████ Cannon Street	28.02.2023	10.03.22 – 27.02.23	£24,165.92 Credit Opening £3,165.92 Credit Closing [TW1, 67-68]

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Fletcher Day Ltd Client Deposit Account, [REDACTED] Monument Street	30.09.2022	01.09.22 – 30.09.22	£2.1 million Credit Opening £2.1 million Credit Closing [TW1, 69]
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84. These statements were for the same account number, [REDACTED] **5577** but showed the following discrepancies:
- 84.1 Different account holders.
 - 84.2 Different addresses for the account holders.
 - 84.3 Significantly different balances as at September 2022
85. The statement dated 28 February 2023 had been supplied by Metro Bank following the SRA's intervention.
86. The statement dated 30 September 2022 had been supplied by the Respondent to **The Cashier** on 6 October 2022.
87. On 3 March 2023, Metro Bank responded to the SRA, advising that the statements provided by the SRA on 2 March 2023 for account [REDACTED] **5577** did '**not match** the official documents that we hold on file. This account did not have £2.1m in the account in the past 12 months. And the account has never been held in the name of 'FLETCHER DAY LTD CLIENT DEPOSIT ACC'. The statement titled 'Metro Statement_Sep_2022.pdf' that you've received was not issued by Metro Bank' [TW1, 71].
88. The bank statement titled 'Metro Statement_Sep_2022.pdf' was the statement dated 30 September 2022 [TW1, 69] with a balance of £2.1 million which had been provided by the Respondent to **The Cashier** on 6 October 2022.
89. On 6 June 2023, **The FIO** wrote to Metro Bank requesting the following [TW1, 72-74]:
- 89.1 Bank statements for the three Fletcher Day LLP accounts for the period 1 November 2020 to 27 February 2022.
 - 89.2 Confirmation of whether four bank statements addressed to 'Fletcher Day Ltd Client Deposit Acc' for account [REDACTED] **5577** for September, October and November 2020 and September 2022 had been issued by

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Metro Bank and whether the details matched Metro Bank's records.

89.3 Confirmation whether the letter dated 21 December 2020 [TW1, 79] which had been supplied by the Respondent to **The FIO** on 6 January 2021 had been issued by Metro Bank and whether the details given in the letter matched Metro Bank's records.

90. On 14 June 2023, [REDACTED], Financial Crime Enquiries and Orders Support Specialist for Metro Bank, wrote to the SRA [TW1, 80-81]:

90.1 He provided a copy of the official bank statement for account [REDACTED] 5577 in the name of Fletcher Day LLP for the period 1 November 2020 to 27 February 2022 [TW1, 86-87]. This bank statement showed:

90.1.1 An opening balance of £750.00.

90.1.2 An inward payment of £2,000,000.00 from Fletcher Day Ltd on 28 January 2022.

90.1.3 Outgoing payments totalling £1,976,484 made between 28 January and 24 February 2022.

90.1.4 A closing balance as at 27 February 2022 of £24,165.92

90.2 The bank statements supplied by the SRA on 6 June 2023 for account [REDACTED] 5577 for September, October and November 2020 and September 2022 did not match Metro Bank's records. The table below sets out a comparison between the bank statements provided to Metro Bank by the SRA on 6 June 2023 and Metro Bank's records:

Date of Statement	Closing Balance on Statements provided by SRA	Official Closing Balance
1-30 September 2020	£1,100,000.00 CR [TW1, 75]	£750.00 CR [TW1, 82]
1-31 October 2020	£1,100,000.00 CR [TW1, 76]	£750.00 CR [TW1, 83]

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1-30 November 2020	£1,100,000.00 CR [TW1, 77]	£750.00 CR [TW1, 84]
1-30 September 2022	£2,100,000.00 CR [TW1, 78]	£3,165.92 CR [TW1, 85]

90.3 The name on account ██████████ 5577 was Fletcher Day LLP. The account type was a Client Premium Deposit Account.

90.4 Metro Bank's Business and Commercial Support team had '*reviewed their records and have not been able to locate any document matching the letter [dated 21 December 2020]*'.

90.5 As at 30 November 2020, account ██████████ 5577's balance was £750, not £1,100,000 as set out in the letter dated 21 December 2020.

91. The Respondent has not provided any representations due to the SRA's inability to contact him. See paragraphs 121 and 124 below.

Breaches of the Principles and the Code in relation to Allegations 1.2(a), 1.2(b) and 1.3

The Respondent provided false and/or misleading information to the SRA and the Firm

Principle 4 – Honesty

92. The Applicant relies upon the test for dishonesty stated by the Supreme Court in *Ivey v Genting Casinos [2017] UKSC 67* as set out in paragraph 45 above.

93. When, on 9 December 2020 the Respondent provided the SRA with a statement for Metro Bank account ██████████ 5577 for November 2020, he knew or believed:

93.1 That the SRA had instructed **The FIO** to undertake a Forensic Investigation into the Firm with a particular focus on the use of client accounts and the Firm's financial stability.

93.2 That he had a duty to co-operate with the SRA's investigations, to provide full and accurate information and documents and to ensure that relevant information was provided for inspection by the SRA.

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- 93.3 That he had been asked by the SRA to provide details of client account reconciliations.
- 93.4 That Metro Bank account [REDACTED] 5577 had a balance of £750 as at 30 November 2020.
- 93.5 That providing the SRA with a true representation of the balance of Metro Bank account [REDACTED] 5577 would, or may, cause the SRA to have increased concerns about the financial stability of the Firm and trigger some form of regulatory action.
- 93.6 That the SRA would not be able to obtain details of the balance of Metro Bank account [REDACTED] 5577 from any other person within the Firm.
- 93.7 That the SRA would place reliance on the information provided by him.
94. When, on 6 January 2021, the Respondent provided the SRA with a letter from Metro Bank purportedly dated 21 December 2020, he knew or believed:
- 94.1 That the SRA had instructed **The FIO** to undertake a Forensic Investigation into the Firm with a particular focus on the use of client accounts and the Firm's financial stability.
- 94.2 That he had a duty to co-operate with the SRA's investigations, to provide full and accurate information and documents and to ensure that relevant information was provided for inspection by the SRA.
- 94.3 That he had been asked by the SRA to provide letters from the Firm's bankers to confirm the balances held in all the Firm's accounts as at 30 November 2020.
- 94.4 That Metro Bank account [REDACTED] 5577 had a balance of £750 as at 30 November 2020.
- 94.5 That providing the SRA with a genuine letter from Metro Bank giving confirming the true balance of Metro Bank account [REDACTED] 5577 would, or may, cause the SRA to be more concerned about the financial stability of the Firm and trigger some form of regulatory action.
- 94.6 That the SRA would not be able to obtain details of the balance of Metro Bank account [REDACTED] 5577 from any other person within the Firm.
- 94.7 That the SRA would place reliance on the information provided by him.

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95. When, on 6 October 2020, the Respondent provided [REDACTED] the Firm's cashier, with statements for Metro Bank account [REDACTED] 5577 for the period April-September 2022, he knew or believed:
- 95.1 That Metro Bank account [REDACTED] 5577 had not, at any time during that period, had a balance of £2.1 million.
- 95.2 That the balance in Metro Bank account [REDACTED] 5577 had decreased from £124,165.92 to £3,165.92 during the period April-September 2022.
- 95.3 That **The Cashier** would use the statements provided to prepare client account reconciliations.
- 95.4 That **The Cashier** would not be able to obtain details of the balance of Metro Bank account [REDACTED] 5577 from any other person within the Firm and would not be able to check the accuracy of the information provided.
- 95.5 That providing **The Cashier** with statements confirming the true balance of Metro Bank account [REDACTED] 5577 would demonstrate a significant shortage in client account.
- 95.6 That the identification of a significant shortage in client account would trigger a report to the SRA.
96. The information provided by Metro Bank on 3 March and 16 June 2023 confirms that the documents supplied by the Respondent on 9 December 2020, 6 January 2021 and 6 October 2022 were not accurate as they did not match Metro Bank's records. Further, Metro Bank had no record of the letter dated 21 December 2020.
97. The Respondent had full access to Metro Bank account [REDACTED] 5577 and all documents relating to it. He was aware of the true balance in the account. He could not have genuinely believed that the Metro Bank statements and letter variously supplied by him on 9 December 2020, 6 January 2021 and 6 October 2022 were accurate.
98. The Tribunal is invited to draw the inference that the Respondent falsified the Metro Bank statements and letter supplied by him on 9 December 2020, 6 January 2021 and 6 October 2022 to avoid the detection of his misappropriation of client funds and the Firm's financial problems.
99. A solicitor acting honestly is expected to be scrupulous about the accuracy of any documents created or supplied by him. A solicitor acting honestly would ensure

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that he did not create or supply any documents containing untrue or misleading information to either the SRA or his Firm.

100. In providing inaccurate and misleading documents, the Respondent did not act in a way consistent with the high standards to which the profession is held. The Respondent sought to obtain benefit by avoiding identification of the Firm's financial difficulties and his misappropriation of client funds.
101. The Respondent's actions were not consistent with a momentary lapse of judgement, given the degree of planning and consistency of approach demonstrated over an extended period.
102. There is no indication that the Respondent would have admitted to the creation or supply of inaccurate or falsified documentation or to the financial problems faced by the Firm if not for the intervention of HM Revenue and Customs and the SRA.
103. Ordinary decent people would not expect a solicitor to provide misleading information relating to his Firm's financial stability to either his Firm or the SRA. They would also not expect a solicitor to deliberately falsify documentation to mislead his Firm or the SRA as to the Firm's financial position or the misuse of client money.
104. For the reasons given in paragraphs 93-103, the Respondent was dishonest by the standards of ordinary decent people and is in breach of Principle 4.

Principle 5 - Integrity

105. By providing the SRA and his Firm with false and misleading information on 9 December 2020, 6 January 2021 and 6 October 2022, the Respondent failed to act with integrity, i.e. with moral soundness, rectitude and steady adherence to an ethical code. The SRA repeats Lord Justice Jackson's comments in *Wingate*, as set out in paragraph 54 above.
106. A solicitor acting with integrity is expected to be scrupulous about the accuracy of any documents prepared or supplied by him. Such a solicitor acting with integrity would ensure that he did not create or supply any documents containing misleading information.
107. The Respondent knew, or at least should have realised, that providing false or inaccurate bank statements to the SRA and to his Firm would conceal the true financial position of the Firm and avoid further investigation by the SRA and/or

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the Firm making a referral to the SRA. The documentation supplied by him to the SRA on 9 December 2020 and 6 January 2021 and to the Firm on 6 October 2022 were intended to prevent or curtail an investigation into the Firm and/or his own conduct.

108. Paragraphs 93-103 are repeated as evidence of a lack of integrity.

109. The Respondent has shown a lack of integrity and is in breach of Principle 5.

Principle 2 – Public Trust

110. The conduct alleged also amounted to a breach by the Respondent of the requirement to behave in a way which maintains the trust placed by the public in them and in the provision of legal services. Public confidence in the Respondent, in solicitors and in the provision of legal services is likely to be undermined by the Respondent providing false or misleading evidence to his regulator whilst he and his Firm was under investigation.

111. The public would also not expect the owner and director of a firm of solicitors to fail to provide his Firm with false and misleading information, causing that Firm to be unaware of its financial problems. The events set out at paragraphs 25-28 above demonstrate the extent to which the Firm and its officers lacked knowledge of the true financial position of the Firm.

112. Paragraphs 93-103 and 105-107 are repeated as evidence of conduct which undermines public trust and confidence in the solicitor's profession.

113. The Respondent has, therefore, breached Principle 2.

Allegations 1.2(a) and 1.2(b) Only

Paragraph 7.3 and 7.4 of the Code – You co-operate with, and provide full and accurate information to, the SRA

114. The Respondent was the only signatory to Metro Bank account [REDACTED] 5577 and therefore was the only person in a position to know the true balance of that account. The Respondent was also the only person who could provide evidence as to the balance in Metro Bank account [REDACTED] 5577. The evidence obtained from Metro Bank confirms that the information provided by the Respondent to the SRA on 9 December 2020 and 6 January 2021 was false and misleading.

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115. In presenting false and misleading documents to the SRA on 9 December 2020 and 6 January 2021, the Respondent sought to mislead the SRA and prevent a full investigation into the Firm's financial position and his own handling of client money.
116. Paragraphs 93-103, 105-107 and 110-111 are repeated as evidence of conduct which was misleading.
117. The Respondent therefore breached Paragraphs 7.2 and 7.3 of the Code.

Allegation 1.3 Only**Paragraph 1.4 of the Code – You do not mislead or attempt to mislead your clients**

118. The Firm's clients had entrusted their money to the Respondent and his Firm in the expectation that their money would be kept secure and used only for the purposes for which they had provided those funds to the Firm. The Firm's clients would not expect their funds to be misappropriated for the Respondent's own benefit or that of others.
119. By providing false and misleading documentation to the SRA and the Firm, the Respondent concealed from clients that their money had been misappropriated and was no longer available to them.
120. By doing so, the Respondent breached Paragraph 1.4 of the Code.

The SRA's investigation

121. The SRA has been unable to make contact with the Respondent to date. Attempts to contact and trace the Respondent are set out below:
- 121.1 On 4 January 2023, the Respondent emailed **Person B** and the Firm's Practice Manager, stating '*I will not be in the office for the foreseeable future. I'm going to need to set up some form of management or committee to, to assist with the day to day running of the firm while I'm away. I will not be contactable on the phone. I will not be contactable on emails. I will only be contactable intermittently and I will be picking up emails.*' [TW1, 143].
- 121.2 **The COLP** was last in contact with the Respondent by WhatsApp on 6 January 2023 [TW1, 219].

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- 121.3 The Firm's last contact with the Respondent was on 2 February 2023.
- 121.4 The Firm's Practice Manager filed a missing persons report relating to the Respondent [TW1, 185]. The COLP advised in her interview that the police had attended the Respondent's house and had advised that the Respondent did not want to be contacted and was not well [TW1, 217].
- 121.5 Person A attended an address in Notting Hill with a letter [TW1, 185] which might have been Oxford Gate [TW1, 203].
- 121.6 A consultant of the Firm instructed DLG Investigations to carry out a trace on the Respondent and a report was provided on 14 March 2023 [TW1, 398-399]. This identified a possible home address at House but could not identify any properties owned by the Respondent or any other active businesses save for the Firm.
- 121.7 The memorandum and exhibits at TW1, 391-418 set out the attempts made by the SRA to contact the Respondent between 20 February 2023 and 17 September 2024:

Date	Means of Contact	Outcome
20.02.23	Letter to Building	Returned as <i>Addressee Unknown</i> on 22.02.23.
17.03.23	Letter to Building	Returned as <i>No longer at that address</i> on 27.02.23.
27.04.23	Letter to Building	Signed for by 'Conci' on 28.04.23. No response.
11.07.23	Letter to House	Signed for by 'Post Room' on 14.07.23. No response
01.02.23	Telephone call to mobile	Call could not be connected.
02.08.23	Letter to Oxford Gate	Returned as <i>No longer at that address</i> on 04.08.23
17.09.24	Letter to Building	Signed for by 'Concip' on 20.09.24. No response.
17.09.24	Letter to House	Signed for by 'Post Room' on 19.09.24. No response
17.09.24	Letter to Oxford Gate	Returned to sender on 08.10.24. Delivered on 11.10.24. No response.
05.11.24	Tracing Report	Respondent was not located.

122. As part of the 2021 Forensic Investigation, the SRA was provided with a report from Consultant Psychiatrist, dated 7 October 2021, which

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advised that the Respondent had ADHD and recent onset severe depression [TW1, 337-340].

123. On 8 November 2024, the SRA issued a notice recommending referral to the Tribunal [TW1, 362-384]. The SRA took the decision not to disclose the notice to the Respondent as reasonable attempts had been made to contact him without response [TW1, 391-394].

124. As it has not yet been possible to contact the Respondent, he has not provided any representations and there has been no updated medical evidence.

125. On 20 December 2024, an Authorised Decision Maker of the SRA decided to refer the Respondent to the Tribunal [TW1, 385-390].

126. The SRA is continuing to make enquiries to try to trace the Respondent.

Statement of Truth

I believe the contents of this statement are true.



.....

Tina Whitman

Dated this day of 6 May 2025

Sensitivity: General

Case No:

BEFORE THE SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974 (as amended)

AND IN THE MATTER OF:

SOLICITORS REGULATION AUTHORITY LIMITED

Applicant

and

**JUDE SEBASTIAN FLETCHER
(also known as JUDE GRAMMER)**

Respondent

**APPENDIX 1 to STATEMENT PURSUANT TO RULE 12 (2) OF THE SOLICITORS
(DISCIPLINARY PROCEEDINGS RULES) 2019**
Relevant Rules and Regulations

All Allegations

SRA Principles 2019

- | | |
|-------------|---|
| Principle 2 | You act in a way that upholds public trust and confidence in the solicitors' profession and in legal services provided by authorised persons. |
| Principle 4 | You act with honesty |
| Principle 5 | You act with integrity. |

Allegation 1.1 Only

SRA Code of Conduct for Solicitors, RELs and RLFs 2019

- | | |
|---------------|--|
| Paragraph 4.2 | You safeguard money and assets entrusted to you by clients and others. |
|---------------|--|

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SRA Accounts Rules 2019

- Rule 5.1 You only withdraw client money from a client account:
- (a) for the purpose for which it is being held;
 - (b) following receipt of instructions from the client, or the third party for whom the money is held; or
 - (c) on the SRA's prior written authorisation or in prescribed circumstances.
- Rule 5.2 You appropriately authorise and supervise all withdrawals made from a client account.
- Rule 6.1 You correct any breaches of these rules promptly upon discovery. Any money improperly withheld or withdrawn from a client account must be immediately paid into the account or replaced as appropriate.

Allegation 1.2 OnlySRA Code of Conduct for Solicitors, RELs and RLFs 2019

- Paragraph 7.3 You cooperate with the SRA, other regulators, ombudsmen, and those bodies with a role overseeing and supervising the delivery of, or investigating concerns in relation to, legal services.
- Paragraph 7.4 You respond promptly to the SRA and:
- (a) provide full and accurate explanations, information and documents in response to any request or requirement; and
 - (b) ensure that relevant information which is held by you, or by third parties carrying out functions on your behalf which are critical to the delivery of your legal services, is available for inspection by the SRA.

Allegation 1.3 OnlySRA Code of Conduct for Solicitors, RELs and RLFs 2019

Sensitivity: General**Paragraph 1.4**

You do not mislead or attempt to mislead your clients, the court or others, either by your own acts or omissions or allowing or being complicit in the acts or omissions of others (including your client).