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 –

KIERAN FERGUSON

Respondent

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

I, Jennifer Hughes, am a Solicitor employed by the Solicitors Regulation Authority Limited, of The Cube, 199 Wharfside Street, Birmingham, B1 1RN. I make this Statement on behalf of the Applicant, the Solicitors Regulation Authority Limited ("SRA").

The allegations

1. The allegations against the Respondent, Mr Kieran Ferguson, made by the SRA are that, whilst in practice as a Solicitor at Ashurst LLP (the Firm), he:

   1.1. On or around 10 April 2022 he provided misleading information to his insurers in an attempt to make a claim on his insurance policy for a stolen bike which was not covered by the policy at the time the theft took place. In doing so, he breached any or all of:

      1.1.1. Principle 2 of the SRA Principles 2019 (SRA Principles)
      1.1.2. Principle 4 of the SRA Principles
      1.1.3. Principle 5 of the SRA Principles;

1.1.4. Paragraph 1.4 of the SRA Code of Conduct for Solicitors, RELs and RFLs (Code).

1.2. Between 11 April 2022 and 3 May 2022 deliberately made untrue/misleading statements to his insurers in support of his claim for the stolen bike.

In doing so, he breached any or all of:

1.2.1. Principle 2 of the SRA Principles
1.2.2. Principle 4 of the SRA Principles
1.2.3. Principle 5 of the SRA Principles;
1.2.4. Paragraph 1.4 of the SRA Code.

2. The facts and matters relied upon in support of these allegations are set out in paragraphs 6 to 57 below.

<u>Appendices and Documents</u>

3. I attach to this statement:

Appendix 1: Relevant rules and regulations.

4. I also attach to this statement a bundle of documents, marked **Exhibit JH1**, to which I refer in this statement. Unless otherwise stated, page references in this statement relate to that exhibit, using the format [**JH1, X**].

5. The bundle is divided into the following sections:

Section A: Firm's Report and appendices
Section B: Notice and Appendices

<u>Professional Details</u>

6. The Respondent was born on [redacted] and admitted as a solicitor on 1 September 2020.

7. The Respondent was employed by the Firm as a solicitor from 28 June 2021 and continues in employment to date.

8. The Respondent currently holds a practising certificate free from conditions.

Background

9. The Respondent has been employed by the Firm since 28 June 2021. He joined the Firm's 'Global Loans' debt financing team in London specialising in finance **[JH1, 33]**.

10. This matter came to the attention of the SRA when, on 26 September 2023, the SRA received a report from Zurich Insurance (Zurich) that the Respondent had submitted a fraudulent insurance claim and made false statements in support of his claim in respect of his bike, a Cannondale Topstone (Topstone) with a value of £1699 **[JH1, 1-7]**.

11. Full details of Zurich's report and investigation are set out in the witness statement of the Zurich Investigator, Steven Johnston dated 22 August 2024 **[JH1, 37-277]**.

12. The SRA notified the Firm on 30 November 2023 that it was on notice of a fraudulent insurance claim made by the Respondent. The Respondent continues to be employed by the Firm**.**

The facts and matters relied upon in support of the allegations

Allegation 1.1: On or around 10 April 2022 provided misleading information to his insurers in an attempt to make a claim on his insurance policy for a stolen bike which was not covered by the policy at the time the theft took place.

13. The Applicant relies upon paragraphs 9 to 12 above.

14. On 1 April 2022, the Respondent took out a bike insurance policy (Policy) with Laka Bicycle Insurance (Laka) in respect of a Cannondale Systemsix Ultergra bike (Systemsix) with an insured value of £2500 **[JH1, 44-45]**. The Policy was underwritten by Zurich. The Laka Policy specifically stated that it covered the Systemsix **[JH1,45]** and photos and receipts of the Systemsix needed to be provided to Laka under clause 7.1 of the Policy, which was required "*partly as one of our precautions against fraud but also because it makes the claims process much easier"* **[JH1,59].**

15. At approximately 19.45 on Sunday 10 April 2022, during a house move the Respondent's other bike, the Topstone, was stolen. At 21:11 on 10 April 2022, the Respondent initiated an online claim for a stolen bike which he submitted at 21:29 on the same date **[JH1, 37].** The Respondent also submitted a video with the claim notification to Zurich at around 21:15 on 10 April 2022, the transcript of which appears at [**JH1, 66].** After submitting his claim at 21:29, 10 minutes later at 21:39, the Respondent amended the Policy online by adding the Topstone to the Policy **[JH1, 38 and 66]**.

16. Due to the Respondent's attempt to add the Topstone to the Policy after the theft, Laka referred the case to Zurich for further enquiries to be made on 19 April 2022 **[JH1, 38].**

17. On 7 December 2022, Zurich wrote to the Respondent notifying him of the outcome of their investigation, stating:

> "*It is evident that the Cannondale Topstone was added to the policy after the theft. Furthermore, you stated and reaffirmed, that the bike was added to the policy prior to the theft. Your actions and statements made to Zurich and Urban Jungle show there has been a deliberate attempt to defraud. The evidence therefore supports that you have engaged in fraudulent conduct by making a fraudulent claim and made a number of false statements to us in support of the same.*" **[JH1, 264].**

18. On 24 March 2023, Zurich responded to representations from the Respondent that it would be disproportionate for his details to be shared with the Insurance Fraud Register (IFR). Zurich found that the Respondent should be added to the IFR as he had engaged in fraudulent conduct by making a claim on a bike that was not insured and in providing misleading answers in subsequent communications**:**

> *"We consider that Mr Ferguson is neither credible or reliable and therefore we do not accept his response that he was 'careless'. It is clear Mr Ferguson attempted to deceive, not one, but two insurers in an attempt to gain benefits from the policies to which he was not entitled. We appreciate Mr Ferguson was the victim of a crime but that does not excuse his engagement in fraudulent conduct. The criteria has been met for uploading Mr Ferguson's details to the IFR and that is what we intend to do. Mr Ferguson will be notified when his details are uploaded".* **[JH1, 272]**

Breach of Principles

Allegation 1.1: On or around 10 April 2022 provided misleading information to his insurers in an attempt to make a claim on his insurance policy for a stolen bike which was not covered by the policy at the time the theft took place.

19. The facts are stated at paragraphs 13 to 18 above.

Principle 4

20. 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 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."*

21. It can be inferred that when the Respondent submitted the claim for the Topstone at 21.29 on 10 April 2022, he knew or believed that the Policy only covered the Systemsix. This is because:

    21.1. the Policy specifically stated that it covered the Systemsix **[JH1, 45]** and photos and receipts of the Systemsix needed to be provided to Laka **[JH1,59]**.

21.2. the Respondent at 21.39 on 10 April 2022 sought to add the Topstone to the Policy. This is evidence that he did not genuinely believe the Topstone to be covered by the Policy when he submitted the claim at 21.29.

22. Given this state of knowledge and belief, the Respondent acted dishonestly by the standards of ordinary decent people. Ordinary decent people would consider it dishonest for a solicitor to knowingly make a claim for a bike that was not subject to an insurance policy.

23. In doing so, the Respondent failed to act with honesty and therefore breached Principle 4 of the SRA Principles.

Principle 5

24. In *Wingate v SRA* [2018] EWCA Civ 366 , the Court of Appeal held that integrity connotes adherence to the ethical standards of one's profession. Lord Justice Jackson held:

> "*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*".

25. Paragraph 21 above is repeated.

26. A solicitor acting with integrity would not attempt to mislead an insurer by making a claim for a bike which he knew or believed was not subject to an insurance policy, especially if it was to financially benefit themselves to the detriment of the insurer. The Respondent must have known, or ought to have known that his actions were misleading. A solicitor who deliberately deceives an insurer for his own financial gain is clearly in breach of those ethical principles. By knowingly making a false claim on an insurance policy, the Respondent failed to act with integrity and therefore breached Principle 5 of the SRA Principles.

Principle 2

27. Public trust and confidence in the solicitors and firms that the SRA regulates is at the heart of the legal system. Solicitors often work with insurers, who place their trust in solicitors, assuming that they will act with honesty and integrity.

28. By making a false claim on an insurance policy for his own financial benefit, the Respondent undermined public confidence and trust in solicitors and therefore breached Principle 2 of the SRA Principles.

Paragraph 1.4 of the Code

29. Paragraph 1.4 of the Code states that a solicitor should not mislead their clients, or others, by either their own acts or omissions.

30. Paragraph 21 above is repeated.

31. The Respondent knowingly made a claim for a bike that was not subject to the insurance policy.

32. Acting in this manner, when not a genuine error, will be a breach of Paragraph 1.4 of the Code.

Allegation 1.2 Between 11 April 2022 and 3 May 2022 deliberately made untrue/misleading statements to his insurers in support of his claim for the stolen bike.

33. The Applicant relies on paragraphs 9 - 12 above.

34. The Respondent made the following misleading statements to Zurich:

    34.1. On 11 April 2022 and 3 May 2022 that he added the Topstone to the Policy after the theft;

    34.2. on 3 May 2022 that he believed the Policy was a multi-bike policy and covered the Topstone.

35. After the Respondent on 10 April 2022 submitted a claim for the stolen Topstone, on 11 April 2022, Laka contacted the Respondent to clarify which bike was stolen **[JH1, 67]**. The

Respondent stated that it was the Topstone bike that had been stolen and stated that he had:

> *"recently submitted details on Laka to change the insurance details to cover the Topstone (valued at £1700) instead of the Sytemsix (valued at £2500) as I was moving flat on the weekend and wanted to ensure that the insurance covered the Topstone for the period of moving"* **[JH1, 67].**

36. The Respondent had therefore given the misleading impression to Laka that he had added the Topstone to the Policy prior to the theft on 10 April 2022 **[JH1, 67]** when this was untrue.

37. During the interview on 3 May 2022 with Steven Johnston, the Respondent initially claimed he had added the Topstone to the Policy on 8 or 9 April 2022, prior to the theft on 10 April 2022, in order for it be insured during his house move **[JH1,220]**. When confronted with a recording of the Respondent's screen showing that he had made the amendment at 21.39 on 10 April 2022, the Respondent conceded that he added the Topstone to the Policy <u>after</u> submitting the claim and therefore after the theft. The Respondent sought to argue for the first time that he thought the Policy was a multi-bike insurance policy **[JH1,221]**:

KF	*So that was me changing my gear details to the Cannondale Topstone.*
SJ	*OK. So there's a time stamp on that which is 2139 on the 10th of April, which is the same day that you reported it.*
KF	*Yeah, yeah.*
SJ	*So is it right that you're changing the policy after you submit the claim?*
KF	*Uh that appears to be the case, yeah. I thought that changing the bike details would be fine if the policy well, sorry the the actual bike value was the same was higher. Is that not the case?*
SJ	*So it's a, it's a different bike, they're different bikes. So the Topstone wasn't covered at the time there's a theft. And then you've submitted the claim for a Topstone.*
KF	*Right.*
SJ	*And then you've changed it. I think you've you must have realised, though, that one's not covered. And then you've amended cover after it. Is there any sort of explanation as to why or anything you want to add at this point?*

KF *It was just that yeah, I thought because I had this set value that I'd insured the bike at £2800 for any bike that was under the same value that £1700 was basically gonna be covered"*

...

KF *OK. So just so I'm clear the policy. OK, the policy, I mean, perhaps I should have read the wording properly, so if I've got an insurance policy that covers up to a certain amount, any claim on a bike that's under that amount won't be covered because it's not the same bike. Is that right?*

SJ *It's a it's a different bike. It is a different bike so…my understanding is it it doesn't appear to be covered, it's changed. It's a completely different make model and bike. But again, it's just I'm just gathering all the evidence before any sort of decision or next steps decided.*

<u>Breaches of Principles</u>

Allegation 1.2: Between 11 April 2022 and 3 May 2022 deliberately made untrue/misleading statements to his insurers in support of his claim for the stolen bike.

38. The facts are stated at paragraphs 33 to 37 above.

<u>Principle 4</u>

39. Paragraph 20 above is repeated.

40. At the time the Respondent on 11 April 2022 and 3 May 2022 informed Zurich that he added the Topstone to the Policy prior to the theft, he knew or believed that this statement was not true because the Respondent added the Topstone to the Policy the day before on 10 April 2025 at 21.39. This was 10 minutes after reporting the theft of the Topstone at 21.29.

41. At the time the Respondent on 3 May 2022 stated to Zurich that he believed the Policy was a multi-bike policy and covered the Topstone, an inference can be drawn that he knew or believed that this was not true, because the Policy does not state that it is a multi-bike insurance. Rather the Policy states that it covers the Systemsix **[JH1, 45]** and photos and receipts of the Systemsix needed to be provided to Laka [**JH1, 59].**

42. Further, the Respondent acted inconsistently with his belief that the Policy was multi-bike as:

42.1. he added the Topstone to the Policy after the theft. Had it been a multi-bike Policy there would not have been a need to add it to the Policy.

42.2. he initially stated that the Policy covered the Topstone.

42.3. only when confronted with the evidence on 3 May 2022 that he added the Topstone after the theft, did the Respondent state that he believed the Policy was multi-bike.

43. Given this state of knowledge and belief, the Respondent acted dishonestly by the standards of ordinary decent people. Ordinary decent people would consider it dishonest for a solicitor to deliberately tell an insurer a bike was added to an insurance policy prior to a theft taking place when it had in fact been added after the theft.

44. In doing so, the Respondent failed to act with honesty and therefore breached Principle 4 of the SRA Principles.

Principle 5

45. Paragraph 24 is repeated.

46. A solicitor acting with integrity would not make misleading statements to an insurer as to when a bike had been added to an insurance policy, especially if it was to financially benefit themselves to the detriment of the insurer. By making misleading statements to an insurer for his own financial benefit, the Respondent failed to act with integrity and therefore breached Principle 5 of the SRA Principles.

Principle 2

47. Public trust and confidence in the solicitors and firms that the SRA regulates is at the heart of the legal system. Solicitors often work with insurers, who place their trust in solicitors, assuming that they will act with honesty and integrity.

48. By making misleading statements to an insurer for his own financial benefit, the Respondent undermined public confidence and trust in solicitors and therefore breached Principle 2 of the SRA Principles.

Paragraph 1.4 of the Code

49. Paragraph 1.4 of the Code states that a solicitor should not mislead their clients, or others, by either their own acts or omissions.

50. Paragraphs 34-36 above are repeated.

51. The Respondent sought to mislead Zurich that he added the Topstone to the Policy prior to the theft when he had added it after the theft.

52. A solicitor acting in accordance with the Code would not seek to mislead an insurer as to when a bike was added to a policy in order to financially benefit themselves.

53. Acting in this manner, when not a genuine error, will be a breach of Paragraph 1.4 of the Code.

The SRA's investigation

54. The SRA issued a Notice, dated 13 May 2025, recommending referral to the Tribunal **[JH1 11-23],** which was provided to the Respondent for his comment.

55. On 13 June 2025, Representations were received from the Respondent's representative **[JH1 24-32].** The Respondent argued, in summary, that:

    55.1. The Respondent acted naively and carelessly but not deliberately or intentionally;
    55.2. The Respondent's conduct was not sufficiently serious;
    55.3. The Respondent's mental health was suffering due to the SRA investigation;
    55.4. The Respondent's mental state between 10 April 2020 and 3 May 2022 was influenced by the following factors:

a) In April 2020 a week prior to the theft the Respondent's house purchase fell through;
b) In January 2020, the Respondent's close friend was murdered and court proceedings regarding the perpetrators took place in February 2022 and May 2022;
c) In August 2022, the Respondent's close colleague died by suicide.

56. The SRA invited the Respondent to submit medical evidence regarding his mental health difficulties referred to above. The Respondent has not availed of this opportunity.

57. On 16 July 2025, an Authorised Decision Officer of the SRA decided to refer the Respondent to the Tribunal **[JH1, 386-391].**

Statement of Truth

I believe that the facts and matters stated in this statement are true.

Signed:

Jennifer Hughes

Legal Adviser

Dated: 21 October 2025

CASE NO.

<u>BEFORE THE SOLICITORS DISCIPLINARY TRIBUNAL</u>

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

AND IN THE MATTER OF:

SOLICITORS REGULATION AUTHORITY LIMITED

<u>Applicant</u>

- and –

KIERAN FERGUSAN

<u>Respondent</u>

APPENDIX 1 TO STATEMENT PURSUANT TO RULE 12 (2)

SOLICITORS (DISCIPLINARY PROCEEDINGS) RULES 2019

Relevant Rules and Regulations

<u>SRA Principles 2019</u>

You act:

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

<u>SRA Code of Conduct for Solicitors, RELs and RFLs 2019</u>

1.4	that solicitors must not mislead or attempt to mislead their clients, the court or others by their own acts or omissions or being complicit in the acts or omissions of others