No. 10416-2010

SOLICITORS DISCIPLINARY TRIBUNAL

SOLICITORS ACT 1974

IN THE MATTER OF [RESPONDENT 1], solicitor, [RESPONDENT 2], solicitor (formerly Registered Foreign Lawyer), [RESPONDENT 3], solicitor, [RESPONDENT 4], Recognised Body and
DEBORAH BEYIOKU, solicitor's clerk (The Respondents)

Upon the application of George Marriott
on behalf of the Solicitors Regulation Authority

Mr D Glass (in the chair)
Mr C Murray
Lady Bonham Carter

Date of Hearing: 19 and 20 October 2010

FINDINGS & DECISION

Appearances

George Marriott, partner and solicitor advocate in the firm of Russell Jones & Walker of 50-52 Chancery Lane, London, WC2A 1HL appeared on behalf of the Applicant, the Solicitors Regulation Authority ("SRA").

Mr Ollennu and Mr Dominic Carrington of Counsel appeared for [RESPONDENT 1] and [RESPONDENT 4].

[RESPONDENT 2] and [RESPONDENT 3] appeared in person.

Mrs Beyioku did not appear and was not represented.

The application was dated 4 January 2010 and a supplementary statement was dated 20 July 2010.

At the hearing allegation 2 against the First Respondent was withdrawn and allegations 7 and 10 were amended. Allegation 5 against the Second Respondent was withdrawn. Allegation 2 was withdrawn in respect of both the Third and Fourth Respondents. The allegations in respect of the First, Second, Third and Fourth Respondents in their agreed amended form

were admitted by all those Respondents. The two allegations against the Fifth Respondent were treated as denied as she did not appear and was not represented.

The Applicant explained to the Tribunal that Deborah Beyioku had taken no part in the matter to date. No correspondence sent by the Applicant to Deborah Beyioku had been returned and the Applicant believed that that had also been the experience of Tribunal staff. In all the circumstances he invited the Tribunal to proceed with the allegations against Deborah Beyioku in her absence. The Tribunal decided that having read all the papers it was prepared to proceed with the allegations against Deborah Beyioku in her absence.

Allegations

The allegations in their agreed amended form were as follows:

The allegations against the First Respondent, [RESPONDENT 1] were that she:

(1) Shared fees with a non-lawyer in circumstances not permitted by Rule 12 of the Solicitors Code of Conduct contrary to Rule 8 of Solicitors Code of Conduct ("SCC");

(2) [withdrawn]

(3) Failed to make arrangements to ensure compliance with key regulatory requirements contrary to Rule 5.01(1)(c) SCC;

(4) Failed to take all reasonable steps to ensure that her firm complied with Rule 14 SCC, contrary to Rule 14.01(3) SCC;

(5) Gave a misleading explanation to the SRA;

(6) Failed to ensure that accounts records were properly written up, contrary to Rules 32(1) and 32(4) Solicitors Accounts Rules 1998 ("SAR");

(7) Failed to ensure that the LLP had in place a system for supervising clients' matters contrary to Rule 5.03(1) (paragraphs 50-53);

(8) Permitted a non-solicitor to exert control over the management of her practice, contrary to Rules 5.01(1)(a) and 5.01(1)(j) SCC.

(9) Failed to ensure that client money was paid into client account without delay, contrary to Rule 15 SAR;

(10) Did an act which had the tendency to mislead the SRA, contrary to Rules 1.02 and 20.05 SCC.

The allegations against the Second Respondent, [RESPONDENT 2], were that she:

(1) Shared fees with a non-lawyer in circumstances not permitted by Rule 12 SCC, contrary to Rule 8 SCC;

(2) Failed to make arrangements to ensure compliance with key regulatory requirements, contrary to Rule 5.01(1)(c) SCC;

(3) Failed to take all reasonable steps to ensure that her firm complied with Rule 14 SCC, contrary to Rule 14.01(3) SCC;

(4) Failed to ensure that accounts records were properly written up, contrary to Rules 32(1) and 32(4) SAR;

(5) [withdrawn]

(6) Permitted a non-solicitor to exert control over the management of her practice contrary to Rules 5.01(1)(a) and 5.01(1)(j) SCC;

(7) Failed to ensure that client money was paid into client account without delay, contrary to Rule 15 SAR.

The allegations against the Third Respondent, [RESPONDENT 3], were that she:

(1) Shared fees with a non-lawyer in circumstances not permitted by Rule 12 SCC, contrary to Rule 8 SCC;

(2) [withdrawn]

(3) Gave a misleading explanation to the SRA;

(4) Failed to make arrangements to ensure compliance with key regulatory requirements, contrary to Rule 5.01(1)(c)SCC;

(5) Failed to take all reasonable steps to ensure that their firm complied with Rule 14 SCC, contrary to Rule 14.01(3) SCC.

The allegations against the Fourth Respondent ("LLP") were that it:

(1) Shared fees with a non-lawyer in circumstances not permitted by Rule 12 SCC, contrary to Rule 8 SCC;

(2) [withdrawn]

(3) Failed to comply with Rule 14 SCC, contrary to Rule 14.01(a)SCC.

The allegations against the Fifth Respondent, Deborah Beyioku, were that she:

(1) Was a member of an LLP, being a recognised body, in circumstances not permitted by Rule 14 SCC;

(2) Shared fees with solicitors in circumstances not permitted by Rule 12 or Rule 8 SCC.

Factual Background

1. The First Respondent, [RESPONDENT 1], born in 1974, was admitted as a solicitor in 2005. Her name remained on the Roll of Solicitors.

2. The Second Respondent, [RESPONDENT 2], born in 1975, was recognised by the

SRA as a Registered Foreign Lawyer ("RFL") on 10 November 2008. In July 2010 she was admitted as a solicitor. Her name remained on the Roll but she did not currently hold a practising certificate.

3. The Third Respondent, [RESPONDENT 3] born in 1958, was admitted as a solicitor in 2006. Her name remained on the Roll of Solicitors.

4. At the material times the First, Second and Third Respondents were designated members of the Fourth Respondent, [RESPONDENT 4] which was incorporated as a limited liability partnership on 14 January 2008. It was registered with the SRA as a Recognised Body from 21 April 2008. It was a solicitor's practice operating from Unit 17, Cannon Wharf Business Centre, 35 Evelyn Street, London, SE8 5RT. It is now called Monro Campbell Solicitors LLP and operates from 441 New Cross Road, London SE14 6TA.

5. The Fifth Respondent, Deborah Beyioku ("DB"), was unadmitted. At the material times she also was a member of or was employed by the Fourth Respondent.

6. At the date of incorporation of [RESPONDENT 4], the members were DB, ER and LK, a third party solicitor who was not involved in these proceedings. The application form submitted to Companies House for the incorporation of the LLP was completed by DB. The form was signed as if completed by LK as a "solicitor engaged in the formation of this LLP".

7. From the date of incorporation ER was a members of the LLP with DB. MM was appointed as a member on 27 March 2008 and remained a member throughout the existence of the LLP. DB was a member until 30 January 2009. ER resigned in July 2008 and her resignation took effect on 14 August of that year. NU joined the LLP on 11 September 2008 and until 31 October 2008 she was not registered as a foreign lawyer. She did not make her application to the SRA for RFL status until 16 October 2008. She became registered on 1 November 2008 (rather than 10 November as set out in the Rule 5 Statement). An unregistered foreign lawyer is not permitted to be a member of an LLP and a solicitor member was not permitted to share fees with that lawyer. DB being unadmitted was not permitted to be a member of the LLP. The solicitor member was therefore not permitted to share fees with her.

8. At the beginning of 2009 the SRA wrote to the Respondents and to LK requiring their explanation for the registration anomalies. LK responded on 12 February 2009 denying that he had ever had any involvement in the LLP either as a solicitor or as a member.

9. NU responded and apologised for her error in being appointed as a member of the LLP before she attained RFL status, and therefore before she was entitled to become a member. NU said that she did not realise that she had to register as an RFL with the SRA before she was able to become a member of the LLP.

10. ER responded on 19 February 2009. ER explained that it was her belief that DB was a solicitor who had also agreed to take on the role of Practice Manager. ER stated that upon learning that DB was not a solicitor, she advised DB and MM to remove DB's name from the firm's headed paper, but that DB refused to stop holding herself out as a solicitor. MM denied that ER ever raised the matter.

11. ER told the SRA that she left the firm as a result of this and stopped attending the

office in June 2008. In a letter of 9 April 2009 ER deviated from this position and stated that she "was only with [RESPONDENT 4] in May 2008". The SRA asserted that this was misleading. The Tribunal noted that ER continued to work at the LLP in June and July 2008 and did not tender her resignation from the LLP until 31 July 2008. ER was removed from the list of members registered at Companies House on 14 August 2008. MM notified the SRA of ER's resignation on 19 August 2008.

12. In her response of 4 February 2008, MM stated that DB was a member only due to an "administrative error". MM stated that this error occurred prior to her joining the LLP. MM terminated DB's membership of the LLP at Companies House on 30 January 2009.

13. MM stated that NU was appointed "hastily" due to ER leaving suddenly and that MM could do nothing to prevent the breach. MM told the SRA that NU was a member of the LLP when she was not entitled to be because she (MM) believed that a new member needed to be appointed urgently upon the resignation of ER.

14. MM twice asserted to the SRA that the application to Companies House and to the SRA for the registration of NU's membership were made "mere days apart". In fact the time scale was as set out in paragraph 7 above.

15. DB in a letter to the SRA dated 18 March 2009 did not deny that she was a member of the LLP. She said she was not told by the solicitor member that she could not be a member. She did not fully understand the SCC.

16. The SRA commenced a Forensic Investigation Unit inspection of the LLP on 6 July 2009. The LLP changed its name to Monro Campbell Solicitors LLP on 18 October 2009. The inspection, which included the review of three of the firm's immigration files relating to clients, K, E and O, identified a number of Solicitors Accounts breaches and other concerns which were set out in a Report by the Investigation Officer ("IO") dated 23 December 2009. He was unable to copy the client matter files during the inspection due to difficulties with the firm's photocopier. The SRA wrote to NU and MM on 22 February 2010 requiring their explanations of the matters identified during the inspection. MM responded on 17 March 2010.

17. The SRA noted a number of instances where transactions were not recorded upon the relevant ledger account. In the matter of K, a cash receipt of £1,200 and a later invoice in a similar amount were not posted to the relevant client ledger account. In the matter of E, the transactions and the amounts recorded upon the ledger accounts did not correspond with the documents upon the file. As a consequence the ledger accounts recording monies in relation to those clients were not accurate. Both NU and MM accepted that they failed to ensure the accounts were properly written up to show all dealings with office and client monies. NU went on to state that she, along with MM, had no personal responsibility for the accounts within the firm.

18. The Investigating Officer ("IO") examined the matter file of K during his initial visit to the firm during which inspection it was noted that the client care letter reviewed by the IO indicated that K was quoted a fee of £1,000 for his matter. He was actually charged £2,270. MM admitted that there were inaccuracies within client care letters and that certain client care letters were sent to clients after the receipt of costs. NU stated that she did not have the conduct of the matters in which the SRA identified errors in client care documentation.

19. DB was the sole contributor of capital into the business. The SRA obtained a copy of an unsigned agreement between DB and the LLP in which in return for a capital loan of £25,000 from DB, the repayment of which was anticipated to end after DB qualified as a solicitor, the LLP would guarantee DB "a permanent job as the practice manager and with a view to train as a trainee solicitor". Although this agreement was unsigned, MM told the IO that she understood and considered there to be an implied contract between DB and the LLP on the same terms. MM denied that the agreement with DB compromised her situation (i.e. her independence) or that of the firm. MM told the SRA that the agreement with DB was to ensure that the money that DB had loaned to the LLP before MM became a member would be returned to her. It was noted that DB wrote cheques from the firm's office bank account and from her own personal bank account in respect of MM's salary which was further evidence of DB's capital.

20. The SRA noted that monies were received from prospective clients prior to retainers, prior to instructions, prior to a client care letter and prior to an invoice. All such monies appeared to have been received in cash. They were not paid into the client bank account and were not posted to the relevant client ledger account. Instead the monies were paid into the office bank account or retained as petty cash. NU accepted that the firm had failed to pay client monies into the client account but stated that she had no personal responsibility for the accounts within the firm. MM argued that these were agreed fees and therefore could be paid into the office account. There was no written evidence in support of this assertion.

21. When the files were submitted to the SRA following the IO's visit, which the IO had been unable to copy at the time, one contained a note purportedly recording a prospective client's decision to make payment prior to formally instructing the firm which post-dated the IO's visit. The attendance note was dated 14 July 2009 but would have been expected to be dated 14 April 2009. MM confirmed that she had directed the alteration of the documents upon the client matter files which had been requested by the IO before sending them to the SRA. MM told the SRA that she did so following her misinterpretation of the IO's comments about the files during his inspection. She understood that the files had to be made to comply with his comments. MM made no mention of any alteration of documents when she sent them to the SRA.

The submissions of the Applicant in respect of the allegations against the Fifth Respondent

22. The Applicant explained that he was seeking a s.43 Order against DB who was an unadmitted person. She had been a member of the LLP which was not permitted and she had also shared fees when not entitled to. DB's explanation in her letter to the SRA of 18 March 2009 when she claimed that she did not fully understand the SCC and was confused and further blamed LK and ER, as well as her denial that she had ever held herself out to be a solicitor, were not credible in the face of the evidence. It was further submitted that her letter to the SRA of 21 April 2009 making allegations of threats against ER was self-serving. The Applicant asserted that the responses received from the other Respondents to their enquiries demonstrated that DB was very much in the driving seat of the LLP.

Submissions of the Applicant in respect of the allegations against the First, Second, Third and Fourth Respondents.

23. It was submitted that allegation 1 against all four Respondents about fee sharing was supported by the unchallenged evidence of LK and the history of the LLP's membership. This was also relevant to allegations 3 and 4 against MM; allegations 2 and 3 against NU; allegations 2, 4 and 5 against ER and allegation 3 against the LLP. The SRA took the view that a prudent lawyer would enquire into membership issues and this applied to the First, Second and Third Respondents. Exactly what information about DB's status had passed between the Respondents was disputed but clearly when NU joined as a member MM was concerned about the status of the membership following the departure of DB. MM's assertion that NU's membership of the LLP and her registration as an RFL were only days apart was not borne out by the evidence.

24. In respect of allegation 7 against MM relating to failing to ensure that LLP had in place a system for supervising clients' matters, there was no evidence to show that there was a retainer in force at the point that money was accepted from clients and paid into office rather than client account.

25. In respect of allegation 6 against NU and allegation 8 against MM regarding their independence being compromised, this was supported by the fact that only DB had contributed money to the business and that the unsigned agreement regarding repayment and the guaranteeing of her job of practice manager showed that a non-solicitor had asserted control over the business inappropriately.

26. Allegation 9 against MM and allegation 7 against NU related to events in three cases covered in the FIO Report where monies had been received and paid into the office account or used as petty cash, predating any client care letter that could be construed as agreeing or fixing fees. For a period of time between the receipt and agreement of the fee the monies should have been in the client account and MM now accepted that this was the case. NU admitted this allegation on the basis that as a member of the LLP she was strictly liable for this breach. Similarly, MM as principal of the firm had strict liability.

27. The Applicant would say that the breaches arose as a result of failure to establish proper systems in the LLP. Allegation 6 against MM and allegation 4 against NU were linked to this in that they related to failure to ensure that accounts' records were properly written up.

28. Having regard to allegation 7 against MM, it was further submitted that this allegation was supported by what had been recorded in the cases of K and E. Such issues were important because they could lead to complaints from clients which undermined the reputation of the profession.

29. In respect of allegation 10 against MM, that she did an act which had a tendency to mislead the SRA. Dishonesty was not being alleged but her actions with regard to amending documents already on the file and then submitting them to the SRA without mentioning those amendments was, it was submitted, evidence of an act having the tendency to mislead and the Respondent had admitted that.

Findings of fact and law

30. The Tribunal had been through all the allegations and carefully considered the documents before it, including the Rule 5 and Rule 7 Statements with attachments, the witness statement and other documents in the bundle submitted on behalf of MM, the submissions of NU and attachments, the statement of ER and in respect of anticipated mitigation it had also studied the case of Fawzia Amtul-Habib Shuttari v The Law Society [2007] EWHC 1484 (Admin). It had also looked at the Tax Credit Award documents submitted on behalf of MM and the accounts of the LLP as at 31 March 2009.

31. The Tribunal found the allegations which had been admitted proved as follows:

Against the First Respondent, [RESPONDENT 1]

32. The nine allegations admitted. Allegations (1), (3), (4), (5), (6), (7), (8), (9) and (10).

Against the Second Respondent, [RESPONDENT 2]

33. Six allegations admitted. Allegations (1), (2), (3), (4), (6) and (7).

Against the Third Respondent, [RESPONDENT 3]

34. Four allegations admitted. Allegations (1), (3), (4) and (5).

Against the Fourth Respondent, [RESPONDENT 4]

35. Two admitted allegations. Allegations (1) and (3).

Against the Fifth Respondent, Deborah Beyioku

36. The allegations were treated as denied. Allegations 1 and 2 were found to have been proved. The case was proved on the papers both in respect of DB being a member of an LLP, a Recognised Body in circumstances not permitted by Rule 14 of the Solicitors Code and having shared fees with solicitors in circumstances not permitted by Rule 12 or Rule 8 of the Code.

Previous disciplinary proceedings before the Tribunal

37. The Third Respondent had appeared before the Tribunal on 17 September 2009, when she was reprimanded and ordered to pay costs of £500 for breaches of the Solicitors Accounts Rules and for failing to provide costs information her liability arising in part only as a result of her position as partner.

The First and Fourth Respondents' submissions by way of mitigation

38. MM was sworn as a witness and confirmed the contents of her statement submitted to the Tribunal dated 18 October 2010. She testified that with just three years in practice, with hindsight, she had taken on a role for which she lacked the proper experience but which she had been driven to by her difficult financial situation including the need to support her two small children. Since then she had done her best to put matters right regarding the practice. She had taken into the firm Mr Owusu whom she knew and trusted. She had also qualified as a duty solicitor and was now an active member of a scheme.

39. Having regard to the issue of protection of the public, at no time had she had any complaint regarding her legal work. She had undertaken work without a fee for clients who were unable to get legal aid. She was sorry for what had happened and assured the Tribunal that she would endeavour to have much tighter reign over her practice in the future. She was now supported by four caseworkers, two of them full time and by Mr Owusu.

40. Mr Owusu was sworn and confirmed the contents of his statement dated 18 October 2010. He was now a member of Munro Campbell LLP, the successor to [RESPONDENT 4]. He joined the firm on 17 November 2009. He was aware of the history of the practice and the issues which had to be put right. He was doing all he could to fill the administrative and management gap in the practice and freeing up MM to go out and do fee earning work. He had also taken over the prison law department of the firm.

41. Regarding the prospects of Monro Campbell LLP, Mr Owusu had no hesitation in joining the LLP. He was planning to become a duty solicitor with a view to increasing the LLP's business. There was now a team that worked well together and systems were in place to prevent the recurrence of problems which had led to these proceedings recurring. He agreed that the LLP still owed DB £25,000, although she had taken no steps to his knowledge to recover it. He had put money into the practice by way of a loan, to improve its financial position. The practice had no bank loan or overdraft. Mr Owusu was taking no money from it at the moment by way of drawings but had taken out around £400-£500 since joining in respect of casework he had undertaken. Mr Owusu also explained that he was continuing to do some work for his former firm but this was only a few hours at a time. He asserted that DB no longer had any influence over or any communication with the practice.

42. Mr Ollennu submitted that, while not a precedent for this case, the facts in the case of Shuttari in 2007 were relevant to penalty. MM received no support from the father of her children with whom she had been in a violent relationship. She had done her utmost to obtain money through the Child Support Agency and even been to her MP without success. He submitted that when MM joined the LLP she was hoping that she would find support and appropriate systems but none of these were there. In her dealings with the SRA she had sought advice and guidance in terms of putting matters right and had taken a committed solicitor into the practice.

43. Mr Ollennu also submitted that it was significant the SRA had allowed the LLP to continue in being notwithstanding its difficulties.

44. MM's financial circumstances were that she took £200-£300 a month from the practice, she was awarded Working Tax Credit and earned £500 per month in fees for supervision at another firm of solicitors. She attended there once a week for two or three hours. Although she had experienced some difficulty in paying her mortgage, her lender had been accommodating. She was also paying £500 towards what had been a County Court Judgment but which she had had set aside and had compromised. About 47% of the LLP's work was now privately funded and the rest was legal aid. The work was mainly immigration with a little civil and a proper fixed fee system had been set up to manage it.

45. On behalf of the Fourth Respondent, it was submitted that the LLP and the First

Respondent stood together. Mr Owusu had given evidence about its prospects. It was submitted that any penalty imposed on the LLP would impact significantly on Mr Owusu who had come to it after the disciplinary issues had arisen and who was totally without fault. It was also pointed out to the Tribunal that had the practice used the traditional partnership model, there would have been no power to refer it to the Tribunal or impose a separate penalty.

The Second Respondent's submissions by way of mitigation

46. NU relied on her statement dated 19 October 2010. NU had come to the firm wishing to learn and had no idea of becoming a partner or member of the firm until DB urged her to do so. DB had sent off the form and paid for her registration as an RFL. She had effectively signed what had been put in front of her. She understood that DB had been practising since 1999. NU had admitted fee sharing on the basis of strict liability. She was now seeking to learn immigration and prison law which were not types of law practised in Nigeria. She also wished to learn family law and all of these DB had promised to teach her. In respect of her relationship with MM, NU submitted that she had viewed MM as a supervisor but they were both employees of DB. She had had personal differences with MM and accordingly left the firm. She was presently unemployed and had no income or benefits and was dependent on her husband who was working.

The Third Respondent's submissions by way of mitigation

47. ER relied on her statement handed in on 19 October 2010. ER was very sorry for what had happened. A second appearance before the Tribunal was not a good feeling. She had met DB at university when both were studying law but they were not close. Some eight or nine years later DB had approached her about working together. She had refused. The firm at which she was working then had problems with the SRA and the principal had told her that at the end of the investigation he might close the firm. This caused her to join DB. She had subsequently come across someone who warned her that DB was not a qualified solicitor and she had alerted MM. She understood that contact had been made with the SRA and advice had been given that it was acceptable for DB to be a member if she delegated work. ER explained the discrepancies around the dates in various documents about her leaving the LLP. She explained that she had hardly attended. At the end of May she had stopped attending the practice because the situation was very tense and towards the beginning of July she decided to resign. She was not actually attending the practice during her notice period. In respect of her misleading the SRA she regretted the confusion which had arisen from her very anxious state. This had been made more difficult by loss of her brother at that time. She had also not taken any legal advice before replying to the SRA. ER confirmed that she had a condition on her practising certificate which prevented her from supervising other staff and requiring her to work under supervision. She had learned a great deal since her previous appearance before the Tribunal. She no longer wanted to be a partner in a practice because of the liabilities which flowed from it. Her difficulties in pursuing a legal career were compounded by her age. ER submitted that she had not made any profit as a member of LLP and she emphasised the very short period that she had been with the practice.

48. The Applicant informed the Tribunal that on-line searches which he had shared with the First and Fourth Respondents' representatives revealed that the most recent filed accounts for the LLP had been as at 31 March 2009 when it was making a loss and

had a negative balance sheet. This supported the evidence which had been submitted about the financial state of the firm.

Other matters

49. The Applicant drew to the attention of the Tribunal a matter which the SRA had recently become aware of. The Second Respondent had submitted an application to the SRA to become a solicitor, changing her status from that of RFL. In the light of the pending disciplinary proceedings, this change should not have been permitted. It had occurred on 15 July 2010.

50. The Applicant advised the Tribunal that after discussions with NU she had admitted that in her application to be placed on the Roll as a solicitor, she had answered question 5 "have you ever been under investigation for any matters or criticised, censured, suspended and/or being the subject of any other disciplinary activity by a professional/regulatory body?" with the word "No". The Applicant urged the Tribunal to treat the document neutrally and he only introduced a reference to it because he did not wish the Tribunal to be under the impression that the SRA had allowed her application to go through knowing of the present proceedings. NU stated that she had contacted the SRA and the Ethics helpline and understood from a conversation with them that it was in order for her to complete the form in that way.

Sanctions and reasons

<u>The First, Second and Third Respondents</u>

51. The Tribunal had taken into account in reaching its decision about sanction the number of allegations which had been admitted by MM. She had been in a more senior position in the practice and in receipt of a salary. However, she had taken a responsible attitude to the investigation once it had started, had complied with it and assisted in it. The Tribunal noted the steps that MM had taken to improve her ability to function as a solicitor. The Tribunal appreciated that she might have made her admissions earlier if the allegations had originally been cast as now amended.

52. The Tribunal was very concerned regarding the financial and personal circumstances of all the individual Respondents, and did not wish to blight their future legal careers. The offences committed were in the main regulatory and the public had not been put at risk directly, nor had the reputation of the profession been significantly damaged. The Tribunal emphasised that solicitors should not become involved in LLPs, or become partners in firms without making themselves aware of the relevant rules and regulations about how the business should be run. It was clearly unsatisfactory that where this did not occur, the SRA and the profession should have to bear the costs of investigating and prosecuting.

53. Having regard to ER, they had taken into account her previous appearance before the Tribunal, but had also noted that the decision in that case had been arrived at after the actions which formed the basis of this application had taken place.

54. In all the circumstances the Tribunal determined that the First, Second and Third Respondents should each be reprimanded.

<u>The Fourth Respondent</u>

55. The Tribunal found the allegation against the Fourth Respondent proved but it had decided to make no order against the Fourth Respondent. It stood together with the First Respondent who was already suffering a penalty for the same matter and to impose a sanction would penalise someone who was not involved with the LLP when the issues arose.

The Fifth Respondent

56. In operating the LLP it appeared that DB had targeted vulnerable and/or naive professional women, who potentially were exposed to the greatest risk. The Tribunal was particularly concerned that capital in the LLP still remained with DB and hoped that the SRA would take note of its concerns. On the evidence the Tribunal had seen and heard, it felt that DB carried the major share of responsibility for the matters which had given rise to the disciplinary proceedings. The Tribunal considered that she had misled MM, NU and ER. She was the dominant force in the firm. She had set it up and provided the capital. She was also instrumental in how it was run. It had therefore decided to impose a section 43 order as requested by the Applicant.

Costs

57. The Tribunal had considered the Applicant's schedule of costs and assessed it at a total of £31,000. The Tribunal considered that costs should be apportioned among the First, Second, Third and Fifth Respondents having regard to their degree of culpability and the number and seriousness of the allegations each faced. There would be no order for costs against the Fourth Respondent.

Orders

58. The Tribunal Ordered that the respondent [RESPONDENT 1] of 41 Cotton Hill, Bromley, Kent, BR1 5RT, solicitor, be Reprimanded and it further Ordered that she do pay the costs of and incidental to this application and enquiry fixed in the sum of £8,000.00, such costs not to be enforced without the permission of the Tribunal.

60. The Tribunal Ordered that the respondent [RESPONDENT 2] of Dagenham, Essex, RM9, solicitor (formerly registered foreign lawyer), be Reprimanded and it further Ordered that she do pay the costs of and incidental to this application and enquiry fixed in the sum of £3,500.00, such costs not to be enforced without the permission of the Tribunal.

61. The Tribunal Ordered that the respondent [RESPONDENT 3] London, E15, solicitor, be Reprimanded and it further Ordered that she do pay the costs of and incidental to this application and enquiry fixed in the sum of £3,500.00, such costs not to be enforced without the permission of the Tribunal.

62. The Tribunal Ordered that as from 20th day of October 2010 except in accordance with Law Society permission:-
(i) no solicitor shall employ or remunerate, in connection with his practice as a solicitor Deborah Beyioku of 177 Neckinger Estate, Spa Road, London SE16 3QG
(ii) no employee of a solicitor shall employ or remunerate, in connection with the solicitor's practice the said Deborah Beyioku
(iii) no recognised body shall employ or remunerate the said Deborah Beyioku

(iv) no manager or employee of a recognised body shall employ or remunerate the said Deborah Beyioku in connection with the business of that body;
(v) no recognised body or manager or employee of such a body shall permit the said Deborah Beyioku to be a manager of the body;
(vi) no recognised body or manager or employee of such a body shall permit the said Deborah Beyioku to have an interest in the body;
And the Tribunal further Ordered that the said Deborah Beyioku do pay the costs of and incidental to this application and enquiry fixed in the sum of £16,000.00.

DATED this 9th day of December 2010
on behalf of the Tribunal

D Glass
Chairman