# SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974 Case No. 11414-2015

**BETWEEN:**

SOLICITORS REGULATION AUTHORITY Applicant

and

SABIR HUSSAIN Respondent

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Before:

Mr D. Green (in the chair)
Mr J. Evans
Mrs N. Chavda

Date of Hearing: 21-22 June 2016

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**Appearances**

Edward Levey, barrister of Fountain Court Chambers, Fountain Court, Temple, London EC4Y 9DH instructed by Geoffrey Hudson, solicitor of Penningtons Manches LLP, Abacus House, 33 Gutter Lane, London,EC2V 8AR, for the Applicant

The Respondent did not appear and was not represented.

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# JUDGMENT

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**Allegations**

The allegations made against the Respondent by the Applicant were that:

1. He withdrew client money from his Firm's client bank account other than in accordance with Rule 20.1 of the SRA Accounts Rules 2011 ("SAR 2011"), contrary to that Rule and Principles 2, 4, 6 and 10 of the SRA Principles 2011 ("the Principles");

2. He failed without good reason to hold client money in a client account contrary to Rule 14.1 of SAR 2011 and Principles 2, 4, 6 and 10 of the Principles;

3. He caused a shortfall of no less than £60,250 comprising £60,000 in respect of client I and £250 in respect of client G to arise on his Firm's client account in breach of Rule 20.6 SAR 2011 and Principles 2, 6 and 10 of the Principles;

4. He failed to rectify the shortfall in Allegation 3 above promptly or at all, in breach of Rule 7.1 of SAR 2011 and Principles 4 and 6 of the Principles.

5. He failed at all times to keep accounting records properly written up to show his dealings with client money in that he made, or caused to be made, false ledger narratives in respect of client money received and paid, contrary to Rule 29.1 SAR 2011 and Principles 2, 4, 6 and 10 of the Principles;

6. He provided banking facilities through his Firm's client account, in that a transfer of funds between two third parties was made through the account, without there being an underlying transaction or service forming part of his normal regulated activities, in breach of Rule 14.5 of SAR 2011 and Principles 6 and 8 of the Principles;

7. He abandoned his firm on 29 September 2014 and thereafter failed to effect an orderly and transparent winding down of its activities, thereby failing to achieve Outcomes 10.3 and 10.13 and in breach of Principles 4, 6 and 7 of the Principles;

8. He failed, between 1 and 28 October 2014, to respond to multiple attempts by an SRA Regulatory Supervisor to contact him by telephone and in writing, thereby failing to achieve Outcome 10.6 and in breach of Principles 6 and 7 of the Principles.

Dishonesty was alleged in respect of Allegations 1, 2 and 5. However proof of dishonesty was not an essential ingredient for proof of any of the allegations.

**Documents**

9. The Tribunal considered all the documents in the case including:

Applicant

- Application and Rule 5 Statement with exhibit GRFH/1 dated 30 July 2015
- Witness Statement of Nizamuddin Patel with exhibits dated 16 December 2015
- Witness Statement of client I with exhibits dated 3 December 2015

- Adjudication Report from Solicitors Compensation Fund dated 21 July 2015 in relation to Client I
- Witness Statement of client G dated 21 December 2015
- Witness Statement of Liz Bond dated 4 December 2015
- Witness Statement of Richard Robinson dated 18 January 2016
- Schedule of Costs

Respondent

- Answer to Rule 5 Statement, undated but understood to have been prepared on 11 October 2015
- Respondent's Skeleton Argument dated 21 June 2016
- Statement of HA dated 20 June 2016
- Respondent's Personal Financial Statement dated 10 May 2016

**Preliminary Matters**

Application to proceed in absence

10. The Respondent did not attend the hearing. He had emailed the Tribunal and the Applicant the previous evening to explain that he would be unable to attend the hearing due to family health issues. In that email, after setting out the nature of the health issues, he stated:

> "Please accept my apologies and I trust you can appreciate my position. I don't wish to prejudice the applicant's position and confirm the hearing can continue in my absence. The basis of my defence to the allegations raised have been well cover [sic] in my Answer to the Rule 5 Statement. I was due to distribute the attached witness statement from Mr [HA] tomorrow at the hearing, as I have only been able to obtain this today. I also attach my skeleton argument and trust this together with the witness statement of Mr [HA] and my Answer, are sufficient to provide the tribunal with a full set of facts and responses to the allegations made."

11. The Applicant had replied to the Respondent's email the same evening requesting medical evidence in support of the Respondent's assertions. The Respondent had sent a further email to the Applicant and the Tribunal but this did not contain the medical evidence that had been requested.

12. The Applicant informed the Tribunal that it was ready to proceed with the matter. The Tribunal confirmed that although the Respondent was not making an application for an adjournment, the interests of fairness required the correct procedure be followed in order that the Tribunal could consider whether or not it was in the interests of justice to proceed. Accordingly the Applicant made a formal application to proceed in absence pursuant to Rule 16(2) of the Solicitors (Disciplinary Procedure) Rules 2007 ("SDPR").

13. The Applicant submitted that the Respondent was clearly aware of the hearing date as he had referred to the date in his emails to the Tribunal. The Applicant reminded the Tribunal that the Respondent was not seeking an adjournment, the Applicant was

ready to proceed and witnesses had attended. It was submitted that that it would be wrong for the Tribunal not to proceed in the Respondent's absence.

14. If the Tribunal were to adjourn the matter there was a strong likelihood that on the next occasion another reason would be found by the Respondent not to attend. The Applicant referred the Tribunal to R v Hayward, Jones and Purvis [2001] QB 862, Schools v Solicitors Regulation Authority [2015] EWHC 872 (Admin) and General Medical Council v Adeogba and Visvardis [2016] EWCA Civ 162.

15. The Applicant submitted that the criteria in Jones had been met as the Respondent had voluntarily waived his right to be present by his conduct. The Applicant confirmed that the Respondent was no longer practising.

16. The Applicant invited the Tribunal to consider the Skelton Argument and the Witness Statement of Mr HA. The Applicant accepted it was admissible and submitted it went to the Respondent's credibility which was relevant to the Applicant's position. The Skelton Argument and the Witness Statement were "disgraceful" documents which had been served very late and made serious allegations against the witnesses in the case. The Applicant submitted that the Respondent clearly had time to prepare these documents despite the family health issues to which he had referred in his emails. It was, the Applicant submitted, another example of the Respondent's cynical approach to the proceedings.

The Tribunal's Decision

17. The Tribunal considered the contents of the Respondent's email and the submissions of the Applicant. The Tribunal bore in mind that the Respondent was not practising, was unrepresented and was facing serious Allegations which included dishonesty. The Tribunal was mindful that it must exercise the utmost care and caution in considering whether or proceed in absence.

18. The Respondent was aware of the date of the hearing and SDPR Rule 16(2) was therefore engaged. The Tribunal had regard to the Solicitors Disciplinary Tribunal Policy/Practice Note on Adjournments (4 October 2002) and the criteria for exercising the discretion to proceed in absence as set out Jones by Rose LJ at paragraph 22 (5) which states:

> "In exercising that discretion, fairness to the defence is of prime importance but fairness to the prosecution must also be taken into account. The judge must have regard to all the circumstances of the case including, in particular:
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> (i) the nature and circumstances of the defendant's behaviour in absenting himself from the trial or disrupting it, as the case may be and, in particular, whether his behaviour was deliberate, voluntary and such as plainly waived his right to appear;
> (ii) …;
> (iii) the likely length of such an adjournment;
> (iv) whether the defendant, though absent, is, or wishes to be, legally represented at the trial or has, by his conduct, waived his right to representation;

(v) …;
(vi) the extent of the disadvantage to the defendant in not being able to give his account of events, having regard to the nature of the evidence against him;
(vii) …;
(viii) …;
(ix) the general public interest and the particular interest of victims and witnesses that a trial should take place within a reasonable time of the events to which it relates;
(x) the effect of delay on the memories of witnesses;
(xi) …;"

19. The Tribunal noted the apparent contradiction of the Respondent having time to draft a lengthy Skeleton Argument and obtain a Witness Statement, while at the same time being so preoccupied with family health issues that he was unable to attend the hearing. The Tribunal made no finding at this stage as to the content of those documents as this was not a matter for this application but for submissions in the context of the consideration of the Allegations themselves.

20. The Tribunal noted that the Respondent had invited the Tribunal to proceed in his absence and was not seeking an adjournment. The Tribunal found that the Respondent had voluntarily chosen to absent himself from the proceedings and waived his right to appear.

21. The matter had been listed for three days and he had not indicated that he would attend on any of them, or on a subsequent occasion. Therefore an adjournment would not ensure the attendance of the Respondent.

22. The Tribunal was mindful of the fact that the Applicant's witnesses were present and that the matters were almost two years old. The Tribunal was concerned about the effect of the passage of time on the witnesses' memories if the matter was further adjourned. The earliest that the matter could be re-listed was November 2016, a delay of five months.

23. The Respondent had provided a full Answer and a Skeleton Argument as well as a Witness Statement, which the Applicant had confirmed could, and should, be admitted into evidence.

24. The Tribunal concluded that it would not be in the interests of justice to adjourn the matter and it was in the public interest that it proceed without further delay. The application to proceed in the Respondent's absence was granted.

25. The Tribunal reminded the Applicant that notwithstanding the Respondent's absence, the burden remained on the Applicant to prove each of the Allegations beyond reasonable doubt. In addition the Applicant should take care to address any points that the Respondent had raised in relation to the Allegations or any point that he might have taken had he been present.

Application for a witness to give evidence by telephone

26. The Applicant relied on the evidence of Mr G, a former client of the Firm. Mr G was unable to attend the Tribunal in person as he had business commitments and there had been a miscommunication between himself and the Applicant as to the timing of his attendance at the Tribunal. He was, however, available on the telephone. The Applicant submitted that the cancellation of Mr G's business commitments or a delay to the hearing would not be proportionate. His Witness Statement dated 21 December 2015 had been served on the Respondent and no counter notice had been served. The Applicant sought the Tribunal's permission to hear Mr G's evidence by telephone pursuant to Rule 21 of the SDPR. The Applicant confirmed that Mr G had a copy of his Witness Statement in front of him and would take the oath in the normal manner at the commencement of his evidence.

27. The Tribunal noted that the Respondent had been served with the Witness Statement and had not served a counter-notice. He had therefore not challenged Mr G's evidence until the service of the Skeleton Argument and the Witness Statement of Mr HA the day before the hearing.

28. The Tribunal decided it would not be proportionate to require Mr G to re-arrange his business arrangements or to delay the hearing to enable his personal attendance. The Tribunal was satisfied that in those circumstances, it was in the interests of justice that Mr G be permitted to give his evidence by telephone in order that he could respond to the points now raised by the Respondent but without causing inconvenience to him or to the Tribunal, which would be disproportionate. The Tribunal granted the application.

**Factual Background**

29. The Respondent was born in 1981 and was admitted to the Roll of solicitors on 17 September 2007. His name remained on the Roll at the time of the hearing. He had held a practising certificate free from conditions until it was automatically suspended 30 October 2014 due to his bankruptcy.

30. At the relevant times the Respondent was practising as the sole director and principal of NP Law Ltd ("the Firm"). An investigation of the books of account and other documents of the Firm commenced on 21 October 2014 and was undertaken by Liz Bond, a Forensic Investigation Officer of the SRA ("the FIO"). The FIO produced an interim report dated 31 October 2014 and a final report dated 24 November 2014 ("the FIR").

31. On 7 November 2014 an adjudication panel of the SRA decided to intervene into the firm and the intervention was effected on 11 November 2014.

Client I transactions – Allegations 1,2,3,4 and 5

32. The Respondent acted for three male relatives of the I family in their purchase of a property. The transaction commenced in August 2014. At the Respondent's request client I paid completion funds totalling £60,533 to the firm in three tranches between 14 and 17 September 2014. On 17 September 2014 the Respondent sent an email to

the sellers' solicitor stating that he was in receipt of completion monies which he said should clear in time for the proposed completion date of 22 September 2014. On 22 September 2014 a payment of £60,000 was made out of the firm's client account to a Halifax bank account in the name of Mr HA. The payment was debited against the client I ledger with the narrative "comp delayed monies returned".

33. The FIO was unable to establish any connection between Mr HA and client I. Additionally she was unable to identify a legitimate reason for the payment and the funds were not returned to the client. The client file did not contain any other correspondence or documents referring to the payment on 22 September 2014 or to the clients' funds being returned to the client due to the delay in completion. The only letter that existed was a letter dated 28 September 2014 in which the firm wrote to the clients to say that the matter could not progress until confirmation of the source of completion funds was received. However this did not contain a reference to the funds being returned to the clients.

34. The client stated in an email to those acting for the Applicant that he had not been informed of any delay in completing the purchase, he had not been told about authorised the transfer of funds on 22 September 2014 and he did not know anybody by the name of Mr HA.

35. On 18 November 2014 client I filed a claim with the Solicitors Compensation Fund for £60,853 comprising the £60,000 plus funds sent to the Firm in respect of costs and disbursements.

The Respondent's Response

36. In his Answer the Respondent confirmed that he had acted for the I family. Although the matter initially proceeded speedily, problems arose in the chain which created a delay. The Respondent had informed Mr I that he was unable to hold onto the funds as this would require him to pay interest on the sums which was contrary to both the Respondent's religious beliefs and Mr I's. Mr I suggested that the funds be sent to Mr HA who would hold them pending resolution of the delays in the purchase. Shortly after this the Firm disintegrated as a result of the Respondent's bankruptcy and he instructed Mr HA to return the funds to the Firm. Having been informed that the funds did not reach the Firm he assumed that Mr HA had returned them directly to Mr I. The Respondent denied failing to properly account for the transactions, maintained that they were undertaken with the full knowledge and consent of the client and that he had not acted dishonestly in any way.

Client J transactions – Allegations 1,2 and 5

37. The Respondent acted for client J in the sale of a residential property. The FIO was unable to locate a hardcopy file for this matter but recovered some documents from the Firm's electronic case management system. On 11 June 2014 completion monies of £665,000 were received from the buyer's solicitors. The following day, costs of £576 were transferred to the Firm's office account. A letter from the Firm to the buyer's solicitors dated 23 June 2014 stated that a problem had arisen in that, contrary to the agreed contract for sale, the property would not be vacant upon completion and

that accordingly the completion funds were being held in client account pending the resolution of the matter. The letter set out various options for resolving the matter.

38. Client J's ledger accounts recorded the following subsequent payments out of the client account to the same Halifax account in the name of Mr HA referred to in respect of client I.

| Date | Narrative | Sum withdrawn (£) |
|---|---|---|
| 25.06.14 | 'Surplus to client' | 50,000.00 |
| 8.07.14 | 'Surplus to client' | 100,000.00 |
| 9.07.14 | 'Surplus to client' | 100,000.00 |
| 10.07.14 | 'Surplus to client' | 50,000.00 |
| 11.07.14 | 'Surplus to client' | 64,424.00 |
| 12.07.14 | 'Surplus to client' | 100,000.00 |
| 13.07.14 | 'Surplus to client' | 50,000.00 |
| 14.07.14 | 'Surplus to client' | 100,000.00 |
| 15.07.14 | 'Surplus to client' | 50,000.00 |
| **Total** | | **664,424.00** |

39. On 11 August 2014 the Respondent paid into the Firm's client account a cheque for £600,000 which was drawn against a Santander bank account held in the name of Mr AH. The client ledger narrative against this receipt was "monies returned" and the ledger recorded that the transaction was made by way of the BACS rather than cheque. On 20 August 2014, £21,600 was paid to the buyers solicitors. The reason for this payment was not known. Following this payment the balance on client J's ledger was £578,400. On 28 August 2014 £642,824 was transferred to the ledger of another of client J's matters, namely the purchase of another property. This resulted in a debit balance on the ledger related to the first property of £64,424 which was also the difference between the sum transferred to Mr HA between 25 June and 15 July 2014, namely £664,424 and £600,000 paid in by the Respondent on 11 August 2014.

40. On 3 September 2014 the Respondent paid in a cheque for £64,424 which was drawn against a Santander bank account in the name of Mr HA. The client ledger again described the payment as having been made by BACS. The FIO was unable to identify any link between Mr HA and client J and could not locate any authority from client J the transfer of funds to Mr HA.

The Respondent's Response

41. In his Answer, the Respondent confirmed that he had acted for Client J, who had been referred to the Firm by Mr HA. The transaction had appeared to have concluded on 11 June 2015 but a problem arose when the property, which had been sold with vacant possession, in fact had a tenant in situ. The client agreed that the issue would have to be resolved before the sale surplus could be released to her. It became apparent that his would take some time to resolve and the Respondent advised the client that he could no longer hold onto the sale surplus as, due to his Islamic faith, he did not believe in paying interest on monies held on behalf of clients. He wanted to return the funds to the client but she decided they should be transferred to Mr HA pending resolution. On her authority he made the transfers to Mr HA. Mr HA then transferred the monies to another individual due to his absence from the country on business. The

monies were returned and utilised for another purchase. The Respondent denied acting dishonestly, stating there was never any attempt to mislead or be dishonest.

Client H transactions – Allegations 1,2 and 5.

42. The Respondent acted for client H in his purchase of a residential property. No file was recovered for this matter. On 7 August 2014 £85,000 was credited to client H is ledger. The narrative of the transaction was "monies from [firm of solicitors]". On 21 August 2014 £85,000 was transferred to the same Santander account in the name of Mr HA referred to above. The corresponding client account ledger narrative was "monies returned". The FIO reviewed the case management system but was unable to locate any correspondence between the Respondent and Mr H as to why the funds had been sent to Mr HA and could find no authority from Mr H for the payment. The FIO was unable to identify any connection between Mr H and Mr HA. On 8 September 2014 the Respondent paid £85,000 into the Firm's client account by way of a cheque drawn against the Santander account in the name of Mr HA. The client ledger narrative was recorded as "monies for purchase".

The Respondent's Response

43. The Respondent, in his Answer, confirmed that he had acted for Mr H who had been referred to the Firm by Mr HA. There had been a lengthy delay caused by an aborted sale in the chain. The Respondent told Mr H that he was unable to continue holding the funds for him due to his (the Respondent's) religious beliefs, which would be infringed by paying interest. Mr H did not wish the funds returned to him and decided that they should be transferred to Mr HA pending resolution of the conveyancing delay. The Respondent agreed that he should have recorded this as "monies returned to the client's agent" but due to pressure of work this was not done. The monies were returned when required and the Respondent denied attempting to conceal any information or acting dishonestly.

Client HU transactions – Allegations 1, 2 and 5

44. The Respondent acted for client HU in relation to her purchase the property. No file was recovered for this matter. On 29 and 30 April 2014 a total of £21,500 was credited to the client ledger in respect of "completion monies".

45. On 6 June 2014 £21,500 was paid out of the client account. The ledger narrative for this transfer was "monies returned to client". The FIO was unable to obtain from the Firm's bank details where this payment was sent, although the client bank statement recorded the payment was made by BACS to a Santander bank account. On 25 June 2014 the Respondent paid £21,500 into client account by way of a cheque drawn on the Halifax bank account in the name of Mr HA referred to above. The ledger narrative recorded this as "monies from client for completion". The ledger also recorded that the payment was made by way of B ACS.

46. The ledger recorded a payment on 27 June 2014 of £21,500 to client HU with the narrative "sale aborted monies returned". The FIO was unable to identify any connection between Mr HA and client HU and could not locate any documents or correspondence related to the payment on 6 of June 2014. On 24 June 2015, in an

email to those instructed by the Applicant, client HU stated that she had been "shocked to learn that [her] money was paid to a third party".

The Respondent's Response

47. The Respondent, in his Answer, confirmed that he acted for Ms HU who was referred to the Firm by Mr HA. The transaction proceeded as normal initially but a delay arose, which was going to potentially take several months to resolve. The client agreed that this would place the Respondent in a difficult position as regards interest on the funds held but did not want the money returned to her. She therefore consented to the funds being transferred to Mr HA pending the resolution of matters. The monies were correctly returned to the client at the point where the Respondent had to cease acting for her. Again, the Respondent accepted he should have elaborated the narrative on the ledger to reflect that the monies had been transferred to the client's agent. The Respondent refuted any suggestion of dishonesty.

Client G transactions – Allegations 1,2,3,4 and 5

48. The Respondent acted for client G in the sale of his residential property. The transaction completed on 19 December 2013. Prior to the sale the parties agreed that £250 would be retained by the Firm until October 2014 to cover any future liability on the part of the buyer in respect of works to the property. The matter ledger recorded a withdrawal £250 from client account on 11 July 2014 with the narrative "retention monies to client". There was a corresponding withdrawal from the Firm's client bank account.

49. Mr G did not receive that money and in October 2014 he approached the Firm in order to arrange the return of the £250, as no works had been undertaken at the property. However he was informed by an employee of the Firm that the Respondent had abandoned the practice and that the £250 had been paid into an unknown bank account on 11 July 2014. As a result of this withdrawal, a shortfall in the sum of £250 arose on the Firm's client account. On 3 November 2014 Mr G made a claim to the Solicitors Compensation Fund for £250 which was duly paid out to him.

The Respondent's Response

50. In his Answer, the Respondent confirmed that he had acted for Mr G. The sum of £250 was held back after completion to deal with any matters arising with regards to the Management Fee. Mr G had provided bank details to which the monies should be returned. The monies were returned to the account specified by him.

Client K transactions - Allegations 5 and 6

51. The Respondent acted for client K in the sale of a residential property. No client file for this matter was recovered. On 17 July 2014 the sum of £5000 was paid into the Firm's client account by way of a cheque drawn on the Santander account in the name of Mr HA referred to above. The receipt was posted to the ledger of client K with the narrative "monies for aborted purchase of [address]". The ledger also showed a payment of £5000 out of the client account on 18 July 2014 with the narrative "monies returned to client cheque 584". The Firm's bank was unable to locate a copy

of cheque 584 and the client account bank statement showed no payments out of £5000 on or around 18 July 2014.

52. The ledger showed that £100,000 was received from the buyers' solicitors on 1 August 2014. A letter to client K of the same date enclosed a cheque for £99,574. The letter stated that the Firm was dealing with post-completion matters and would write again once they had been completed to confirm the closure of client K's file. The client ledger showed a debit entry of £5000 on 4 August 2014 the narrative "cheque of £5000 returned". No corresponding entry on the Firm's client account bank statement was found.

53. On 6 August 2014 the Respondent paid a cheque for £25,000 into client account. The cheque was drawn against the account of Mr MY. The client ledger narrative was "money from chargees". On 3 September 2014 a BACS payment of £30,000 was made from client account to the Halifax account in the name of Mr HA. The FIO was unable to ascertain why the £25,000, which the Respondent had paid into client account on 6 August 2014, was credited to client K's ledger or why the narrative stated that it was "from chargees".

The Respondent's Response

54. The Respondent, in his Answer, confirmed that he acted on behalf of Client K, who was a property developer. The client would deposit monies with the Firm so as to enable the Firm to confirm it held monies on account when dealing with estate agents. All the transactions related to an underlying legal transaction and no banking facilities were ever offered by the Firm or by the Respondent.

Allegation 7

55. On 29 September 2014 the Respondent sent a text message to a Consultant at the firm, Mr Patel which stated as follows:

> "[NP] the reason I have been stressed in the last few weeks is because of the attached [bankruptcy petition]. I was served with a stat demand on 1 August as a precursor to a bankruptcy petition which was served on me at the office today. The hearing is for 30 October in Manchester and there is a very strong likelihood that I will be adjusted bank [sic]. There is no point in paying a years indemnity I suggest you contact [T] and ask to pay by monthly direct debit. I then suggest you liaise with the appropriate persons to bring finality to [the Firm] as I will probably no longer able [sic] to practice. I am urgently attending a firm of solicitors in Stockport who specialise in solicitors insolvency and will let u know what they say. You need to brief [the Firm's trainee] to urgently deal with all my conveyancing work and progress matters as best u can. Please ask her to monitor my emails and email me any issues to [Respondent's personal email address]".

56. The Respondent did not subsequently return to work.

The Respondent's Response

57. In his Answer the Respondent stated:

> "I can confirm I abandoned the practice of NP Law Limited on 29 September 2014. The reasons for my abandoned [sic] are well recorded by the Applicant. I regret the actions taken and in hindsight I wish I had assisted the SRA and indeed my clients in an orderly wind down of the firm". The Answer continued; "That said the allegation facing me that I intentionally disregarded my duties and obligations is thoroughly wrong and simply does not do justice to the circumstances. I was a relatively young solicitor who was adjudicated bankrupt, which effectively spelt the end of my legal career. I had never envisaged that all my hard work and efforts in becoming a professional would be dissolved in what seemed a matter of minutes. I was paralysed by my fears and the fear of being ostracised by my community and my family rather than face the challenge ahead….I did not wilfully abandon my practice; I was almost unable to do anything else".

The Respondent stated that he felt unsupported by the SRA as he faced these issues.

Allegation 8

58. Between 1 and 10 October 2014 Mr Michael Smith, the firm's supervisor, attempted on the following occasions to contact the Respondent:

- he made 5 calls to the Respondent's mobile telephone and on each occasion left a voicemail message asking the Respondent to call him back the same day;
- he sent an email to the Respondent's personal email address asking that the Respondent contact him;
- he sent a letter to the Respondent at his home address and a further letter to another property which the Respondent was understood to own, on both occasions asking the Respondent contact him regarding the Firm. Both letters were also emailed to the Respondent as his personal email address;
- he attempted to telephone the Respondent using two alternative phone numbers and on both occasions left voicemail messages asking Respondent contact him. It was not until 28 October 2014 that the Respondent first attempted to contact Mr Smith.

59. The Respondent agreed to be interviewed by the FIO on 17 November 2014. However on the evening of 16 November 2014 the Respondent emailed the FIO to state that he would not be attending the interview due to his health. In that email he provided comments on the interim report. The FIO had sent written questions to the Respondent on 17 November 2014. The Respondent replied on 18 November 2014.

The Respondent's Response

60. The Respondent had accepted in his Answer that Mr Smith had attempted to contact him on "several occasions". He explained that he was suffering from health issues at the time which made it impossible to effectively communicate with him. He stated that many of the points he had raised in relation to Allegation 1.7 also applied to this Allegation.

61. The Firm was intervened into on 11 November 2014. On 5 February 2015 Mr Smith sent a letter to the Respondent which contained detailed questions arising out of the FIR. In an email to Mr Smith on 1 March 2015 the Respondent stated that he was unable to revert to him in relation to his letter of 5 February 2015 due to difficulties regarding his personal circumstances. The Respondent stated that his emails of 16 and 18 November 2014 "pretty much set out [his] position and nothing has changed"

**Witnesses**

Liz Bond (FIO)

62. The FIO confirmed that the FIR was true to the best of her knowledge and belief.

63. She confirmed that the Respondent was not at the Firm when she attended but he responded to emails. He had told her that he was unable to attend the interview that she had arranged for him due to ill-health. Accordingly she had agreed to tender her questions to him by email. At no time had she ever met the Respondent.

64. The FIO told the Tribunal that she had found nothing during the course of her investigation that addressed the issue of client monies being paid to third parties. It had not been raised with them and there was no evidence of any agreement from them for their monies to be transferred in this way.

65. The FIO was asked by the Tribunal if she had met anyone else at the Firm and she confirmed meeting Nizamuddin Patel, the consultant and SP, the trainee. They had both been very helpful throughout the investigation.

Nizamuddin Patel

66. Mr Patel confirmed that the contents of his Witness Statement were true to the best of his knowledge and belief. He had been one of the founders of the Firm. The Respondent had taken over the Firm from him in 2010. Mr Patel continued to work for the Firm as Company Secretary and as a Consultant. He was also appointed the Firm's Compliance Officer for Legal Practice ("COLP") and Compliance Officer for Finance and Administration ("COFA"). Although he was technically a signatory to the client account, the Respondent had sole access to the online banking facility.

67. He confirmed that he had never met Mr HA and had no knowledge of him. The accounts of his involvement with Mr HA contained in Mr HA's Witness Statement were "absolute rubbish". The first time he had become aware of him was when the FIO was at the office going through certain transactions. She had asked Mr Patel to

obtain copies of the cheques and only then did it come to light that the payee on some cheques was Mr HA.

68. Mr Patel was asked if the reason for the transfers to Mr HA was related to the religious beliefs of himself and/or the Respondent. He said this was not the case, the Firm did charge interest and would pay it into the office account in order to avoid breaching the SAR. He was asked to comment on the Respondent's assertion that discussions took place between him and the auditors on this issue, which amounted to a "constant battle". Mr Patel denied that any such conversations took place and stated that the suggestion of a "constant battle" was "rubbish".

69. Mr Patel told the Tribunal that he did not consider himself or the Respondent to be religious. He did not observe the Respondent praying regularly during the day. The link between the Respondent's religious beliefs and the payment of interest was a "non-starter". Interest was paid into the office account and there was no other issue concerning the payment of interest.

70. On 29 September 2014 Mr Patel received the text message referred to above. Initially he was sympathetic to the Respondent. However when the missing £60,000 in respect of Client I came to his attention he became concerned. It was around this time that he attempted to undertake an audit of all the files following the Respondent's departure. The closed files were kept in the attic and Mr Patel discovered that while his files were still there, many of the Respondent's files were missing. It transpired that some of his live files were also missing. He believed that the Respondent had taken them away outside office hours.

Richard Robinson

71. Mr Robinson confirmed that his Witness Statement was true to the best of his knowledge and belief. He told the Tribunal that he was a Chartered Accountant and Audit Partner at a firm of accountants based in Burnley. His firm had audited the Respondent's Firm every year between 2009-2013. Initially Mr Robinson undertook the audits personally but latterly one of the more junior accountants, Kerys Heys, undertook them under Mr Robinson's supervision. He was always aware of any issues which may arise during the audits.

72. Mr Robinson confirmed that his letter to the Applicant of 11 August 2015 was also true to the best of his knowledge and belief. In that letter he had stated that the purported discussions with the Respondent about religious difficulties relating to payment of interest were "categorically untrue". If Ms Heys had been involved in such a discussion with the Respondent he had not been told about it and he would have expected to have been. There was one conversation about payment of interest generally that Ms Heys informed him about and he had advised that a copy of the Firm's policy on the payment of interest be obtained before signing-off the audit. This was provided as requested.

Client G

73. Mr G confirmed that the contents of his Witness Statement were true to the best of his knowledge and belief.

74. The Respondent had suggested in his Skeleton Argument, based on the Witness Statement of Mr HA that in fact Mr CG had received the £250 but had asked Mr HA to pay it into the account of an acquaintance. Mr CG did not know anyone by the name of Mr HA and told the Tribunal that the suggestion was completely untrue. The £250 had eventually been reimbursed by the Solicitors Compensation Fund.

**Findings of Fact and Law**

75. The Applicant was required to prove the allegations beyond reasonable doubt. The Tribunal had due regard to the Respondent's rights to a fair trial and to respect for their private and family life under Articles 6 and 8 of the European Convention for the Protection of Human Rights and Fundamental Freedoms.

76. **Allegation 1 - He withdrew client money from his Firm's client bank account other than in accordance with Rule 20.1 of the SAR 2011, contrary to that Rule and Principles 2, 4, 6 and 10 of the Principles.**

76.1 The Applicant submitted that there had been no suggestion in the Respondent's dealings with his clients that there was any difficulty with the payment of interest. The Tribunal was referred to the client care letter issued to Mr I on 4 June 2014. There was no reference in that letter to an inability to pay interest, indeed there was no mention of interest at all. The Firm's policy on interest had been sent to Kerys Heys on 26 November 2013 as referred to in Mr Robinson's evidence. This policy confirmed that it was the Firm's policy to pay interest on monies held on behalf of clients. The opening line read "Clients must receive interest on monies held on their behalf…" If there were genuine religious difficulties about paying interest then Rule 25 of the SAR was designed to address such concerns. The Applicant submitted that there was no evidence of any agreement to contract out of Rule 22 of the SAR in respect of any of the client matters before the Tribunal, indeed based on the Firm's policy the Respondent appeared to be content to pay interest in accordance with Rule 22 of the SAR.

76.2 The Applicant further submitted that the above notwithstanding, it was not clear why, even if the Respondent felt there was a difficulty with paying interest, the money had to be transferred to Mr HA. There was no evidence that the clients had agreed to, or even been informed of, this course of action. The Applicant referred the Tribunal to the evidence of Mr I, Mr G, Mr H and Ms HU. They all confirmed that the withdrawals had not been done with their consent. Ms J had not provided a statement but the FIO had not located any authority for this transaction.

76.3 This was reflected in the fact that in the case of Mr I and Mr CG, the Solicitors Compensation Fund had paid the money back to them following an investigation of the circumstances. The Applicant submitted that the Tribunal should attach no weight to the statement of Mr HA due to its late service, the fact that it did not contain an address and the allegations contained in the statement to the effect that the Applicant's witnesses were telling lies, something that had not previously been suggested in such terms. The Applicant submitted that it was questionable whether Mr HA had in fact written the statement at all.

76.4 The Respondent, in his Skeleton Argument, had submitted that Mr HA was present when Mr Patel and the Respondent discussed the impact of paying interest on client monies held on their religious beliefs. He submitted that Mr Patel appeared to have a "personal vendetta" against the Respondent, which had clouded his evidence. The Skeleton Argument relied to a large extent on the contents of Mr HA's Witness Statement. Mr HA stated that the Respondent had contacted him frequently to discuss the issue of interest on deposit for clients. He stated that the Respondent was increasingly concerned about this issue. Mr HA stated that he agreed with the Respondent that he would hold on to client funds on behalf of both the Firm and the clients on occasions where the funds had been held for 14 days and where interest would be due. This could only be done if the client agreed. Mr HA stated that "on every occasion specific instructions were undertaken and once the monies were needed I simply sent these back to the Firm". He confirmed that this arrangement applied to Clients I, J, H and HU. In the case of J he stated that as he was due to fly abroad at the time when her transaction was due to proceed he sent the monies to Mr AH so that he could return them in Mr HA's absence. This was done with J's consent, Mr HA having spoken to her personally.

76.5 In respect of Mr I, Mr HA stated that he had returned this money to him directly following the closure of the Firm.

76.6 In respect of Mr G, Mr HA stated that Mr G had instructed him (Mr HA) to arrange for the Respondent to pay the £250 into the bank account of an acquaintance of Mr G, which the Respondent did after Mr G sent him a fax with the account details.

76.7 The Tribunal considered the question of the payment of interest. The Tribunal noted that the Firm had a policy to pay interest. This policy reflected the requirements of Rule 22 of the SAR. There was nothing contained in that policy that flagged up a concern on religious grounds. The Tribunal considered SAR Rule 25, which stated at Rule 25.1:

> "In appropriate circumstances you and your client may by a written agreement come to a different arrangement as to the matters dealt with in rule 22 (payment of interest)".

76.8 Rule 25.2 stated:

> "You must act fairly towards your clients when entering into an agreement to depart from the interest provisions, including providing sufficient information at the outset to enable them to give informed consent".

76.9 The Guidance Notes in respect of Rule 25 stated:

> "(ii) Contracting out which on the face of it appears to be against the client's interests is permissible where the client has given informed consent. For example, some clients may wish to contract out for reasons related to their tax position or to comply with their religious beliefs.
>
> (iii) A firm which decides not to receive or pay interest, due to the religious beliefs of its principals, will need to ensure that clients are informed at the

outset so they can choose to instruct another firm if the lack of interest is an issue for them".

76.10 The Tribunal took into account the Respondent's assertion that there was an inherent conflict between his religious beliefs and the requirement to pay interests in compliance with Rule 22. After careful consideration however the Tribunal entirely rejected this suggestion as Rule 25 was designed to address exactly this issue. If the payment of interest caused the Respondent difficulties he could, and should, have made clear to clients at the outset of the case, that the Firm could not pay interest. This would have given the clients the opportunity to either reach a written agreement with the Firm or indeed to instruct a different solicitor. The Tribunal examined the client care letter to Mr I, which contained no reference to a difficulty in the payment of interest.

76.11 The Tribunal had regard to the evidence of Mr Robinson, which it accepted. He had been very clear that no such issue had arisen during the four years when he and his colleague were auditing the Firm.

76.12 Even in the event that such an issue had arisen, the solution was to contract out. There was nothing in the SAR or in the evidence before the Tribunal which permitted the monies to be sent to a third party. Mr I stated "we did not agree that NP Law could pay our money to a Mr [HA]. In fact there was no discussion with Mr Hussain about paying our money to anyone except the sellers or the property". In an email to the Applicant dated 28 July 2015 Mr I had written "I have no knowledge of a Mr [HA]". Mr G was clear in his evidence that he had never even heard of Mr HA and had not authorised the transfer of the money. His evidence had not been challenged and the Tribunal accepted it. The Tribunal rejected the Respondent's case that the £250 had been returned to an acquaintance of Mr CG at his request. Client HU, in an email to the Applicant dated 24 June 2015 stated "I have been shocked to learn that my money was paid to a third party".

76.13 This evidence had been unchallenged by the Respondent until the service of Mr HA's Witness Statement, the evening before the hearing. The Tribunal considered the statement carefully. It did not provide an address for Mr HA. It described him as living in Abu Dhabi, United Arab Emirates but no more than that. It was served very late, in breach of the Directions made by the Tribunal that all Witness Statements on which parties intended to rely be served by 8 January 2016. As recently as 10 May 2016, the Respondent had informed the Tribunal that he would not be calling any witnesses. The Tribunal found that the account given by Mr HA and by the Respondent was directly contradicted by the documentary evidence and the evidence of Mr I. The Respondent's explanation that money had been transferred to Mr HA to avoid having to pay interest was wholly implausible. Rule 25 made a complete nonsense of the Respondent's argument. The Tribunal emphatically rejected the suggestion that the SAR were discriminatory. They made explicit allowance for the religious beliefs of solicitors. The Tribunal was entirely satisfied that the issue of religion and the payment of interest had nothing whatsoever to do with the transfers to Mr HA's bank accounts.

76.14 The Tribunal was satisfied beyond reasonable doubt that the monies in respect of each of the exemplified cases had been withdrawn other than in accordance with Rule 20.1 of the SAR.

Dishonesty

76.15 The Applicant submitted that the Respondent's conduct was dishonest by the ordinary standards of reasonable and honest people and that he was aware that his conduct was dishonest by those standards because he attempted to disguise his actions by making entries in the relevant client ledgers indicating that the funds had been returned to the clients as a result of delayed completion, when he knew they had not been. In respect of Client J it was submitted that the Respondent was aware that the completion funds received from the buyer's solicitors were client funds, that he was obliged to hold those funds in a client account pending the resolution of the issue of the occupation of the property and that the funds could therefore only be withdrawn in accordance with Rule 20.1. The Respondent advised the buyer's solicitors that the money would be so held. Despite that, without the client's authority and without notifying the buyer's solicitors, he paid the money to Mr HA in nine instalments over a three-week period. Again, misleading entries were made in the client account ledger. The Applicant made similar representations in respect of Clients I, H, HU and G.

76.16 The Applicant further submitted that the Respondent's explanation about the payment of interest was dishonest. The circumstances described by him were obviously untrue and it therefore followed that the reason an untrue explanation was being advanced was to conceal wrongdoing.

76.17 The Tribunal considered the combined test laid down in Twinsectra v Yardley and others [2002] UKHL 12 which requires that the person has a) acted dishonestly by the ordinary standards of reasonable and honest people and b) knew that by those standards he was acting dishonestly and had done so knowingly.

76.18 The Tribunal considered the objective test. The withdrawal of money from a client account and transfer to a third party in circumstances where it was neither permitted nor authorised was clearly dishonest by the ordinary standards of reasonable and honest people. Client money should be sacrosanct.

76.19 The Tribunal considered the subjective test. The Respondent had gone to great lengths to conceal the unauthorised and improper withdrawals. He had repeatedly entered misleading narratives into the client ledger and he had attempted to create a complete fiction about the payment of interest and the issue of religion, going as far as to accuse the SRA of discrimination. He had accused Mr I and Mr CG, of fraudulent conduct without any foundation, in that he suggested they had made claims to the compensation fund despite having received their money back, something the Tribunal completely rejected. The evidence so clearly contradicted his position that the Tribunal was satisfied beyond reasonable doubt that the Respondent had chosen to act in this way because he knew he his conduct was dishonest by the ordinary standards of reasonable and honest people.

76.20 The Respondent's dishonest conduct led, as a matter of logic to the conclusion that he had acted with a lack of integrity. He had not acted in the best interests of his clients, indeed he had not acted in their interests at all. He had behaved in a manner completely contrary to the maintenance of the trust the public placed in him and in the profession. He had evidently not protected client money, as starkly exemplified, though not limited to, the two payments that had to be made by the compensation fund.

76.21 The Tribunal was satisfied beyond reasonable doubt that this Allegation was proved in full.

77. **Allegation 2 - He failed without good reason to hold client money in a client account contrary to Rule 14.1 of SAR 2011 and Principles 2, 4, 6 and 10 of the Principles.**

77.1 This Allegation was the natural consequence of Allegation 1, in that having made the unauthorised withdrawals, money was no longer being held in the client account. The Tribunal had found Allegation 1 proved and therefore as a matter of logic, this Allegation was proved in full beyond reasonable doubt for the same reasons as Allegation 1, including dishonesty.

78. **Allegation 3 - He caused a shortfall of no less than £60,250 comprising £60,000 in respect of client I and £250 in respect of client G to arise on his Firm's client account in breach of Rule 20.6 SAR 2011 and Principles 2, 6 and 10 of the Principles.**

78.1 This Allegation was the natural consequence of Allegations 1 and 2 in that it related specifically to the consequences for Clients I and G. The Tribunal had found Allegations 1 and 2 proved and therefore as a matter of logic, this Allegation was proved in full beyond reasonable doubt. The Applicant had not alleged dishonesty in respect of this Allegation.

79. **Allegation 4 - He failed to rectify the shortfall in Allegation 3 above promptly or at all, in breach of Rule 7.1 of SAR 2011 and Principles 4 and 6 of the Principles. This Allegation was the natural consequence of Allegations 1 and 2 in that it related specifically to Clients I and G.**

79.1 The Tribunal had, for the reasons given above, rejected the Respondent's case that the money was in fact returned to the clients. The Tribunal had found Allegations 1 and 2 proved and therefore as a matter of logic, this Allegation was proved in full beyond reasonable doubt. The Applicant had not alleged dishonesty in respect of this Allegation.

80. **Allegation 5 - He failed at all times to keep accounting records properly written up to show his dealings with client money in that he made, or caused to be made, false ledger narratives in respect of client money received and paid, contrary to Rule 29.1 SAR 2011 and Principles 2, 4, 6 and 10 Principles.**

80.1 This Allegation was, to a large extent, the natural consequence of Allegation 1 and 2, in that having made the unauthorised withdrawals, the client ledger narratives were untrue. The ledgers on the matters of Clients J, H and HU stated that funds were received by way of BACS payment when in fact they were paid in by way of cheque. The ledgers of Clients I, J and H recorded that money was returned to clients, when in fact the funds were sent to a third party and the ledger of HU recorded that on 25 June 2015 £21,500 was received from the client when in fact it was received from a third party. The ledger of Client K showed two withdrawals of £5,000 from the client's funds when in fact they were not made. The ledger of Client G recorded that £250 was returned to the client on 11 July 2014 when it was not. The Respondent had made a limited admission to this in that he stated he "could have elaborated the narrative on the ledger to 'Monies returned to client's agent'". However this would also have been untrue.

80.2 The Tribunal again considered the combined test for dishonesty in Twinsectra. The Tribunal was satisfied that the repeated entry of false information on the client ledgers was dishonest by the ordinary standards of reasonable and honest people.

80.3 The Tribunal considered the subjective test. The Tribunal was satisfied beyond reasonable doubt that the ledgers were intentionally falsified by the Respondent in order to mislead and to cover-up his wrongdoing. The Respondent therefore knew that he was acting dishonestly by the ordinary standards of reasonable and honest people.

80.4 This Allegation was proved in full beyond reasonable doubt including dishonesty.

81. **Allegation 6 - He provided banking facilities through his Firm's client account, in that a transfer of funds between two third parties was made through the account, without there being an underlying transaction or service forming part of his normal regulated activities, in breach of Rule 14.5 of SAR 2011 and Principles 6 and 8 of the Principles.**

81.1 This Allegation related specifically to Client K. The Applicant conceded that it was very difficult to establish exactly what was happening but it appeared that money was simply being passed through the client account. The Respondent's case was that the monies were connected to an underlying transaction or service forming part of his normal regulated activities. The burden of proof was on the Applicant to satisfy the Tribunal beyond reasonable doubt that the movements of money in respect of Client K did not relate to an underlying transaction or a service forming part of the Respondent's normal regulated activities. The Applicant had been unable to tell the Tribunal what was occurring on the client account and accordingly could not discharge the burden of proof. The Tribunal found this Allegation not proved.

82. **Allegation 7 - He abandoned his firm on 29 September 2014 and thereafter failed to effect an orderly and transparent winding down of its activities, thereby failing to achieve Outcomes 10.3 and 10.13 and in breach of Principles 4, 6 and 7 of the Principles**.

82.1 The Applicant submitted that the Respondent had walked away, sent a text message to the Consultant and removed the files as inferred by Mr Patel. The Tribunal considered the Respondent's Answer, which if found to be a partial admission, and

the evidence of Mr Patel, whose evidence the Tribunal found to be straightforward and credible.

82.2 The Tribunal was entirely satisfied that the Respondent had indeed abandoned his practice and in doing so had exposed his clients to significant risk. The text message that he sent to Mr Patel was an extraordinarily cynical and deliberate attempt to abandon his responsibilities. This was evidently contrary to his duty to act in the best interests of his clients. The trust the public placed in him and in the profession required that when Firms closed they do so in an orderly and controlled manner. The Respondent's conduct had been the opposite of this and it was to Mr Patel's credit that the consequences were limited to the extent that they were. This represented a failure by the Respondent to comply with the regulatory obligations placed on him to be open and co-operative with the SRA. The Tribunal found this Allegation proved in full beyond reasonable doubt.

83. **Allegation 8 - He failed, between 1 and 28 October 2014, to respond to multiple attempts by an SRA Regulatory Supervisor to contact him by telephone and in writing, thereby failing to achieve Outcome 10.6 and in breach of Principles 6 and 7 of the Principles**.

83.1 The Applicant submitted that, having abandoned his practice, he continued to fail to co-operate with the SRA for nearly a month. The Tribunal had regard to the evidence contained in the FIR and found that the Respondent had failed to respond to Mr Smith over a four-week period. The Respondent's explanation was not supported by any medical evidence. In the context of the abandonment of the practice, four weeks was a lengthy period to be out of contact with the SRA. This was a continuation of the conduct that started with the abandonment of the practice and therefore the reasoning behind the findings in Allegation 7 also applied to this Allegation as a matter of logic. The Tribunal found this Allegation proved in full beyond reasonable doubt.

**Previous Disciplinary Matters**

84. None.

**Mitigation**

85. The Respondent had denied the Allegations and had not put forward formal mitigation. However the Tribunal had regard to his lack of previous disciplinary matters. The Tribunal noted that in relation to Allegations 1.7 and 1.8 some mitigation had been contained within the Respondent's Answer by implication. The Tribunal noted the pressure that the Respondent had been experiencing as a result of his bankruptcy. He had referred to health difficulties but had not provided medical evidence in support of those assertions.

**Sanction**

86. The Tribunal referred to its Guidance Note on Sanctions (December 2015) when considering sanction.

87. The Tribunal assessed the seriousness of the misconduct by considering the culpability, the level of harm and any aggravating or mitigating factors.

88. Although there was no evidence that the Respondent had enriched himself by his actions, the Tribunal regarded the Respondent's motivation in respect of Allegations 1-5 as being financial. The Tribunal noted that he was clearly in very serious financial difficulties at the material time, which culminated in him being declared bankrupt. The transfers of funds were elaborately planned and executed. This was reflected in the great lengths he had gone to in order to mislead the clients, the SRA and the Tribunal about the truth of the matters. The abandonment of the Firm may well not have been extensively planned, but the Tribunal was satisfied that the Respondent knew what he was doing.

89. The Respondent had grossly breached his position of trust by transferring client money to unknown third parties without consent and in complete breach of all the rules. The nonsensical excuse he had presented concerning the payment of interest and his purported religious convictions was cynical and the Tribunal viewed it with deep displeasure. He also had a duty to his Trainee Solicitor which he had disregarded when sending the Consultant the text message informing him that he was abandoning the practice and that the Trainee Solicitor should take over conduct of the conveyancing work.

90. The Respondent clearly had direct control over the circumstances and had seven years post-qualified experience. The Tribunal found that the Respondent's culpability was high.

91. There was harm caused both to individuals and to the reputation of the profession in this case. Mr I had lost £60,000 and Mr CG had lost £250. They had both been reimbursed by the Solicitors Compensation Fund. Client money should be sacrosanct and the Respondent had jeopardised it repeatedly and in two instances lost it all together. The damage to the reputation of the profession was severe. If clients were unable to trust solicitors with their money then the whole system would break down. The harm in this case was very significant indeed.

92. The matters were aggravated by the Respondent's dishonesty. Coulson J in Solicitors Regulation Authority v Sharma [2010] EWHC 2022 Admin observed:

> "34. there is harm to the public every time a solicitor behaves dishonestly. It is in the public interest to ensure that, as it was put in Bolton, a solicitor can be "trusted to the ends of the earth"."

93. The Respondent's actions had been deliberate, calculated and repeated. He had tried to conceal his actions with ludicrous excuses that included effectively accusing the clients of perpetrating a fraud on the Solicitors Compensation Fund.

94. In mitigation, the Tribunal found that the lack of any previous matters was the only significant factor. There had been very limited admissions in the Answer and the Respondent had demonstrated no insight, which the Tribunal found deeply troubling.

95. In view of the seriousness of the misconduct, a neither a Reprimand nor a Fine were sufficient to protect the public or the reputation of the profession. There were no restrictions that the Tribunal could place on the Respondent that would address those concerns. The Respondent's dishonesty required that the Tribunal consider striking off the Respondent. The seriousness of the Respondent's conduct was at the highest level. The protection of the public and of the reputation of the profession demanded nothing less.

96. The Tribunal considered whether there were truly exceptional circumstances such that it would be unjust to strike off the Respondent. The Tribunal had regard to his personal circumstances both at the material time and at the time of the hearing. The Tribunal found there to be nothing that would justify an indefinite suspension.

97. The only appropriate sanction was to strike the Respondent off the Roll.

**Costs**

98. The Applicant sought costs against the Respondent. The Cost Schedule provided by the Applicant was in the sum of £49,969.10. The Applicant told the Tribunal that the figure should be reduced to take account of the fact that the hearing had taken two days rather than three.

99. The Tribunal agreed that the Respondent should pay costs and, allowing the reduction proposed by the Applicant, found costs in the sum of £45,750.00 to be reasonable and proportionate in all the circumstances.

100. The Respondent had served a Statement of Means. The Tribunal took into account that the Respondent had not yet had his bankruptcy discharged. The Applicant submitted that the Respondent's ability to pay would be determined by the Official Receiver as the costs order would be provable in bankruptcy. The Applicant invited the Tribunal to make a costs order in the hope that the profession could at least recover some of the costs incurred.

101. The Tribunal decided that this was the most appropriate way of proceeding and accordingly ordered costs in the above sum.

**Statement of Full Order**

102. The Tribunal Ordered that the Respondent, Sabir Hussain, solicitor, be STRUCK OFF the Roll of Solicitors and it further Ordered that he do pay the costs of and incidental to this application and enquiry fixed in the sum of £45,750.00.

Dated this 22nd day of July 2016
On behalf of the Tribunal

D. Green
Chairman