

SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974

Case No. 11656-2017

BETWEEN:

SOLICITORS REGULATION AUTHORITY

Applicant

and

MICHAEL LLOYD WILSON

Respondent

Before:

Miss T. Cullen (in the chair)

Mr H. Sharkett

Mr M. Palayiwa

Date of Hearing: 26 September 2017

Appearances

Jonathan Leigh, solicitor of The Solicitors Regulation Authority, The Cube, 199 Wharfside Street, Birmingham, B1 1RN for the Applicant.

The Respondent appeared in person.

JUDGMENT

Allegations

1. The Allegation against the Respondent was:
 - 1.1 On 25 April 2016, the Respondent was convicted upon indictment of “acquire/use/possess criminal property” and thereby failed to:
 - 1.1.1 uphold the rule of law and the proper administration of justice in breach of Principle 1 of the SRA Principles 2011 (“the 2011 Principles”) and/or;
 - 1.1.2 act with integrity in breach of Principle 2 of the 2011 Principles and/or;
 - 1.1.3 behave in a way that maintained the trust the public placed in him and in the provision of legal services in breach of Principle 6 of the 2011 Principles.

The Respondent admitted the allegation.

Documents

2. The Tribunal reviewed all the documents submitted by the Applicant and the Respondent which included:

Applicant:

- Application dated 25 May 2017 together with attached Rule 5 Statement and all exhibits
- Applicant’s Statement of Costs dated 18 September 2017

Respondent:

- Email from the Respondent to the Tribunal dated 19 July 2017
- Respondent’s Personal Financial Statement dated 6 September 2017 and attached document

Factual Background

3. The Respondent, born in 1972, was admitted to the Roll of Solicitors on 17 January 2003. He did not hold a current practising certificate.
4. On 25 April 2016, at the Crown Court at the Central Criminal Court, the Respondent was, upon indictment, convicted of “Acquire/use/possess criminal property”. On 22 June 2016, he was sentenced to 3 years imprisonment and was disqualified for 7 years under Section 2 of the Company Directors Disqualification Act 1986.
5. A copy of the relevant indictment subsequently obtained from the Court stated the relevant indictment was “Possessing Criminal Property, contrary to section 329(1)(a) of the Proceeds of Crime Act 2002. A person acquiring criminal property was committing an offence involving money laundering under section 329(1)(a).

6. A transcript of the sentencing hearing contained details of the Judge's Sentencing remarks in which he stated the Respondent had been convicted of one count of acquiring criminal property.
7. The Respondent's conviction received media coverage in a number of local and trade press articles, which referred to the Respondent's position as a solicitor.

Witnesses

8. No witnesses gave evidence.

Findings of Fact and Law

9. The Tribunal had carefully considered all the documents provided, and the submissions of both parties. The Tribunal confirmed the allegation had to be proved beyond reasonable doubt and that the Tribunal would be using the criminal standard of proof when considering the allegation.
10. **Allegation 1.1: On 25 April 2016, the Respondent was convicted upon indictment of "acquire/use/possess criminal property" and thereby failed to:**
 - 1.1.1 **uphold the rule of law and the proper administration of justice in breach of Principle 1 of the SRA Principles 2011 ("the 2011 Principles") and/or;**
 - 1.1.2 **act with integrity in breach of Principle 2 of the 2011 Principles and/or;**
 - 1.1.3 **behave in a way that maintained the trust the public placed in him and in the provision of legal services in breach of Principle 6 of the 2011 Principles.**
- 10.1 The Respondent admitted the allegation.
- 10.2 The Tribunal had before it a Certificate of Conviction from the Crown Court at the Central Criminal Court dated 8 August 2016 which confirmed that on 25 April 2016, the Respondent had been convicted upon indictment of "Acquire/use/possess criminal property". The Certificate also confirmed the Respondent had been sentenced to 3 years imprisonment and disqualified under Section 2 of the Company Director Disqualification Act 1986 for 7 years.
- 10.3 The background to this case was that the Respondent had been a director of a company called Global Wine Investments Limited, through which members of the public paid money to purchase expensive vintage wines as an investment. However, in most cases investors did not receive any wine at all and instead lost their money. The total losses which the Respondent had taken in cash withdrawals, transfers or other payments were approximately £100,000.
- 10.4 The Tribunal was satisfied that in light of the Respondent's conviction, he had failed to uphold the rule of law and the proper administration of justice. Taking money from the public who believed they would receive vintage wines that they had purchased and failing to provide those wines to them whilst using their money for his own

purposes was criminal conduct. This conduct indicated the Respondent had acted with a lack of soundness, rectitude and a steady adherence to an ethical code. He had therefore failed to act with integrity. The Tribunal's attention had been drawn to two articles publicising the Respondent's conviction. These articles referred specifically to the Respondent being a solicitor. The Tribunal was satisfied his conduct had not maintained the trust the public placed in him or in the provision of legal services. The Tribunal found the Allegation 1.1 proved.

Previous Disciplinary Matters

11. None.

Mitigation

12. The Respondent stated he did not take anything away from his wrongdoing, but he wanted to place his conduct in context. He had not set up a business to defraud elderly people in order to run off with their money. He stated nothing could be further from the truth. The Respondent provided the Tribunal with details of his personal and family background. He stated he had always been ambitious and had aimed to be able to retire early after placing a company on the stock exchange. He now realised that his skill set was not suited to this ambition.
13. The Respondent stated that his ethic had always been to work hard, make sacrifices and be accountable for the actions he took. He had taught these values to his own family and had tried to do the right thing. He had entered into a business which he now realised, with hindsight, that he did not have the skills to run as there was no risk control strategy in place. His intention had been to grow the business so that it would provide him with a pension and a future for his family.
14. At the same time as being involved with the wine investment business, the Respondent stated he had a "not for profit" business where he was going into schools to help children. He also had a separate PPI business which was regulated by the Ministry of Justice where there had been no issues at all. In addition, the Respondent was a partner with a firm of solicitors in East London, where again there had been no issues, and he was also a director of a property management company. The Respondent now appreciated that he had taken too much on and was trying to do too many things at once, as well as dealing with his domestic family responsibilities.
15. The Respondent accepted his conviction and stated he had made some treacherous choices. Remorse was not a strong enough word to describe how he felt. The Respondent stated he had put £150,000 into the business but then taken money to use for his other businesses. He stated he had completely lost control of the amounts he had been taking from the wine business and this had resulted in "massive financial mismanagement". He had made some bad decisions at a time when he had been going through challenging family circumstances.
16. The Respondent informed the Tribunal that he had had a lot of time to think while he had been in prison and he realised he was ultimately to blame, having made bad decisions. During this time he had been forced to rely on elderly relatives to assist with his family commitments and this had caused a strain on them which he had been

responsible for. The conviction had changed every aspect of his life. The Respondent acknowledged there were victims of his actions and he was not aware of the extent of the terrible impact of his actions on them. This was not a good place to be.

17. The Respondent stated he wanted to start afresh and build his character again. He had always wanted to be lawyer and he reminded the Tribunal he had practised for 13 years with no issues at all. The Respondent stated he had not been leading a flamboyant lifestyle, the funds had been used to fund his businesses. The Respondent advised the Tribunal that the sum of £50,000 was being held as a result of confiscation proceedings. He had nothing left and could not even claim benefits. He was being supported by an elderly relative and living with a friend.
18. The Respondent informed the Tribunal that the firm he had instructed to represent him in the confiscation proceedings had been intervened and they were holding £20,000 in their client account. He had now instructed another firm of solicitors to continue dealing with the confiscation proceedings.
19. The Respondent did not wish to make any excuses for his actions. He had lost everything, his reputation was in tatters and his conduct had been publicised. He was disqualified as a director so could not set up a new business and nor could he travel to see his family as he was still under a licence. The Respondent wanted to try and find a way to rebuild his life. All he had left was his profession and he hoped there was some light at the end of the tunnel so he could find a way back.

Sanction

20. The Tribunal had considered carefully the Respondent's submissions. The Tribunal referred to its Guidance Note on Sanctions when considering sanction. The Tribunal also had due regard to the Respondent's rights to a fair trial and to respect for his private and family life under Articles 6 and 8 of the European Convention for the Protection of Human Rights and Fundamental Freedoms.
21. The Respondent's level of culpability was high. The remarks of the Sentencing Judge indicated this was a "high culpability case" involving money laundering. The Respondent had had direct control over his actions, which were repeated, he was an experienced solicitor who had acted in breach of the trust placed in him. The conviction involved members of the public who had lost considerable sums of money believing they would receive vintage wines as an investment in return. A great deal of harm had been caused to the reputation of the profession and the extent of that harm could reasonably have been foreseen.
22. The remarks of the Sentencing Judge had stated the Respondent was:
 - “responsible for a very considerable amount of loss to persons who in some cases could not afford to lose the money that they have lost”
 - “you knew the money that you diverted away so that persons who put it into the business will at the moment not have seen it again”
 - “Some of them were quite elderly. It might be too late for them ...”

23. The Sentencing Judge had deemed the conduct so serious that he had also imposed a Directors Disqualification Order for a period of 7 years so the Respondent could not be in control of any company again.
24. The Tribunal considered the aggravating and mitigating factors in this case. The Respondent's conduct involved a serious criminal offence which had resulted in a custodial sentence. The Respondent had repeatedly used money belonging to members of the public, over a period of time, to fund his other businesses. He had taken advantage of a number of members of the public including elderly people. The Respondent ought reasonably to have known that his conduct was in material breach of his obligations to protect the public and the reputation of the profession. These were all aggravating factors.
25. The Respondent did have a long previously unblemished record and he had made early admissions as to his behaviour. He had shown genuine remorse and insight and had spoken candidly before the Tribunal. It was clear the time he had spent in prison had had a profound effect on the Respondent and he had matured a great deal as a result of this. The Tribunal concluded the Respondent was unlikely to repeat his conduct. These were all mitigating factors.
26. The Tribunal took into account the case of Bolton v The Law Society [1994] 1 WLR 512 and the comments of Sir Thomas Bingham MR who had stated:

“It is required of lawyers practising in this country that they should discharge their professional duties with integrity, probity and complete trustworthiness... Any solicitor who is shown to have discharged his professional duties with anything less than complete integrity, probity and trustworthiness must expect severe sanctions to be imposed upon him by the Solicitors Disciplinary Tribunal... If a solicitor is not shown to have acted dishonestly, but is shown to have fallen below the required standards of integrity, probity and trustworthiness, his lapse is less serious but it remains very serious indeed in a member of a profession whose reputation depends on trust. A striking off order will not necessarily follow in such a case but it may well.”
27. The Tribunal considered each of the possible sanctions that could be imposed in turn. This was not a case where it was appropriate to order a Reprimand or a Fine in light of the Respondent's serious conviction which had resulted in a custodial sentence. A Restriction Order was not appropriate as the Tribunal could not formulate conditions to address this type of misconduct, which had occurred outside the Respondent's legal practice. The Tribunal decided that a Suspension Order would not be sufficient to mark the serious nature of the conviction in this case which involved money laundering, had resulted in a custodial sentence and an order preventing the Respondent from being a director for a long period of time.
28. The Tribunal concluded that this was a criminal offence which was so serious that an Order striking the Respondent off the Roll was the appropriate and proportionate Order in this case. It would protect the public and the reputation of the legal profession as well as maintain confidence in the profession. Accordingly, the Tribunal Ordered the Respondent be struck off the Roll of Solicitors.

Costs

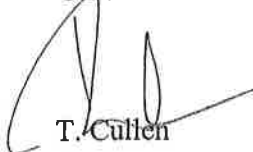
29. Mr Leigh, on behalf of the Applicant, requested an Order for his costs in the total sum of £3,618 and provided the Tribunal with a breakdown of those costs. He accepted the hearing time would need to be adjusted as the hearing had not taken as long as estimated on the schedule.
30. In relation to the enforcement of costs, whilst Mr Leigh accepted the Respondent's Financial Statement indicated he had no means to pay, these were unusual circumstances where confiscation proceedings were ongoing. Mr Leigh submitted the Applicant should be given the opportunity to proceed with costs once those proceedings were concluded. Furthermore, he submitted the Respondent may be able to find alternative employment.
31. The Respondent did not dispute the amount claimed, although requested adjustment be made as indicated by Mr Leigh. The Respondent reminded the Tribunal he did not have the funds to make any payment.
32. The Tribunal had considered carefully the matter of costs. A reduction needed to be made to the time claimed for waiting and attending the hearing. The Tribunal reduced the time claimed for waiting by 1 hour and the time claimed for attending the hearing was reduced from 2 hours to 48 minutes. Having made these reductions, the Tribunal assessed the total costs in the sum of £3,397. Accordingly, the Tribunal made an Order that the Respondent should pay the Applicant's costs in the sum of £3,397.
33. In relation to enforcement of those costs, the Tribunal noted the Respondent had provided a Statement of Means. Whilst the Respondent was not working at the moment, confiscation proceedings were ongoing and it may well be the case that there may be funds available at the conclusion of those to meet the costs order. It was a matter for the Applicant's costs recovery team to consider. The Respondent was relatively young and it was possible that he would be able to obtain alternative employment in due course. He may then be able to pay the costs by way of instalments. The Tribunal concluded there was no need to place any restriction on the enforcement of the costs order.

Statement of Full Order

34. The Tribunal Ordered that the Respondent, MICHAEL LLOYD WILSON, 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 £3,397.00.

Dated this 31st day of October 2017.

On behalf of the Tribunal


T. Cullen
Chair

Judgment filed
with the Law Society
on 31 OCT 2017

