

# SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974

Case No. 11693-2017

## **BETWEEN:**

SOLICITORS REGULATION AUTHORITY

Applicant

and

MAMOON RASHID CHAUDHARY

Respondent

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Before:

Mr E. Nally (in the chair)  
Mr T. Smith  
Mrs L. McMahon-Hathway

Date of Hearing: 1 February 2018

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## **Appearances**

Ms Nimi Bruce, Counsel, employed by Capsticks Solicitors LLP, 1 St George's Road, Wimbledon, London SW19 4DR for the Applicant

Mr Jonathan Goodwin, Solicitor Advocate of Jonathan Goodwin, Solicitor Advocate Ltd, 17E Telford Court, Dunkirk Lea, Chester Gates, Chester CH1 6LT for the Respondent who was not present

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## **JUDGMENT ON AN AGREED OUTCOME**

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## **Allegations**

1. The allegations against the Respondent, Mamoon Rashid Chaudhary as amended with the permission of the Tribunal, were that while in practice as a member of Oxley & Coward Solicitors LLP (“the firm”):
  - 1.1 Withdrawn
  - 1.2 The Respondent signed a statement of truth on Form E Financial Statement in respect of his divorce proceedings (“the Form”). This Form at the commencement was typed with the date 30/05/13 and on the signature page was signed with the date 30/04/13. The Respondent caused or allowed the Form to be submitted to the Court when he had:
    - (a) failed to declare on the Form his beneficial interest in 6 Market Place (“the Property”);
    - (b) provided an explanation on the Form in relation to the proceeds of sale of the Property that was untrue, in that he had not invested the proceeds of sale in a property venture that had subsequently failed.
  - 1.3 The Respondent acted dishonestly in respect of the matters set out at paragraph 1.2 above.
  - 1.4 Withdrawn

## **Documents**

2. The Tribunal had before it the following documents:

### **Applicant**

- Rule 5 Statement dated 21 July 2017 with exhibit MHW1 in 3 volumes
- Statement of Agreed Facts and Outcome dated 30 January 2018
- Memorandum of Decision on 3 October 2017
- Memorandum of Case Management Hearing on 4 October 2017
- Memorandum of Case Management Hearing on 6 November 2017
- Applicant’s Reply to Respondent’s Answer dated 29 November 2017
- Certificate of Readiness dated 4 January 2018
- Applicant’s Statement of Costs at date of Issue

### **Respondent**

- Witness statement by the Respondent dated 8 January 2018 with chronology
- Defence case statement on behalf of the Respondent dated 8 November 2017
- Interlocutory applications and supporting documents

### **Preliminary and Other Issues**

3. The Tribunal noted that the Respondent's name was spelt in two different ways in the documentation. It adopted the spelling used by the Respondent in his witness statement which was the same as that used in the Agreed Outcome document and in the heading to this judgment. The matter was listed to be the subject of a 2 day substantive hearing commencing on 1 February 2018. The parties indicated that they wished to apply for an Agreed Outcome the day before the hearing. The Tribunal had indicated to the parties that if there was a late submission of an application for an Agreed Outcome the parties should attend prepared to proceed with the substantive hearing but that the Tribunal would consider the application as a preliminary matter which was what occurred. The Tribunal then announced its decision and dealt with administrative matters in open court. The Tribunal felt that it was regrettable that the application was made so late. For the Respondent, Mr Goodwin explained that he had only recently been instructed, the Respondent's Leading Counsel being unavailable for the substantive hearing date and the Tribunal had refused an adjournment on 16 January 2018 following which the Respondent considered his position. He had arrived at it with some difficulty and Mr Goodwin then approached Capsticks.
4. In considering the Agreed Outcome, the Tribunal was asked to give permission for allegations 1.1 and 1.4 to be withdrawn by the Applicant. The Tribunal was satisfied that in giving its permission it was still possible for the public to understand the facts of what the Respondent had done, the crux of which was set out in allegations 1.2 and 1.3. The Tribunal agreed that in the circumstances as set out in the Agreed Outcome that it would be disproportionate for the Applicant to pursue allegations 1.1 and 1.4. Accordingly the Tribunal gave permission for allegations 1.1 and 1.4 to be withdrawn.

### **Factual Background**

5. The Respondent was admitted to the Roll of Solicitors in the year 2000. At the date of the Rule 5 Statement he held a practising certificate free from restrictions and remained a member of the firm. At all relevant times the firm operated from premises in Rotherham.
6. The conduct which was the subject of the Rule 5 Statement came to the attention of the Applicant when the Compliance Officer for Legal Practice ("COLP") of the firm informed the Applicant of what he described as "a material breach" of the SRA Code of Conduct 2011 by the Respondent following receipt of a complaint about the Respondent from a client dated 20 February 2015.

### **Application for the matter to be resolved by way of Agreed Outcome**

7. The parties invited the Tribunal to deal with the allegations against the Respondent in accordance with the Statement of Agreed Facts and Outcome annexed to this Judgment. The parties submitted that the outcome proposed was consistent with the Tribunal's Guidance Note on Sanctions.

8. The Tribunal raised a point of fact upon the evidence with the parties; The Statement of Agreed Facts and Outcome referred to the Form being signed on 30 May 2013, but the signature page was dated 30 April 2013. Upon checking it was noted that the Form E bore two separate dates 30 April 2013 and 30 May 2013. Mr Goodwin explained that the date 30 May 2013 had come from the defence; the Respondent said that the date on the Form 30 April 2013 was wrong. It was agreed with the Tribunal that as nothing turned on the dates, the Statement of Agreed Facts and Outcome would be amended both at its recital of allegation 1.2 and at paragraph 11 to reflect that this Form at the commencement was typed with the date “30/05/13” and on the signature page was signed with the date “30/04/13” and an amended document would be signed by both parties and resubmitted to the Tribunal to be attached to the judgment. Pending that re-submission, the changes were written upon a copy of the version already with the Tribunal and signed by both advocates.

### **Findings of Fact and Law**

9. 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 his private and family life under Articles 6 and 8 of the European Convention for the Protection of Human Rights and Fundamental Freedoms.
10. The Tribunal reviewed all the material before it and was satisfied beyond reasonable doubt that the Respondent’s admissions were properly made. The SRA Principles which the Respondent was alleged to have breached in allegation 1.2 were as follows:

“You must:

1. uphold the rule of law and the proper administration of justice;
2. act with integrity;
6. behave in a way that maintains the trust the public places in you and in the provision of legal services;”

The Respondent was an officer of the court and he had submitted to the court a misleading document, the Form E in divorce proceedings, which omitted to make reference to a property which he owned and gave an untrue explanation in relation to the proceeds of sale. This was a breach of Principle 1. The Tribunal was satisfied that in acting in this way the Respondent had displayed a lack of integrity which was a breach of Principle 2 and that he had failed to maintain public trust a breach of Principle 6.

11. In considering the allegation of dishonesty, allegation 1.3, the Tribunal applied the test in the recent case of Ivey (Appellant) v Genting Casinos (UK) LTD t/a Crockfords (Respondents) [2017 UKSC 67] rather than the case law referred to in the Rule 5 Statement. The Tribunal looks at the facts and the context which were within the Respondent's knowledge when he filed the Form E. His conduct fell squarely within the test in Ivey and the Tribunal would have no hesitation in making a finding of dishonesty; based on what the Respondent did and what he knew at the relevant

time; he had acted in a way that was dishonest by the objective standards of ordinary decent people.

12. The Tribunal considered the Guidance Note on Sanctions (December 2016). In doing so the Tribunal assessed the culpability and harm identified together with the aggravating and mitigating factors that existed. The Tribunal agreed with the analysis set out in the Statement of Agreed Facts and Outcome that the lesser sanctions of a reprimand, a fine, suspension or restrictions would not be sufficient to protect the reputation of the profession in the eyes of the public. As set out in the Guidance Note the most serious misconduct involved dishonesty and a finding that an allegation of dishonesty had been proved as in this case would almost invariably lead to striking off, save in exceptional circumstances. The Tribunal could not find any exceptional circumstances and indeed none were submitted. The public would expect no lesser sanction than strike off. The Tribunal was therefore content to approve the Agreed Outcome in those terms.

### Costs

13. The Applicant's schedule of costs as at the date of issue totalled £45,615.00. The parties had agreed costs in the sum of £29,000.00 with terms for the timing of payment. The Tribunal considered that the amount agreed was reasonable and proportionate in the circumstances. The terms for payment were a matter between the parties.

### Statement of Full Order

14. The Tribunal Ordered that the Respondent Mamoon Rashid Chaudhary, solicitor, be STRUCK OFF the Roll of Solicitors and it further Ordered that he do pay the agreed costs of and incidental to this application and enquiry fixed in the sum of £29,000.00.

Dated this 13<sup>th</sup> day of February 2018  
On behalf of the Tribunal



E. Nally  
Chairman

Judgment filed  
with the Law Society  
on 13 FEB 2018

**BEFORE THE SOLICITORS DISCIPLINARY TRIBUNAL**

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

**AND IN THE MATTER OF:**

**SOLICITORS REGULATION AUTHORITY**

**Applicant**

**-and-**

**MAMOON RASHID CHAUDHARY (SRA ID 259029)**

**Respondent**

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**STATEMENT OF AGREED FACTS AND OUTCOME**

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1. By a statement made by Mark Whiting on behalf of the Solicitors Regulation Authority pursuant to Rule 5 of the Solicitors (Disciplinary Proceedings) Rules 2007 dated 21 July 2017 ("the Rule 5 Statement") the Applicant brought proceedings before the Tribunal making allegations of misconduct against the Respondent. The Tribunal gave directions for the preparation of the matter for hearing on 01 August 2017, and the matter has been listed for a substantive hearing before the Tribunal over 2 days from 1 February 2018.
2. The Respondent is prepared to make full admissions to allegation 1.2, including dishonesty, and to agree to a strike off order. The Applicant will not pursue allegations 1.1 and 1.4 on the basis that it would be disproportionate to do so in the circumstances.
3. The Applicant has considered the admissions made to allegation 1.2, and has considered whether those admissions, and the outcome proposed in this document, meet the public interest having regard to the gravity of the matters alleged. In circumstances where the Respondent has accepted that the ultimate sanction of a strike off is indicated, the Applicant is satisfied that the admissions and outcome

satisfy the public interest. A higher sanction could not be achieved through a hearing which would therefore incur unnecessary costs.

## **THE ALLEGATIONS**

4. The Respondent admits the following allegations (adopting the numbering in the Rule 5 Statement), the date at allegation 1.2 having been amended by agreement between the parties.

### Allegation 1.2

The Respondent signed a Statement of Truth on Form E Financial Statement in respect of his divorce proceedings ("the Form"). This Form at the commencement was typed with the date 30/05/13 and on the signature page was signed with the date 30/04/13. The Respondent caused or allowed the Form to be submitted to the Court when he had:

- (a) failed to declare on the Form his beneficial interest in 6 Market Place ("the Property");
- (b) provided an explanation on the Form in relation to the proceeds of sale of the Property that was untrue, in that he had not invested the proceeds of sale in a property venture that had subsequently failed;

and in doing so breached Principles 1, 2 and 6 of the SRA Principles 2011.

### Allegation 1.3

The Respondent acted dishonestly in respect of the matters set out at paragraph 1.2 above.

## **Agreed Facts**

5. The allegations in this case arose when the COLP of Oxley & Coward Solicitors LLP ("the Firm"), Richard Sheppard, informed the Applicant of what he described as "a *material breach*" of the Code by the Respondent following receipt of a complaint about the Respondent from a client, Witness 1, dated 20 February 2015.

### Summary

6. In summary, in the course of his divorce proceedings, when the Respondent was required to set out his assets within the Form, he failed to declare his beneficial interest in the Property. Further, he stated on the Form that he had invested the proceeds of sale of the Property in a property venture that had subsequently failed whereas he knew that this was not true. The beneficial interest in the Property arose because, following notice that his wife was about to commence divorce proceedings, the Respondent agreed with the brother of one of his clients, Witness 1, that the latter would purchase the Property. The Property was not the matrimonial home. In order to facilitate the purchase, Witness 1 became a Director of Company A and Company A purchased the Property. The Respondent provided the purchase monies to Witness 1/ Company A. On 18 July 2012, the Property was transferred to Company A. Following the submission of the Form to the Court and an interim hearing, the Respondent applied to register his beneficial interest in the Property. The Respondent subsequently submitted an amended Form E to the Court declaring his beneficial interest in the Property and declared the true use of the proceeds of sale on his Response to Questionnaire.

### Conveyance of the Property and loan to Mr AA

7. In relation to the conveyance of the Property, the Respondent instructed Atherton Godfrey Solicitors and Witness 1 instructed Arthur Jackson and Co Solicitors. The agreed purchase price was £75,000.
8. On or about 11 July 2012, the Respondent provided Witness 1 with £45,000 to enable him to purchase the Property. The remainder of the purchase funds were transferred from various accounts to Company A.
9. On 17 July 2012, Company A transferred £75,000 to Arthur Jackson and Co.'s Client Account for the purchase of the Property. On 18 July 2012, the Property was transferred to Company A. Atherton Godfrey's Completion Statement shows that on 18 July 2012, the account of Atherton Godfrey Solicitors received the purchase funds and paid out £74,781.60 to the Respondent (£75,000 minus disbursements of £218.40).



10. On 20 July 2012, the Respondent received £74,781.60 from Atherton Godfrey Solicitors and paid £74,756.60 by CHAPS to Mr AA on 27 July 2012.

The Form submitted to the Court

11. The Respondent instructed Taylor Bracewell Solicitors to represent him in divorce proceedings. This Form at the commencement was typed with the date 30/05/13 and on the signature page was signed with the date 30/04/13. The Respondent signed the Form which was later filed in the divorce proceedings. The Respondent was asked to list on the Form details of interest in any other property, buildings or land. The section was left blank.

12. The Respondent was further required to indicate in the Form whether there had been: "significant changes in assets or income during the last 12 months". The Respondent stated that the Property was sold in July 2012. The paragraph immediately below states: *"together some savings, the Respondent invested £105,000 in a property venture called UAG which unfortunately failed"*.

13. The Form also contained a statement of truth which declared *"I believe that the facts stated in this statement are true and confirm that the information given above is a full, frank, clear and accurate disclosure of my financial circumstances"*.

The amended Form E and Response to Questionnaire

14. The first Court hearing in the Respondent's divorce proceedings took place on 13 June 2013. Between the date of the hearing and 25 June 2013, the Respondent expressed to his lawyers, Taylor Bracewell Solicitors, that he wished to disclose the true facts in respect of the Property in divorce proceedings.

15. On 27 June 2013, the Respondent applied to the Court to adjourn the next listed hearing to enable him to serve an amended Form E. The application was granted on 4 July 2013. The amended Form E was signed by the Respondent on 14 August 2013. In the section requiring the Respondent to provide: "details of your interest in any property", he declared his interest stating:

*"I have a 100% beneficial interest in the property. Currently the registered owner is*

*[company A]. I provided the purchase monies in the sum of £75,000 to enable Company A to purchase the property which had previously been in my sole name".*

16. Under the section requiring the Respondent to provide: "details of significant changes in assets or income during the last 12 months", the Respondent stated:

*"the Respondent is the beneficial owner of [The Property]. Previously, the legal title held in the Respondent's name before it was transferred into that of [Company A]".*

17. On 14 August 2013, the Respondent filed a Response to Questionnaire in the divorce proceedings. In response to a question regarding the Property, the Respondent stated,

*'Following completion these monies were returned to the Respondent's Nationwide account... These monies were then loaned to Mr [AA].'*

### Admissions

18. The Respondent admits that when he filled in the Form he omitted to declare his beneficial interest in the Property in the knowledge that he held this interest. The Respondent further provided an explanation in relation to the proceeds of sale of the Property which he knew to be false. The Respondent signed a declaration that the contents of the Form were true in circumstances when he knew them to be false. The Respondent accepts that his actions and admissions as set out in allegation 1.2 breached Principles 1, 2, and 6 of the SRA Principles 2011 and were dishonest. Further, he admits that his conduct is fundamentally incompatible with continued inclusion on the Roll of Solicitors.

### **Agreed Outcome**

19. Applying the Tribunal's "Guidance note on sanctions", dated December 2016, the Respondent's dishonest actions as set out in allegation 1.2 amount to a clear departure from the "complete integrity, probity and trustworthiness" expected of a solicitor. The seriousness of the misconduct is at the highest level, and the protection of the reputation of the legal profession requires no lesser sanction than a strike off.

20. The Respondent agrees that his name be struck off the Roll of Solicitors. The Respondent further agrees to pay the Applicant's costs of £29,000 (inclusive of VAT and the SRA's internal costs), of which £25,000 to be paid within 21 days of the date of this Agreed Outcome and the remainder to be paid by monthly instalments to be agreed.

Signed:

**M H WHITING**

01/02/2018

MARK HOWARD WHITING

.....  
DATE

On behalf of the Solicitors Regulation Authority

**M R CHAUDHARY**

5/2/18  
.....

MAMOON RASHID CHAUDHARY (SRA ID 259029)

DATE

Respondent