SOLICITORS DISCIPLINARY TRIBUNAL

<u>IN THE MATTER OF THE SOLICITORS ACT 1974</u>   <u>Case No. 12379-2022</u>

BETWEEN:

SOLICITORS REGULATION AUTHORITY LTD   Applicant

and

CHRISTOPHER JAMES FRY   Respondent

Before:

Mr W Ellerton (in the chair)
Mrs L Boyce
Mr G Gracey

Date of Hearing: 5 - 8 June 2023

Appearances

Victoria Sheppard-Jones, counsel of Capsticks LLP, 1 St George's Road, Wimbledon, London SW19 4DR for the Applicant.

Susanna Heley, solicitor of Weightmans, The Hallmark Building, 105 Fenchurch Street, London, EC3M 5JG for the Respondent.

JUDGMENT

Allegations

1. The allegations made against Mr Fry by the Solicitors Regulation Authority Limited ("SRA") were that while in practice as the sole owner, Director and solicitor at Fry Law Limited ("the Firm"):

<u>The Professional Indemnity Insurance ("PII") proposal form</u>

1.1 On or around 2 July 2020, the Respondent caused or allowed inaccurate and/or misleading information to be provided to Insurance brokers, JM Glendinning, by submitting a PII proposal form that included the matters set out in schedule 1.

In causing or allowing inaccurate and/or misleading information to be submitted to the Insurance Brokers, the Respondent breached all or any of Principles 2, 4 and 5 of the SRA Principles 2019 ("the 2019 Principles").

<u>Non-payment of professional disbursements and client account shortage</u>

1.2 Between at least April 2018 and January 2020, the Respondent caused or allowed monies, in respect of sums received by the Firm for settlement of professional disbursements, to be held in the Firm's office account and utilised for the running of the Firm, resulting in non-payment of professional disbursements and a client account shortage of up to £67,400.38.

In so far as the conduct occurred prior to 25 November 2019, the Respondent breached Rule 17.1(b)(ii) of the Solicitors Accounts Rules 2011 ("the 2011 Accounts Rules") and/or any of Principles 6 and 8 of the SRA Principles 2011 ("the 2011 Principles").

In so far as the conduct occurred on or after 25 November 2019, the Respondent breached Principle 2 of the 2019 Principles.

1.3 The Respondent failed to promptly rectify a minimum cash shortage in the client bank account of up to £67,400.38.

In so far as the conduct occurred prior to 25 November 2019, the Respondent breached Rule 7.1 of the 2011 Accounts Rules.

In so far as the conduct occurred on or after 25 November 2019, the Respondent breached Rule 6.1 of the Solicitors Accounts Rules 2019 ("the 2019 Accounts Rules").

<u>Failure to run the Firm with effective systems and controls</u>

1.4 Between at least April 2018 and January 2021, in his capacity as sole owner, Director and Compliance Officer for Finance and Administration ("COFA") of the Firm, the Respondent failed to run the Firm with effective systems and controls to ensure compliance with the SRA's regulatory arrangements which were in force at the time and/or in accordance with sound financial and risk management principles.

In so far as the conduct occurred prior to 25 November 2019, the Respondent breached Paragraph 8.2(e) of the SRA Authorisation Rules 2011 and/or Principle 8 of the SRA Principles 2011 ("the 2011 Principles").

In so far as the conduct occurred on or after 25 November 2019, the Respondent breached all or any of Paragraph 8.1 of the Code of Conduct for Firms 2019 ("the Code for Firms"), resulting in the Firm failing to comply with paragraph 2.1 and Paragraph 9.2 of the Code for Firms.

Executive Summary

2. The Tribunal found allegation 1.1 proved, save that it did not find that Mr Fry had acted dishonestly or without integrity. The Tribunal found allegations 1.2 (client account shortage) and allegation 1.3 (failure to promptly remedy breaches) proved in relation to the 2011 Accounts Rules and 2011 Principles only. The corresponding allegations of breaches of the 2019 Accounts Rules and the 2019 Principles were dismissed. Allegation 1.4 was admitted by Mr Fry and found proven by the Tribunal. The Tribunal's findings can be accessed here:

- Allegation 1.1
- Allegation 1.2
- Allegation 1.3
- Allegation 1.4

Sanction

3. The Tribunal determined that a fine in the sum of £9,000 represented the appropriate sanction for Mr Fry's misconduct. The Tribunal's sanctions and its reasoning on sanction can be found here:

- Sanction

Documents

4. The Tribunal reviewed all the documents submitted by the parties, which included (but were not limited to):

- Rule 12 Statement and Exhibit HVL1 dated 9 September 2022
- Respondent's Answer and Exhibits dated 16 November 2022
- Applicant's Schedule of Costs dated 12 January 2023

Preliminary Matters

5. Application to amend the Rule 12 Statement.

5.1 Ms Sheppard-Jones submitted that allegation 1.4 alleged a breach of Paragraph 8.2(e) of the SRA Authorisation Rules 2011, when it should have alleged a breach of Paragraph 8.5(e) of the SRA Authorisation Rules 2011. That this was the case was clear from the Rule 12 Statement. Ms Heley confirmed that there was no objection to the application.

5.2 The Tribunal determined that it was in the interests of justice to allow the amendment. There was no prejudice to Mr Fry in circumstances where the particulars in the Rule 12 Statement made it clear that the alleged breach related to Paragraph 8.5(e). Accordingly, the application to amend the Rule 12 Statement was granted.

6. Application for Anonymity

6.1 Ms Sheppard-Jones explained that there were a number of clients referred to in the Rule 12 Statement. Their identities were not relevant to the allegations. Those clients had not provided witness statements and were unlikely to be aware of the proceedings. The anonymity of the clients did not derogate from the principle of open justice and were proportionate in circumstances where the clients were entitled to trust that their matters remained confidential.

6.2 Ms Heley submitted that it was right that clients' confidentiality and privacy was respected.

6.3 The Tribunal considered the matter of Lu v SRA [2022] EWHC 1729 (Admin), where Kerr J criticised the wholesale anonymity applied in that Judgment. The Tribunal distinguished this matter from Lu as Lu did not involve any clients. The Tribunal considered that in the circumstances, it was appropriate for clients to be anonymised within its Judgment. Accordingly, the application for anonymity was granted.

7. Application to adduce the Respondent's witness statement out of time

7.1 Ms Heley explained that she had been instructed in the matter last week. The certificate of readiness suggested that there would be 2 hours examination in chief of Mr Fry. A witness statement had been drafted in order to save the Tribunal time during the live evidence. There was nothing in there that was prejudicial to the Applicant. The witness statement dealt with the background and detailed the prejudice Mr Fry had suffered due to his inability to access documents.

7.2 Ms Sheppard-Jones did not accept that there had been any prejudice suffered by Mr Fry. At a previous case management hearing, this matter had been raised. Mr Fry had been invited to make an application for specific disclosure of any documents he required. No application for disclosure had been made.

7.3 Ms Sheppard-Jones confirmed that the Applicant was neutral as regards the admission of the additional witness statement.

7.4 The Tribunal determined that it would be of assistance for the witness statement to be adduced in evidence. There was no prejudice to the Applicant in its admission. Accordingly, the application for the admission of the witness statement was granted.

Factual Background

8. Mr Fry was admitted to the Roll in July 2001. As at 9 September 2022, he held a current unconditional practising certificate.

9. The Firm was originally authorised as a licensed body by the SRA on 28 November 2016 under the name CFA Law Limited. On 18 July 2018, CFA Law Limited was re-authorised as a recognised body with the name Fry Law Limited.

10. Mr Fry was the sole owner and a Director of the Firm between 2016 and 22 September 2021, when the Firm entered into administration.

11. The Firm became a successor practice to Unity Law Limited ("Unity") on 2 June 2017. Mr Fry had been the Director, for Unity between 2010 and 2017 and the COLP and the COFA between 2013 and 2017.

12. The Firm acquired North Solicitors Limited ("North") on 1 October 2018. Mr Fry had been the Director, COLP and COFA of North.

13. According to the annual renewal form for 2019/2020 filed with the SRA, the Firm's main practice areas were personal injury (67%) and discrimination/civil liberties/human rights (33%). The Firm's average client account balance was £228,685.00 and the turnover was £377,167.00.

14. The Firm's accounts were managed by an employed cashier, Ms Lonergan, from April 2018 until October 2020, and then by "The Cashroom". Cheques and manual CHAPS payments could be authorised by the signature of Mr Fry. The Firm operated online banking which Mr Fry and Cashroom could access. The Firm's bank accounts were operated by Mr Fry.

Witnesses

15. The following witnesses provided statements and gave oral evidence:

- Jake Fox
- Michael Munns
- Kate Edmonson
- Christopher Fry

16. The written and oral evidence of the witnesses is quoted or summarised in the Findings of Fact and Law below. The evidence referred to will be that which was relevant to the findings of the Tribunal, and to facts or issues in dispute between the parties. For the avoidance of doubt, the Tribunal read all of the documents in the case and made notes of the oral evidence. The absence of any reference to particular evidence should not be taken as an indication that the Tribunal did not read, hear or consider that evidence.

Findings of Fact and Law

17. The Applicant was required to prove the allegations on the balance of probabilities. The Tribunal had due regard to its statutory duty, under section 6 of the Human Rights Act 1998, to act in a manner which was compatible with Mr Fry'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.

Dishonesty

18. The test for dishonesty was that set out in Ivey v Genting Casinos (UK) Ltd t/a Crockfords [2017] UKSC 67 at [74] as follows:

> "When dishonesty is in question the fact-finding Tribunal must first ascertain (subjectively) the actual state of the individual's knowledge or belief as to the facts. The reasonableness or otherwise of his belief is a matter of evidence (often in practice determinative) going to whether he held the belief, but it is not an additional requirement that his belief must be reasonable; the question is whether it is genuinely held. When once his actual state of mind as to knowledge or belief as to facts is established, the question whether his conduct was honest or dishonest is to be determined by the factfinder by applying the (objective) standards of ordinary decent people. There is no requirement that the defendant must appreciate that what he has done is, by those standards, dishonest."

19. When considering dishonesty, the Tribunal firstly established the actual state of the Respondent's knowledge or belief as to the facts, noting that the belief did not have to be reasonable, merely that it had to be genuinely held. It then considered whether that conduct was honest or dishonest by the standards of ordinary decent people. When considering dishonesty, the Tribunal had regard to the references supplied on Mr Fry's behalf.

Integrity

20. The test for integrity was that set out in Wingate and Evans v SRA and SRA v Malins [2018] EWCA Civ 366, as per Jackson LJ:

> "Integrity is a useful shorthand to express the higher standards which society expects from professional persons and which the professions expect from their own members … [Professionals] are required to live up to their own professional standards … Integrity connotes adherence to the ethical standards of one's own profession".

21. **Allegation 1.1 - On or around 2 July 2020, the Respondent caused or allowed inaccurate and/or misleading information to be provided to Insurance brokers, JM Glendinning, by submitting a PII proposal form that included the matters set out in schedule 1. In causing or allowing inaccurate and/or misleading information to be submitted to the Insurance Brokers, the Respondent breached all or any of Principles 2, 4 and 5 of the 2019 Principles 2019.**

The Applicant's Case

21.1 On 10 April 2019, the SRA received a report from Peak Medical (a provider of medical reports) that the Firm had failed to settle invoices for professional disbursements. Peak Medical had obtained a County Court judgment for debt ("CCJ") against the Firm in the sum of £12,380.93 (to include costs), which was due to be paid by 13 March 2019. The Firm ultimately made payment on 15 May 2019.

21.2 On 22 November 2019, Mr Fry, (in his capacity as a principal and COFA of the Firm), made a report to the SRA to advise that Spectra Limited ("Spectra"), who had provided the Firm with a disbursement funding facility, was threatening to place the Firm into administration for breaching the funding repayment terms. Mr Fry denied any such breach.

21.3 As a result of the Peak Medical and Mr Fry's reports, the SRA commenced a with notice forensic investigation into the Firm, which commenced on 21 January 2021. A forensic investigation report ("FIR") was produced on 10 June 2021.

21.4 During the course of the forensic investigation, it transpired that Mr Fry has submitted a PII proposal form to Insurance Brokers JM Glendinning on 2 July 2020.

21.5 On 9 June 2020, Jake Fox, Group Managing Director of JM Glendinning emailed Mr Fry and stated:

> "As you are aware your firm's Professional Indemnity policy falls due for renewal on 1st October 2020. Please find attached the proposal form, which Insurers require completing to enable them to consider and provide this year's renewal terms. …
>
> …
>
> If you are aware of any claims or circumstances that may give rise to claim that you have not already notified to us or insurers, please notify me as soon as possible and certainly prior to renewal date.
>
> - A claim arises where there is an indication from a third party to you of some discontent, which will, or may result in an expected remedy from you.
>
> - A circumstance arises where you become aware of an occurrence or problem arising from a third-party expressing dissatisfaction in connection with your business activities, where there is potential for you to be involved by way of remedy, but no formal claim or actual allegation of negligence has been made to you."

21.6 Mr Fox confirmed that JM Glendinning did not complete PII proposal forms on behalf of their clients. They sent out blank forms for their clients to complete and return. In accordance with that standard practice, Mr Fox attached a blank proposal form to his email of 9 June 2020.

21.7 During the course of July 2020, Mr Fry took advice in respect of the Firm's insurance, including run off cover. Mr Fox was copied into the advice and agreed with the general approach. However, by email to Mr Fry dated 1 July 2020, Mr Fox stated that:

> "we still need to seek final, formal terms from Allianz fro (sic) Fry Law t (sic) renew on 1st October, which we will hopefully do very quickly once Chris has completed his proposal form".

21.8 On 2 July 2020, Mr Fry emailed Mr Fox attaching a completed PII proposal form. In the email Mr Fry stated:

> "Here you go.
>
> There may be some bits I need from last year's form. Also, let me know what you want me to write about the material change…."

21.9 The proposal form was dated 2 July 2020 and bore the typed name of Mr Fry in the declaration section, as the principal signing the form. The form did not bear a signature. The contact name on the form was that of Mr Fry and the contact email address was chris.fry@frylaw.co.uk.

21.10 The signature page of the form included a declaration in bold, which states:

> "**I/We warrant and declare that I/We have made full enquiry of all staff and that the particulars and statements in this proposal are true and complete and any other documentation and information provided in connection with this proposal are true and complete. I/We agree and accept that this proposal and declaration and the documentation and information which are provided (or should be provided) will be the basis of contract with Insurers. I/We also warrant and declare that I/We have informed the Insurer of all facts which are likely to influence the Insurer in the assessment or acceptance of this proposal.**
>
> **I/We understand that failure to inform Insurers of all material facts, including but not limited to any circumstance which might give rise to a claim, could invalidate this insurance. I/We accept that if I/We am/are in doubt whether any fact may influence the Insurer I/We should disclose it. I/We also understand that I/We have a continuing obligation to disclose all material facts up to commencement of and throughout the period of the policy.**"

21.11 At section "9. Practising certificate and regulatory matters", the form asked:

> "In the last 10 years has any fee earner in the practice or any fee earner previously employed in the practice:
>
> Been reprimanded, fined or otherwise sanctioned by the Disciplinary Tribunal?
>
> Practised in a firm subject to an investigation or intervention by the Law Society or the SRA?"

21.12 The reply to the question on the form was "No". However, as at 2 July 2020, the date the form was emailed to Mr Fox, there were four open SRA investigations into the Firm, of which Mr Fry had been notified. As a fee earner at the Firm, Mr Fry had therefore practised in a firm subject to an investigation by the SRA, and the answer to the question should have been yes.

21.13 Furthermore, between 3 July 2018 and 14 June 2019, the Firm employed Jason Libby, who had been the director and shareholder of Drake Legal Limited, which was subject to an SRA investigation in January 2017. On 27 June 2017, Jason Libby was fined £5,000 by the SDT in relation to that investigation.

21.14 The SDT's decision in respect of Jason Libby was published on the SRA's website and reported in the legal press. Accordingly, it could be inferred that Mr Fry, who went on to employ Jason Libby, was aware of the same. Mr Fry appeared to admit the same when interviewed on 26 May 2021 by the FIO, when he said,

> "he'd (Jason Libby) gone well before then and the investigation had concluded and there were no, it wasn't relevant to Fry Law…
>
> …
>
> If you're questioning whether I should have disclosed (Jason Libby) had previously been involved in an SRA investigation on that form, then I'll come back to you on that separately".

21.15 On the basis that Jason Libby had been a fee earner at the Firm, had been subject to an SRA investigation and had been fined by the SDT in the ten years preceding the submission of the form, the answer to both those questions in section 9 of the form ought to have been yes.

21.16 Section 10 of the form dealt with "Claims and circumstances". The form asked for information in relation to any previous incidents or claims that either had or had not been reported to the Firm Insurers. The form submitted by Mr Fry did not contain any details of any such claims, which included "dispute as to outstanding fees".

21.17 However, in an email to the FI Officer dated 18 May 2021, Mr Fry provided a schedule of CCJs made against the Firm. The Firm had sixteen CCJs registered against it between 25 October 2018 and 23 April 2021. As at the date of submission of the proposal form, seven CCJs were registered against the Firm.

21.18 As the sole owner and Director of the Firm, Mr Fry was aware of the CCJs and accordingly ought to have included the details of the same in the proposal form to the Insurance Broker, as relevant to a claim or circumstance.

21.19 Furthermore, as detailed above, Mr Fry had reported to the SRA on 22 November 2019 that Spectra were threatening to force the Firm into Administration for breach of repayment terms and that he suspected that matter would end in litigation. Such information, it was submitted, ought to have been included on the form as a relevant claim or circumstance.

21.20 At section 20 of the proposal form, "Risk Management Section", the name and status of the person nominated as the COLP was requested. Mr Fry's details were provided on the form.

21.21 However, Mr Fry was not the Firm's COLP between 14 November 2019 and 5 March 2020.

21.22 On 5 March 2020, the SRA received an application seeking approval of Mr Fry to hold the role of COLP. On 8 February 2021, the SRA refused the application on the basis that Mr Fry was subject to ongoing investigations. The decision was sent to him by email to chris.fry@frylaw.co.uk on 9 February 2021.

21.23 Accordingly, at the date of submission of the proposal form, Mr Fry was not the COLP of the Firm, and he knew that to be the case because he was still waiting for the result of his application to the SRA.

21.24 Mr Fox confirmed that he only became aware of "historic investigations" into the Firm on 30 July 2020, when Mr Fry forwarded him a letter from the SRA recommending a refusal to appoint him as the COLP of the Firm. The letter from the SRA referred to "ongoing regulatory investigations". However, when Mr Fry forwarded the letter by email to Mr Fox, he stated that: "All o/s Judgments have been cleared and we're happy enough with our ATE position with LAMP".

21.25 The email to Mr Fox did not seek to clarify any answers to the PII proposal form, but rather sought advice on how to challenge the SRA's recommended decision.

21.26 JM Glendinning did not request a signed copy of the PII proposal form because ultimately Mr Fry did not use their services but rather, he used Paragon International Insurance Brokers Limited ("Paragon"). Paragon was forwarded a copy of the completed but unsigned PII proposal form dated 2 July 2020 by Annecto Legal who were assisting Mr Fry in arranging his insurance. Paragon also received the Renewal Terms dated 17 September 2020 that had been sought by JM Glendinning on the basis of the unsigned proposal form.

21.27 On 17 September 2020, Paragon sent a letter to Mr Fry which stated:

> "We would like to remind you that the terms secured are based on the information supplied by you in the Proposal Form dated 2nd July 2020… you are responsible for making, after reasonable search, a Fair Presentation in a clear and accessible manner of all important and relevant information, at least sufficient to put a prudent insurer on notice to make enquiries, and not make misrepresentation as required by the Insurance Act 2015".

21.28 Mr Fry accepted and signed the terms on 18 September 2020, without seeking to amend any of the answers provided on the PII proposal form. The acceptance form included a declaration that: "I / we are unaware of any material changes having taken place since completion of our proposal form dated 02/07/2020".

21.29 Mr Munns of Paragon has confirmed that he sought a signed copy of the proposal form from Annecto which was not forthcoming. However, he has stated that he did not necessarily need a signed form because Mr Fry signed the above acceptance form, and declaration regards the proposal form therein.

21.30 Accordingly, Mr Fry was provided with insurance on the basis of the proposal form which contained incorrect and/or misleading information.

21.31 On 26 May 2021, in interview with the FI Officer, Mr Fry stated: “we gave full disclosure of everything to [Mr Fox] … they probably completed the form on our behalf.” Further, he was “not aware of the status of those investigations” into the Firm.

21.32 Mr Fry said that he would have to get back to the FI Officer in relation to whether he ought to have disclosed details in relation to Jason Libby.

21.33 With regard to his status as COLP, Mr Fry said that the decision had been pending and that he did not recall seeing the final determination by the SRA refusing his application.

21.34 In his representations to the Notice Mr Fry stated that Mr Fox and KC would complete the insurance form for him. The form was then transferred across to the new broker and he was not asked to validate or sign it and he was never asked for additional information.

21.35 Ms Sheppard-Jones submitted that public confidence in Mr Fry, in solicitors and in the provision of legal services was likely to be undermined by the submission of inaccurate, misleading and/or incomplete insurance proposal forms. The public expected solicitors to diligently check that any information submitted for the purposes of securing insurance was accurate, so as to ensure the validity of the insurance a firm has in place. In failing to do so, Mr Fry failed to uphold the trust the public placed in him and in the provision of legal services in breach of Principle 2 of the 2019 Principles.

21.36 By submitting a PII proposal form that contained inaccurate and misleading information, Mr Fry failed to act with integrity. Acting with integrity required Mr Fry to provide accurate answers and full details on the PII proposal form in order to ensure that the Broker and Insurer had all the relevant information for the purposes of offering terms of insurance. Mr Fry’s conduct in seeking to rely on a form that failed to include relevant details about the Firm, and included misleading information with regard regulatory matters which the Broker and Insurer would have relied on lacked integrity in breach of Principle 5 of the 2019 Principles.

Principle 4/Dishonesty

21.37 Mr Fry was an experienced solicitor and Principal of the Firm. He understood the importance of providing honest and accurate information to his insurers for the purposes of obtaining PII insurance. If there is any doubt about his understanding, Jake Fox in his email of 9 June 2020, the proposal form itself, and the letter of 17 September 2020 from Paragon, stressed the importance of providing accurate information which could affect the validity of the insurance.

21.38 The proposal form bore Mr Fry’s name on the signature page, and his contact details as the relevant contact at the Firm. Furthermore, it was Mr Fry who submitted the form to Jake Fox. Ms Sheppard-Jones submitted that it could therefore be inferred that he caused or allowed the details on the form to be included on it and was aware of the content of the form when it was submitted.

21.39 The form contained a number of important and unambiguous questions designed to assist the insurer in finding suitable terms for the Firm. It was to be inferred that

information adverse to the Firm may have the consequence of increasing the cost of the premium.

21.40 The form submitted to Jake Fox included a number of incorrect answers in relation to regulatory matters, failed to include any details in relation to the financial position of the Firm and incorrectly advised that Mr Fry was the COLP.

21.41 With regard to Mr Fry's knowledge at the time of submitting the form, he was in full receipt of the facts in relation to each of those questions and sections of the form at the time he submitted it.

21.42 Mr Fry did not subsequently seek to amend any of the details in the form either with JM Glendinning or with Paragon, despite being advised in the letter dated 17 September 2020 from Paragon, that the terms of the insurance were based on the form dated 2 July 2020. Furthermore, he signed the acceptance form on 18 September 2020 which declared that the contents of the proposal form were correct.

21.43 It was Mr Fry's responsibility, and not that of the Brokers or Insurers, to ensure the details on the form were correct. In any event, the Brokers had confirmed that they did not complete the form on the behalf of Mr Fry.

21.44 Given Mr Fry's knowledge of the relevant details, and the number of inaccuracies on the form, it could safely be inferred that the inaccuracies were not as a result of genuine mistakes, but rather were knowingly misleading.

21.45 Ordinary decent people would consider the conduct of Mr Fry dishonest in circumstances where the information provided on the proposal form was used to assist in determining the renewal terms for the Firm's PII insurance.

21.46 Accordingly, Mr Fry had acted dishonestly and breached Principle 4 of the 2019 Principles.

The Respondent's Case

21.47 Mr Fry denied allegation 1.1.

21.48 In his statement, Mr Fry explained that it was clear that the form was incomplete. Further, the email that he sent attaching the form made it clear that he expected further information from previous forms to be added. It was accepted that some of the questions in the draft form had been answered incorrectly. Those incorrect answers were likely careless errors or a misunderstanding on Mr Fry's part. However, notwithstanding the inaccuracies in the form, JM Glendinning had all of the correct details given the notifications made to it by Mr Fry and others at the Firm. JM Glendinning were aware of all previous claims, investigations and the status of Mr Libby. Accordingly, Mr Fry denied that he had breached the 2019 Principles as alleged or at all.

21.49 Ms Heley submitted that the crux of this matter was the submission of the form to JM Glendinning, and it was the submission alone that formed the basis of the misconduct. It was not disputed that the form was inaccurate, however this did not mean that Mr

Fry's conduct in submitting an inaccurate form was dishonest as alleged. It had to be viewed in context.

21.50 The evidence from Mr Fox was that there was an agreed strategy as regards the insurance renewal due to the circumstances of the Firm, with Mr Fry in negotiations to sell the Firm. In his witness statement, Mr Fox stated that he was aware of the SRA investigations. Accordingly, it was clear that Mr Fox knew the correct answer to the question asking whether there had been any investigations over the previous 10 years. Mr Fox also confirmed that Mr Fry had provided him with a letter dated 30 July 2020 from the SRA stating that the SRA Authorisation Officer was recommending refusal of his application to be the Firm's COLP. Ms Heley noted that this email was forwarded to Mr Fox by Mr Fry within 7 minutes of receipt.

21.51 Ms Edmonson had also stated in her evidence that she had day-to-day responsibility for the Firm's account, and that she had received multiple notifications from Mr Fry (although she could no longer recall what those notifications related to). Further, Ms Edmonson had also dealt with Drake Law, Mr Libby' former firm, so she would have been aware of Mr Libby's status.

21.52 The Applicant, it was submitted, had failed to provide any evidence to show that JM Glendinning was not aware of the true position. On the contrary, the evidence of Mr Fox and Ms Edmonson supported Mr Fry's case.

21.53 During cross-examination, Mr Fry had been asked why he did not contact Paragon (the new insurance broker) to correct the position in circumstances where he was aware that the form upon which it relied was a draft form. Ms Heley submitted that if correcting the position was what was required, then in sending the email of 30 July 2020 to Mr Fox, and having made all of the previous disclosure to JM Glendinning, Mr Fry had already corrected any inaccuracies on the form.

21.54 It was further noted that whilst the Applicant had provided the form as emailed to Mr Fox, it had not provided any of the other attachments. The Tribunal could not determine whether those attachments in fact corrected the inaccuracies on the form or provided further information in relation to the answers given.

21.55 Ms Heley submitted that in all the circumstances, allegation 1.1 was not made out on the evidence and in fact, was undermined by the evidence of the Applicant's own witnesses. Accordingly, allegation 1.1 ought to be dismissed.

The Tribunal's Findings

21.56 It was Mr Fry's oral evidence that the PII proposal form had been completed either by Mr Fox or Ms Edmonson. Ms Edmonson confirmed that she had not filled in the form on Mr Fry's behalf. Mr Fox explained that a blank proposal form had been sent to Mr Fry for completion. Mr Fox stated that he had not filled out the form on behalf of Mr Fry. Both witnesses had attended to give oral evidence. At no point were they challenged about the content of their statements in that regard. The Tribunal accepted the evidence of Mr Fox and Ms Edmonson in that regard.

21.57 Further, in his witness statement dated 4 June 2023, which was signed with a statement of truth and confirmed in evidence, Mr Fry stated:

> "I accept that the form provided was incomplete. I accept that some of the questions in the draft from were incorrectly answered and that that was likely a careless error or misunderstanding on my part given the purpose of the form …

21.58 The Tribunal inferred from that statement that Mr Fry accepted that he had completed the form, otherwise the "careless error" or "misunderstanding" could not have been on his part.

21.59 Having determined that the form was indeed completed by Mr Fry, the Tribunal then considered whether Mr Fry had caused or allowed inaccurate information to be provided to JM Glendinning.

21.60 In answer to a question relating to whether in the last 10 years any fee earner in the practice or any fee earner previously employed in the practice had been reprimanded, fined or otherwise disciplined by the Tribunal, Mr Fry had answered 'no'. The Tribunal found this answer to be incorrect in circumstances where Mr Libby had been employed by the Firm and had been fined by the Tribunal in on 27 June 2017.

21.61 In answer to a question asking whether in the last 10 years, any fee earner (former or current) had practised in a firm subject to an investigation by the SRA or the Law Society, Mr Fry answered 'no'. This answer was incorrect in circumstances where there had been investigations notified to Mr Fry by the SRA in 2018, 2019 and 2020.

21.62 In answer to a question about whether Mr Fry was aware of any notification of circumstances, incidents or claims that had not been previously reported to insurers, Mr Fry answered 'no'. The Applicant relied on the CCJ's that the Firm had received and the report by Mr Fry to the SRA on 22 November 2019 of Spectra Limited's threat to place the Firm into administration due to unpaid fees.

21.63 The Tribunal noted that the question asked whether there were any circumstances "that have not been reported". In order for the answer to be inaccurate and or misleading, the Applicant was required to evidence that the matters upon which it relied had not previously been reported. The Tribunal determined that the Applicant had failed to discharge that burden. Accordingly, the Tribunal did not find that the answer provided was inaccurate or misleading.

21.64 In answer to a request to provide the name and status of the nominated COLP, Mr Fry named himself. At that time, Mr Fry was not the COLP. The Tribunal found that his answer was incorrect.

21.65 The Tribunal found that the matters it had found to be incorrect on the form were inaccurate and misleading. The Tribunal did not find (indeed it was not submitted) that JM Glendinning was actually misled by the inaccuracies on the Form. However, the form gave the misleading impression that (i) there had been no investigations; (ii) there had been no fee earners (former or current) that had been subject to disciplinary sanction by the Tribunal; and (iii) that Mr Fry was the COLP.

21.66 The Tribunal found that in providing inaccurate and misleading information, Mr Fry had failed to maintain the trust the public placed in him and in the provision of legal services in breach of Principle 6 of the 2011 Principles. Members of the public would expect a solicitor to fill in a form with accuracy, even if the solicitor considered that the form was a draft.

21.67 The Tribunal accepted Mr Fry's evidence that whilst the form itself was inaccurate, the relevant information had already been provided to JM Glendinning. His evidence in that regard was corroborated by the evidence of Mr Fox and Ms Edmonson. The Tribunal noted that Mr Fry had sent the notification of the recommendation to refuse the application for COLP status to Mr Fox almost immediately. The Tribunal determined that this supported his assertion that he immediately informed JM Glendinning of all matters that could potentially affect the insurance.

21.68 The Tribunal noted that the Applicant had not provided copies of the documents that were sent along with the form. Those documents might have contained explanatory information that related to some of the answers given.

21.69 The Tribunal determined that members of the profession would not consider that Mr Fry had failed to adhere to the ethical standards of the profession by providing a form to JM Glendinning that was misleading and inaccurate in circumstances where JM Glendinning were fully aware of the complained of matters. He had not attempted to mislead JM Glendinning in order to obtain favourable insurance terms. Accordingly, the Tribunal did not find that Mr Fry's conduct lacked integrity in breach of Principle 5 of the 2019 Principles as alleged.

21.70 At the time that he submitted the form, Mr Fry knew that JM Glendinning were fully aware of the regulatory history of his firm, the previous firms and any previous employees as he had provided that information to Jake Fox and/or Kate Edmonson. The Tribunal found that members of the public, whilst they would be concerned about the inaccuracies in the form, would not consider that it was dishonest in circumstances where the full position was known. Accordingly, the Tribunal did not find that Mr Fry's conduct was dishonest in breach of Principle 4 of the 2019 Principles as alleged.

21.71 Accordingly, the Tribunal found allegation 1.1 proved, save that it did not find that Mr Fry's conduct breached Principles 4 and 5 of the 2019 Principles.

22. **Allegation 1.2 - Between at least April 2018 and January 2020, the Respondent caused or allowed monies, in respect of sums received by the Firm for settlement of professional disbursements, to be held in the Firm's office account and utilised for the running of the Firm, resulting in non-payment of professional disbursements and a client account shortage of up to £67,400.38. In so far as the conduct occurred prior to 25 November 2019, the Respondent breached Rule 17.1(b)(ii) of the 2011 Accounts Rules 2011 and/or any of Principles 6 and 8 of the 2011 Principles 2011. In so far as the conduct occurred on or after 25 November 2019, the Respondent breached Principle 2 of the 2019 Principles.**

The Applicant's Case

22.1 The FIO reviewed the Firm's client account reconciliation as at 31 January 2021, which included a breaches register. The register identified twenty client matters on which money had been held in the office account following "uncashed cheques for disbursements". The advice on the register from the Cashroom was to "Repay all disbursements or transfer from office to client account".

22.2 The FIO reviewed the client ledgers for the twenty matters and identified thirty-six unpaid professional disbursements totalling £67,400.38. In respect of each of the thirty-six disbursements the following had occurred:

(i) The funds to pay the professional disbursements were received into the client account and then transferred into the office account.

(ii) A cheque to the provider was written out from the office bank account and recorded as paid on the relevant client ledger.

(iii) The cheque was written back into the accounts at a later date and recorded on the ledger as a breach.

22.3 The FIO reviewed six of the client matters, which revealed that:

(i) Following settlement of personal injury claims the Firm received payment for costs and disbursements incurred from the defendant or their representative.

(ii) Any settlement money would be paid into the client account and paid to the client.

(iii) Monies for costs and disbursements would be paid into the client account and then transferred by the Firm to the office account.

(iv) Cheques were written out in respect of the payment of professional disbursements and the client ledger would be updated to show that payment had been made.

(v) The cheque was written back into the office account after a period of time creating an office credit balance, as though the cheque had not been cashed by the third party provider.

22.4 However, on none of the six files reviewed by the FIO were letters to any of the providers enclosing the cheque. Nor were there any letters enquiring as to an uncashed cheque or making any attempt to repay the monies.

22.5 As at 18 January 2021, the balance on the office account was £4,961.48. It did not therefore retain the monies for the professional disbursements. Nor had the monies been transferred back into the client account. The bank statements showed that the monies had been subsumed in the general running of the Firm.

22.6 As at 31 January 2021, the books showed liabilities to clients totalled £34,294.77, which was the amount available in the client account. The unpaid professional disbursements totalling £67,400.38 were not shown on the books, and the sum was not available in the client account, resulting in a client account shortage of £67,400.38.

22.7 Rule 17.1 (b) of the 2011 Accounts Rules classified monies in respect of fees due for professional disbursements as "client money" and proscribed that such money should be placed in an office account and paid to the third party by the end of the second working day or transferred to the client account for settlement.

22.8 Rule 17.1 (b) was not reproduced in the Solicitors Accounts Rules 2019, and therefore monies in respect of fees due for professional disbursements are no longer classified as client money. However, the conduct in not paying for professional disbursements continued beyond 25 November 2019. Such conduct, whilst not breaching the 2019 Accounts Rules, breached the Principles.

22.9 Ms Sheppard-Jones exemplified the matter of Client SS

22.10 The Firm acted for Client SS in a claim for disability discrimination against Balliol College. The initial instructions were received by Unity and the fee earner at that stage was Lucy Angus.

22.11 On 20 December 2017, the defendant to the claim made an offer to settle in the sum of £12,500.00. Mr Fry took instructions from the client in conference on 13 March 2018, who instructed him to accept the offer. The Firm wrote to the defendant on the same date accepting the offer. Mr Fry was cited as the contact at the Firm with conduct of the matter.

22.12 The defendant's representative sent the Firm two cheques, which were both paid into the Firm's client account on 27 March 2018. One was in relation to damages, in the sum of £12,500.00 and the other in relation to interim costs, in the sum of £4,800.00.

22.13 On the same date a payment of £9,375.00 (£12,500.00 minus 25% success fee for the Firm) was made to the client, and the balance of the monies, including the sum for interim costs was transferred to the office account.

22.14 On 25 January 2019, £12,000.00 was paid into the Firm's client account in respect of final costs. On the same date the funds were transferred to the office account.

22.15 On the same date, the client ledger showed that cheques were written out and shown as having been paid out of the office account, as follows:

Provider	**Date of Cheque**	**Total Amount**
Auxilium Legal Costs Draftsman	25 January 2019	£1,500.00
Ms SC – counsel	25 January 2019	£4,278.00
Expert Psychological Report Ltd	25 January 2019	£3,840.00
		£9,618.00

22.16 The client file held the invoices for the costs of Ms SC and Expert Psychological Report Ltd. An invoice from Auxilium could not be located.

22.17 The client file did not hold any letters to the providers enclosing the cheques, copies of the cheques or cheque stubs.

22.18 None of the cheques cleared through the office bank account. The client ledger showed that on 28 January 2020, the cheques were written back into the office account under the description "out of date cheque". The funds were not returned to the client account.

22.19 The client account reconciliation as at 31 January 2021, recorded the cheques as breaches of, "client monies in office account", with the description, "uncashed cheques for disbursements". The advice on the register from the Cashroom was to "Repay all disbursements or transfer from office to client account".

22.20 The FIO understood that all thirty-six payments due for the professional disbursements remained outstanding as at the date of the FIR.

22.21 Following the forensic investigation, the client account shortage was not replaced and in September 2021 the Firm entered administration.

22.22 Mr Fry had not produced:

- Any letters issuing the cheques to providers;

- evidence of any disputes with the relevant providers, or issues raised by the fee earners, or any explanation as to why the thirty-six cheques were not cashed;

- any explanation or evidence as to why the funds were either not returned to client account or paid to the provider;

22.23 To date no successful claims have been made on the compensation fund with former clients being directed to the firm's PII.

22.24 In a statement dated 8 September 2022, Doughty Street Chambers confirmed that the Firm owed Chambers a total of £504,627.07 in respect of outstanding fees for Counsel. Doughty Street Chambers secured five CCJs against the Firm in the total sum of £48,910.08. That amount remained outstanding as at 8 September 2022.

22.25 One such case for which Counsel's fees were due was one of the twenty client matters in respect of which the FIO reviewed the client ledger. The FIO identified from the client ledger of Client PN that on 19 December 2018, a cheque was made out to Counsel Christopher Johnson, in the sum of £1800.00 and recorded on the ledger as having been paid. However, on 28 January 2020, the cheque was written back into the accounts. Doughty Street Chambers confirmed that the sum of £1800.00 remained outstanding.

22.26 Further, Doughty Street Chambers provided copies of correspondence with Mr Fry and the Firm in respect of outstanding fees, showing that Mr Fry was aware of issues regarding outstanding fees for professional disbursements, prior to January 2021.

22.27 In a statement dated 8 September 2022, Cloisters Chambers confirmed that the Firm owed Chambers a total of £99,007.69 plus VAT in respect of outstanding Counsels' fees. Cloisters Chambers confirmed that included within the total fees due to it, were fees on the following cases, the client ledgers for which were all reviewed by the FIO and revealed that cheques were written out to Counsel and later written back into the accounts:

Client matter	Counsel	Outstanding fees on that client matter
SS	Sally Cowen	£4,278.00
FW	Catherine Casserley	£10,194.00
ABW	Catherine Casserley	£755.00
LA	Catherine Casserley	£1,440.00
ABW	Phillip Engleman	£1,950.00

22.28 Cloisters Chambers provided copies of correspondence with Mr Fry in respect of outstanding fees due, which again showed that Mr Fry was aware that the Firm owed outstanding fees for professional disbursements, prior to January 2021.

22.29 Ms Sheppard-Jones submitted that the Tribunal had the evidence of the FIO's investigation which was supported by the evidence provided from Chambers. Further, the Cashroom had pointed out the breaches of the Accounts Rules to Mr Fry in January 2021. It was not sustainable for Mr Fry to suggest that he was unaware of the non-payment of professional disbursements.

22.30 By way of email dated 31 March 2021, the FIO asked Mr Fry a series of questions in relation to the unpaid disbursements and asked for copies of any letters enclosing cheques to the third-party providers and/or correspondence with the providers in relation to the cheque.

22.31 Mr Fry replied on 14 May 2021, and stated that:

> "I have already emailed to let you know that I have had real difficulties in investigating the situation here because of the demands of the caseload, the CVA and the negotiation with Leigh Day. I have called you twice this afternoon.
>
> The other issue I have had is attempting to understand the position without the benefit of the Cashier who had responsibility for managing our postings from April 2018 to October 2020 when I replaced her with The Cashroom. As you may recall, the process of reconciling our accounts and month end information took Cashroom until January, in part because of trying to work out how postings

> had been recorded. The write-backs to Office Account in these cases were all done on the same day by Cashroom who also updated the breaches register."

22.32 Mr Fry further stated that:

> "On discussion with Cashroom, we believe that my Cashier incorrectly recorded the invoices you've highlighted below as Client Disbursements. The invoices are addressed to Fry Law, not to clients. They are therefore rightly Trade Creditors of Fry Law in some cases and may be Unity Law in other cases."

22.33 Mr Fry provided some information in relation to three specific client matters that the FIO had enquired about, stating that in respect of some payments the Firm had not been chased for payment, and in respect of others, that they remained outstanding and would be Creditors of the Firm. Mr Fry did not provide the FIO with any correspondence with the providers regarding the cheques.

22.34 In interview with the FIO on 26 May 2021, Mr Fry said the first time he became aware of the issue was in January 2021 when Cashroom provided him with the client account reconciliation. This was not accepted. The evidence from Cloisters and Doughty Street detailed above, proved that Mr Fry was aware of the issues prior to Cashroom providing him with the client account reconciliation.

22.35 Mr Fry also explained that he was investigating the breaches. He had not been personally aware that professional disbursements were client monies prior to November 2019. His finance manager was "contractually responsible" for maintaining the books of account. However, he accepted that as COFA, he was "ultimately responsible".

22.36 Mr Fry did not necessarily accept that just because the client ledger showed that cheques had been written out, that the monies were in fact due and that they would have been referred to him "for confirmation as to whether they ought to be paid or not". So, he would have to consider each of the client matters to see whether he had signed off the cheques. Ms Sheppard-Jones submitted that Mr Fry did not do so, despite being in a position to do so. This occurred before the ransomware attack and during the course of the investigation when Mr Fry had access to all relevant material. Mr Fry had also explained that he was still trying to work out why, if a cheque had not been signed off, the monies had not been returned to the client account. He did not agree that there was necessarily a cash shortage, he was still taking advice on that.

22.37 His practice as a fee earner would have been to send the cheque with a covering letter, and that if the client files did not hold a copy of the letter, then "I would assume it hasn't been sent out".

22.38 In his representations to the Notice, Mr Fry stated that he "neither knowingly caused nor allowed monies for professional disbursements to be used to run Fry Law." He stated that the "financial systems was delegated to Sagars, who had access to the case management and accounts system and liaised on a daily basis with a full-time paid cashier.

22.39 Rule 17.1 (b) of the 2011 Accounts Rules 2011 required:

> “When you receive money paid in full or part settlement of your bill (or other notification of costs) you must follow one of the following five options:
>
> (b) ascertain that the payment comprises only office money and/or out-of-scope money, and/or client money in the form of professional disbursements incurred but not yet paid, and deal with the payment as follows:
>
> (i) place the entire sum in an office account at a bank or building society branch (or head office) in England and Wales; and
>
> (ii) by the end of the second working day following receipt, either pay any unpaid professional disbursement, or transfer a sum for its settlement to a client account;”

22.40 The FIR identified that on at least twenty matters, fees due for professional disbursements were received into the client account, transferred to the office account and recorded on the client ledger as paid by way of cheque (all prior to 25 November 2019). However, the ledger further revealed that the cheque was written back into the office account at a later date, as though having never been cashed. If that were the case, the monies ought to have been transferred back to the relevant client account or paid out to the third-party provider. That did not happen and the office account subsumed the monies, which was utilised for the Firm.

22.41 Accordingly, Rule 17.1(b) was breached in respect of monies that were neither paid to the third-party providers from the office account nor transferred back to the client account for settlement.

22.42 As the owner and a Director of the Firm, Mr Fry was responsible for the Firm’s adherence to the 2011 Accounts Rules 2011, pursuant to Rule 6.1 of the Rules and therefore was culpable for the breach of the same.

22.43 Rule 17.1 was not reproduced in the 2019 Accounts Rules. Therefore, from 25 November 2019, sums due for professional disbursements were no longer classified as client money. However, the misconduct in failing to pay third parties for professional disbursements, continued beyond 25 November 2019, and Mr Fry’s culpability is reflected in the below Principle breaches.

22.44 Mr Fry was the owner, Director and COFA of the Firm. Accordingly, he was responsible for ensuring compliance with the Accounts Rules and ought to have overseen the financial management of the Firm. Had he undertaken his roles competently, he would have appreciated that there were failings in the management of the Firm’s finances, such that fees due for professional disbursements were not being paid upon receipt of settlement monies. It was important to note that Cashroom, who had been employed by the Firm, detailed the breach of the Accounts Rules.

22.45 The evidence from Doughty Street and Cloisters Chambers showed that prior to the breach report being created by Cashroom in January 2021, Mr Fry was being chased for outstanding fees. Therefore, Mr Fry was aware that there were issues with the payment of professional disbursements. That correspondence should have put Mr Fry on notice that there were issues that needed resolving with the financial management of the Firm.

22.46 Mr Fry's failure to comply with the Solicitors Accounts Rules resulted in a cash shortage on the client account up to 25 November 2019. Beyond 25 November 2019, Mr Fry continued to fail to ensure professional disbursements were paid on time. Such conduct undermined the trust that the public placed in the profession and in Mr Fry as a solicitor. The public should be able to trust that client monies are managed in accordance with the regulatory framework and that creditors are paid on time for services provided. Accordingly, Mr Fry had breached Principle 6 of the 2011 Principles prior to 25 November 2019 and Principle 2 of the 2019 Principles thereafter.

22.47 As the owner, Director and COFA of the Firm, Mr Fry ought to have ensured that the Firm was managed in accordance with established and embedded financial and risk management principles. Had Mr Fry done so, it would have greatly reduced the risk of non-payment of professional disbursements and the subsequent Accounts Rules breach. In causing or allowing the non-payment of professional disbursements through his mismanagement of the Firm, Mr Fry had thereby breached Principle 8 of the 2011 Principles.

The Respondent's Case

22.48 In his written evidence, Mr Fry sated that he was unable to admit this allegation as he did not have access to any of the information that would allow him to do so. He considered that the lack of primary documentation (e.g., bank statements) meant that the information in the Rule 12 Statement was insufficient. Further, there was no evidence from the Cashroom as to what reconciliation works were undertaken to identify payments related to the professional disbursements.

22.49 In his oral evidence, Mr Fry confirmed that whilst he was responsible for financial matters at the Firm, he had delegated much of that to professional advisors so that he could continue to do fee earning work. He accepted the Cashroom's breaches report which he considered required further inspection. He could not be sure that it was accurate as there might have been an issue with the way things had been posted to the ledgers. He could not provide any evidence of the action that he had undertaken as he had no access to the documents.

22.50 Mr Fry accepted that at the time, he had access to all of the relevant documents and information, however, he was reliant on the professional advice he was receiving. Mr Fry understood that professional disbursement that were paid out and then written back to the office account prior to 25 November 2019 should have been transferred back into the client account, but he did not know why they had been written back into the office account. It might have been that there was an agreement to discount the fee, it might also have been an error in the way that his accountant had dealt with the payments. Mr Fry was unable to definitively say whether the details recorded on the ledgers were incorrect, as he was unable to say how his cashier had dealt with the payments.

22.51 Ms Heley submitted that allegation 1.2 was wrong on its face as it stated that between at least April 2018 and January 2020. The cheque sent in April 2018 was sent to HMCTS. This was not a professional disbursement, and thus was not subject to the requirements of Rule 17.1(b).

22.52 Ms Heley identified other issues with the alleged professional disbursements, including that a payment for ATE had been included. Caselaw identified that ATE payments were not professional disbursements. Out of the 36 payments identified by the FIO, 4 were not professional disbursements. This amounted to an error rate in the matters relied upon of 11%.

22.53 Additionally, there were cheques that had been identified as being sent on the same day to different people with the same cheque number. Without the underlying primary documents, the Tribunal could not determine with any level of certainty that the breaches report identified that there had in fact been any breaches. Even the documents that the Tribunal did have were problematic. There were invoices for the same date and seemingly the same work in different amounts. The lack of the underlying documents was unsatisfactory and caused Mr Fry prejudice in defending the proceedings.

22.54 Regulatory action, it was submitted, should only be taken when it was necessary. Given that Rule 17.1(b) had not been replicated in the 2019 Accounts Rules, it was not considered necessary. In pursuing Mr Fry for an alleged breach of a rule that was no longer considered necessary, the Applicant was being unduly inflexible. In all the circumstances, allegation 1.2 should be dismissed.

The Tribunal's Findings

22.55 The Tribunal concluded that the wording of allegation 1.2 meant that from April 2018 at the earliest and January 2020 at the latest, i.e., that the allegation ran between those dates. The Tribunal therefore rejected the submission that if a professional disbursement had not been paid out on in April 2018, allegation 1.2 was fatally flawed.

22.56 The Tribunal noted the errors highlighted by Ms Heley. The Tribunal was satisfied that the breaches report created by the Cashroom and the FIO were ostensibly correct (noting the errors made). The errors, it was determined, were not so significant or numerous that the reports could not be relied upon.

22.57 As to the submission that the Tribunal did not have access to the underlying documents so that it could not reach a safe conclusion as regards the breaches, the Tribunal noted that in order for Cashroom to reconcile the accounts, it would have needed access to all the underlying documents including the bank statements. The Tribunal noted Mr Fry's evidence that he provided all of the professionals that he was dealing with, with all of the information required for them to undertake their roles. The Tribunal had accepted that this was the position as regards allegation 1.1 as detailed above. Likewise, the Tribunal considered that this would also have been the position as regards allegation 1.2. Mr Fry had suggested in his evidence that some of the cheques might have been written off, disputed or an agreement reached. Had that been the case, then such information would have been provided to the Cashroom by Mr Fry. The Tribunal thus did not accept that the payments identified, (excluding those that were not professional

disbursements), could not be relied upon as being an accurate reflection of how those monies had been treated.

22.58 The Tribunal considered the position for those cheques written out and written back prior to 25 November 2019, and those cheques written back thereafter.

Pre-November 2019

22.59 The Tribunal determined that the position as regards the status of professional disbursements pre-November 2019 was clear. Those monies were client monies and were to be dealt with in accordance with the then prevailing Accounts Rules.

22.60 The Tribunal noted that a number of the identified payments had been written out and then written back into the office account before the introduction of the 2019 Accounts Rules. The Tribunal did not accept that Mr Fry was not aware of that position until he received the breach report from the Cashroom in 2021. He was the COFA, sole owner and Director of the Firm from its inception to its administration. He was required to conduct 5 weekly reconciliations of the accounts. The writing back of the cheques into the office account would have come to his attention (as it would appear on the client account reconciliations) at the time.

22.61 The fact that in May 2018, the consultation as regards the 2019 Accounts Rules approved the abolition of Rule 17.1(b) did not assist him. The prevailing accounts rules at the time were clear. Mr Fry, the Tribunal determined, knew that having written the cheques back into office account, he was required to either re-issue those cheques or return those monies to the client account. The Tribunal further determined that Mr Fry knew that a failure to do so would be in breach of the 2011 Accounts Rules. In failing to pay those monies into the client account as he was required to do, Mr Fry had breached Rule 17.1(b) as alleged.

22.62 As the Firm's principal, Mr Fry was required to ensure compliance with the 2011 Accounts Rules; he failed to do so. Accordingly, the Tribunal found, as alleged, that Mr Fry had caused or allowed monies, in respect of sums received by the Firm for settlement of professional disbursements, to be held in the Firm's office account and utilised for the running of the Firm, resulting in non-payment of professional disbursements and a client account shortage of up to £67,400.38.

22.63 In doing so, Mr Fry had failed to maintain the trust the public placed in him and in the provision of legal services. Members of the public expected solicitors to treat client monies in the way authorised so as to ensure the protection of those monies. In failing so to do, Mr Fry had breached Principle 6. It was clear, the Tribunal determined, that Mr Fry had failed to run his business in accordance with sound financial and risk management principles. The employment of others to run the financial side of the Firm did not absolve Mr Fry of his responsibilities in that regard. Accordingly, the Tribunal found that Mr Fry had breached Principle 8 as alleged.

Post-November 2019

22.64 As detailed above, the 2019 Accounts Rules did not classify monies received for professional disbursements as client money save for Rule 2.1(d) which stated:

"Client money is money held by you in respect of fees and any unpaid disbursements if held or received prior to the delivery of a bill for the same."

22.65 There were no transitional arrangements as regards the status of monies that were, pursuant to Rule 17.1(b), deemed client monies. The Tribunal found that the introduction of the 2019 Accounts Rules meant that any shortage on a client account as at 24 November 2019 due to the non-payment of professional disbursements (thus breaching the 2011 Accounts Rules) could no longer be considered a shortage on 25 November 2019, as those monies were no longer client monies (subject to Rule 2.1(d) above), and therefore were no longer required to be retained in a client account.

22.66 Accordingly, there could be no shortage on the client account, as the monies were no longer client monies.

22.67 The Tribunal thus found allegation 1.2 proved as regards the alleged breaches of the 2011 Accounts Rules and the 2011 Principles. The Tribunal dismissed the allegation of a breach of the 2019 Principles.

23. **Allegation 1.3 - The Respondent failed to promptly rectify a minimum cash shortage in the client bank account of up to £67,400.38. In so far as the conduct occurred prior to 25 November 2019, the Respondent breached Rule 7.1 of the 2011 Accounts Rules. In so far as the conduct occurred on or after 25 November 2019, the Respondent breached Rule 6.1 of the 2019 Accounts Rules.**

The Applicant's Case

23.1 Ms Sheppard-Jones repeated the submissions detailed at allegation 1.2 above, and relied upon for the purposes of this allegation, a cash shortage of at least £67,400.00 occurred on the client account following non-payment of professional disbursements.

23.2 The cash shortage existed between at least April 2018 (the date upon which cheques were written out of the client account on a sample of client matters reviewed by the FIO) and September 2021, when the Firm entered into administration. The shortage thus existed for a significant period of time.

23.3 In interview with the FIO, Mr Fry did not agree that there was necessarily a cash shortage on the client account, he said he was still taking advice on that.

23.4 In his representations to the Notice, Mr Fry stated that he "cannot accept or reject the allegation that there is a client cash shortage of £67,400.38" and that "there should be sufficient funds being returned to Begbies Traynor in relation to successful Fry Law cases to allow the Administrators to distribute such funds that are required by way of reimbursements". The Mr Fry said that he only became aware of the breaches in January 2021 and that the Firm had no cash flow at that stage to make the payments and that as Begbies Traynor were the proposed appointed Administrators, he would not have been able to make the payments without consent from them.

23.5 Ms Sheppard-Jones submitted that as the sole Principal of the Firm, Mr Fry was liable for the Firm and all fee earners concordance with the Solicitors Accounts Rules, pursuant to Rules 6.1 and 1.2 of the 2011 Accounts Rules and the 2019 Accounts Rules respectively.

23.6 Rule 7.1 of the 2011 Accounts Rules stated:

> "Any breach of the rules must be remedied promptly upon discovery. This includes the replacement of any money improperly withheld or withdrawn from a client account."

23.7 Rule 6.1 of the 2019 Accounts Rules stated:

> "You correct any breaches of these rules promptly upon discovery. Any money improperly withheld or withdrawn from a client account must be immediately paid into the account or replaced as appropriate."

23.8 As the sole owner, Director and COFA of the Firm, Mr Fry ought to have been aware that there had been a breach of Rule 17.1(b) of the Solicitors Accounts Rules 2011, especially in circumstances where he was being chased for payments by third parties, by at least 2020. However, he was certainly aware of the breach in January 2021, when the Cashroom advised him of the breach report.

23.9 Despite being made aware of the breach by Cashroom and by the FIO during the forensic investigation, Mr Fry failed to rectify the shortage on the client account. Although professional disbursements were no longer classified as client money beyond 25 November 2019, the shortage existed prior to that date (as each of the cheques written out of the client accounts on the twenty ledgers reviewed by the FIO, were written out prior to 25 November 2019), and continued beyond 25 November, such that the breach was a continuing breach, which Mr Fry failed to rectify.

23.10 The Firm entered into administration on 22 September 2021. The cash shortage had not been replaced by that date. Mr Fry had therefore breached Rules 7.1 and 6.1 of the 2011 and the 2019 Accounts Rules respectively.

The Respondent's Case

23.11 In his Answer, Mr Fry denied allegation 1.3 for the same reasons as allegation 1.2, namely that as he did not have access to the primary documents, he was unable to say whether or not a shortage existed that needed to be rectified.

23.12 During his oral evidence, Mr Fry stated that if a shortage did exist, it was accepted that the shortage had not been rectified promptly.

23.13 Ms Heley submitted that the obligation to rectify any shortage derived from the date of knowledge. If Mr Fry discovered the breach in January 2021, following the report created by the Cashroom, he was under no obligation to rectify any breach; there could be no breach as at that time professional disbursement monies were no longer client monies.

23.14 Mr Heley submitted that regulation did not occur in a vacuum. At that point Mr Fry was taking advice from insolvency practitioners who considered that the professionals to whom the disbursements were owed were ordinary trade creditors who could not be preferred over other ordinary trade creditors.

23.15 Ms Heley submitted that if the Tribunal found that Mr Fry only became aware of the position regarding the professional disbursements in January 2021, allegation 1.3 could not be substantiated and should thus be dismissed.

The Tribunal's Findings

Pre-November 2019

23.16 The Tribunal repeated its findings at allegation 1.2 above. As detailed, the Tribunal found that Mr Fry was aware pre-November 2019 that professional disbursements had been paid back into the office account and retained there in breach of the 2011 Accounts Rules, thus causing a shortage on client account. Mr Fry was required to remedy that breach promptly on discovery. During the course of his evidence, Mr Fry had accepted that the shortage (if indeed there was a shortage) had not been remedied promptly or at all.

23.17 Accordingly, the Tribunal found that Mr Fry had breached Rule 7.1 of the 2011 Accounts Rules as alleged.

Post-November 2019

23.18 The Tribunal repeated its findings at allegation 1.2 above. As there could be no shortage on client account for the reasons stated, there was no breach for Mr Fry to rectify promptly. The Tribunal thus dismissed the allegation that Mr Fry's conduct had been in breach of Rule 6.1 of the 2019 Accounts Rules.

23.19 The Tribunal thus found allegation 1.3 proved as regards the 2011 Accounts Rules. The Tribunal dismissed the allegation as regards the 2019 Accounts Rules.

24. **Allegation 1.4 - Between at least April 2018 and January 2021, in his capacity as sole owner, Director and Compliance Officer for Finance and Administration COFA of the Firm, the Respondent failed to run the Firm with effective systems and controls to ensure compliance with the SRA's regulatory arrangements which were in force at the time and/or in accordance with sound financial and risk management principles.**

The Applicant's Case

24.1 Peak Medical and Doughty Street Chambers both made reports to the SRA in relation to the Firm's non-payment of fees due for professional disbursements, and both secured CCJs against the Firm.

24.2 Mr Fry also made his own report to the SRA on 22 November 2019 to advise that Spectra were threatening to place the Firm into administration and that he was working with an insolvency practitioner to resolve the issue.

24.3 On 24 November 2020, Mr Fry advised the SRA that he was in the process of drawing up a Creditor Voluntary Arrangement ("CVA"), which would allow for payment of all creditors within three years.

24.4 The subsequent FIR identified the cash shortage on the client account that forms the basis of allegation 1.2.

24.5 During the course of the forensic investigation, on 17 May 2021, Mr Fry provided the FIO with a list of "aged creditors". This confirmed that the Firm owed £671,448.40 to creditors, the largest of which were:

- HMRC Corporation tax in the sum of £77,870.08
- HMRC PAYE in the sum of £96,224.93
- HMRC VAT in the sum of £178,127.04
- Counsels' fees in the sum of £141,931.11

24.6 The Firm also had liabilities in respect of monies owed to Spectra and Doorway Capital, the Firm's previous funding facilities. The total liabilities as at 17 May 2021 was £1,003,448.00.

24.7 In an email to the FIO dated 18 May 2021, Mr Fry provided a schedule of CCJs registered against the Firm. The Firm had sixteen CCJs registered against it between 25 October 2018 and 23 April 2021, totalling £131,213.00, all of which remain unsatisfied as at 9 September 2022.

24.8 The Firm entered into Administration on 22 September 2022. The Administrator's, Begbies Traynor, confirmed that as of 13 October 2021 the level of creditors was in the region of £1.2 million and the Firm was by that time subject to nineteen CCJs.

24.9 Despite the financial difficulties the Firm was facing, Mr Fry paid himself £51,800 from the office account between 1 September 2020 and 18 January 2021.

24.10 During interview with the FIO, Mr Fry said that he had "been cognisant of the financial issues on a sort of generic level. And when it's looked to me as though there's going to be a problem, I've addressed it. I've not sat back. I've reported it and I've taken the appropriate professional advice… I think I have done an effective job of steering the company towards a responsible outcome".

24.11 In his representations to the Notice, Mr Fry stated that he took professional advice in relation to the financial management of the Firm and made difficult decisions. For example, he hired the Cashroom to assist him in the financial management of the Firm, once he realised that his cashier was not performing to the requisite standard.

24.12 As to why the Firm entered into Administration, Mr Fry stated:

> "There are specific reasons that Fry Law Limited entered administration on 22 September 2021. They should not amount to an automatic and prejudiced conclusion that the firm was not run properly or effectively. The financial accounts for the business demonstrate that the business was successful. The success rate on cases was good. The financial position of the firm was critically

undermined by factors outside of my control, and which also have impacted on other law firms which collapsed more quickly, I suspect, with greater consequences and less protection to clients."

24.13 Furthermore, Mr Fry stated that he was entitled to draw a salary from the Firm, which was far less than other solicitors of his experience might draw. He had not been criticised by the Administrators or the accountants for his actions in that regard.

24.14 Pursuant to Paragraph 8.1 of the Code, Mr Fry was responsible for compliance by the Firm with the Code. Paragraph 2.1 of the Code stated:

"You have effective governance structures, arrangements, systems and controls in place that ensure:

(a) you comply with all the SRA's regulatory arrangements, as well as with other regulatory and legislative requirements, which apply to you;
(b) your managers and employees comply with the SRA's regulatory arrangements which apply to them;
(c) your managers and interest holders and those you employ or contract with do not cause or substantially contribute to a breach of the SRA's regulatory arrangements by you or your managers or employees;
(d) your compliance officers are able to discharge their duties under paragraphs 9.1 and 9.2 below."

24.15 The financial status of the Firm by 2021 was such that it was in breach of the SRA's regulatory arrangements in respect of the client account shortage, and it owed significant liabilities to various creditors, some of whom had resorted to securing CCJs against the Firm.

24.16 Had Mr Fry embedded appropriate controls into the business, it would have reduced the risk of financial mismanagement, including beaches of the SRA's regulatory framework.

24.17 Accordingly, Mr Fry breached Paragraph 8.1 of the Code, with the result that he caused the Firm to breach Paragraph 2.1 of the Code, so far as the conduct occurred on or after 25 November 2019.

24.18 Paragraph 9.2 of the Code stated:

"If you are a COFA you must take all reasonable steps to:

(a) ensure that your firm and its managers and employees comply with any obligations imposed upon them under the SRA Accounts Rules;
(b) ensure that a prompt report is made to the SRA of any facts or matters that you reasonably believe are capable of amounting to a serious breach of the SRA Accounts Rules which apply to them;
(c) notwithstanding sub-paragraph (b), you ensure that the SRA is informed promptly of any facts or matters that you reasonably believe should be brought to its attention in order that it may investigate whether a serious

breach of its regulatory arrangements has occurred or otherwise exercise its regulatory powers."

24.19 Mr Fry was the COFA of the Firm. In his capacity as COFA, he failed to prevent the breach of the Accounts Rules in respect of the non-payment of professional disbursements and the client account shortage.

24.20 Despite his self-reports to the SRA in respect of Spectra and a possible CVA, Mr Fry failed to report the fact that he was being pursued for non-payment of professional disbursements (irrespective of whether or not he knew there was a breach of the Accounts Rules in respect of the same) and that the Firm had CCJs recorded against it, both of which are matters that he should have appreciated the SRA ought to have been made aware of.

24.21 Accordingly, Mr Fry breached Paragraph 9.2 of the Code, so far as the conduct occurred on or after 25 November 2019 and the equivalent Paragraph 8.5(e) of the SRA Authorisation Rules 2011, so far as the conduct predated 25 November 2019.

24.22 Ms Sheppard-Jones submitted that Mr Fry was the owner, Director and the COFA of the Firm. As such, he was responsible for the Firm's effective financial management and its concordance with its regulatory framework.

24.23 The financial position of the Firm was such that by September 2021, the Firm entered into Administration, with over £1million owing to creditors. The Firm had a client account shortage and owed monies in CCJs that creditors had secured against it.

24.24 Whilst Mr Fry had reported the difficulties with Spectra to the SRA in 2019, he did not advise the SRA of the other financial difficulties the Firm was facing, which contributed to breaches of the regulatory framework and ultimately the collapse of the Firm.

24.25 Had Mr Fry carried out his roles effectively, it would have reduced the risk of breaching the regulatory framework and owing significant sums to creditors of the Firm. Mr Fry had therefore breached Principle 8 of the 2011 Principles, as far as the conduct pre-dated 25 November 2019.

The Respondent's Case

24.26 Mr Fry admitted allegation 1.4.

The Tribunal's Findings

24.27 The Tribunal found allegation 1.4 proved on the facts and evidence. The Tribunal determined that Mr Fry's admissions were properly made.

24.28 Accordingly, the Tribunal found allegation 1.4 proved in its entirety.

Previous Disciplinary Matters

25. None

Mitigation

26. Ms Heley submitted that none of the proven allegations went to Mr Fry's character, the Tribunal having found that he had not acted dishonestly or without integrity. Mr Fry was a dedicated and experienced solicitor who worked in a field of social importance. He was a good solicitor, who was dedicated to the field within which he worked, but was not good at the financial management of the Firm.

27. Mr Fry had tried to obtain the information that he considered that he needed in order to address the allegations but had not been successful in those attempts. He had suffered from a lack of representation in the proceedings. Had he been represented, some of the issues could have been resolved earlier. It was unfortunate that Mr Fry had been unable to afford representation at an earlier stage of the proceedings.

28. It was not denied that counsel had lost out; that was to Mr Fry's eternal regret. He still worked with some of those members of counsel who were willing to continue to work with Mr Fry as they were also dedicated to the work they did.

29. As to his personal circumstances, Mr Fry was a single father to two school aged children. His current income did not match his current expenditure. An IVA was a realistic prospect given his financial position.

30. Mr Fry had fully participated in the investigation and the proceedings and had given a full account of himself.

31. Ms Heley submitted that the findings of the Tribunal were such that sanctions of no order or a reprimand were not suitable. It was submitted that the appropriate sanction was a financial penalty. Given the findings, there was no need to interfere with Mr Fry's ability to practise. There was no basis for the imposition of a restriction order which would be disproportionate and problematic and serve as an additional bar for Mr Fry. The regime was introduced in 2004 to meet the regulatory risk of solicitors taking on certain roles. There was now the SRA regulatory scheme. It was for the SRA to regulate the ongoing management of risk in the profession using that regulatory regime. As a result of the Tribunal's findings, Mr Fry would not be automatically eligible to take on compliance roles. Thus, it was submitted, it was not necessary for the Tribunal to impose a restriction order.

32. Ms Sheppard-Jones submitted that in assessing sanction the Tribunal would assess the overall seriousness of the misconduct taking into account Mr Fry's culpability and harm caused. As to his culpability, Mr Fry was the Principal and COFA of the Firm. He had direct control and responsibility. He was an extremely experienced solicitor at the time of his misconduct. Ms Sheppard-Jones assessed Mr Fry's culpability as medium to high. He had caused harm in the non-payment of disbursements to third parties. Further, he had not rectified the non-payment. Mr Sheppard-Jones submitted that the misconduct found proved under allegation 1.1 was isolated. In addition, Mr Fry had self-reported and demonstrated insight.

33. Ms Sheppard-Jones agreed that sanctions such as no order or a reprimand were not appropriate. It was also agreed that an appropriate sanction would be a financial penalty. It was the Applicant's view that the appropriate fine was one which fell within Level 3 or 4 of the Tribunal's indicative fine bands.

34. In addition, this was exactly the type of case where a restriction order was necessary. The Tribunal's powers were separate and distinct from those of the SRA.

Sanction

35. The Tribunal had regard to the Guidance Note on Sanctions (10th Edition – June 2022). The Tribunal's overriding objective, when considering sanction, was the need to maintain public confidence in the integrity of the profession. In determining sanction, it was the Tribunal's role to assess the seriousness of the proven misconduct and to impose a sanction that was fair and proportionate in all the circumstances.

36. The Tribunal found that the misconduct was the result of careless management of the Firm. His actions were not planned, but were a result of his failure to comply with the Accounts Rules and good management principles. He had direct control for the misconduct as the Principal and COFA of the Firm. He was an experienced solicitor and an experienced manager who understood the obligations and responsibilities of someone in his position.

37. He had caused direct harm to third parties in failing to pay them monies that were properly due, in circumstances where he had received monies to make those payments. In doing so, he had also caused harm to the reputation of the profession.

38. His misconduct was aggravated by its continuance over a period of time and its repeated nature. The Tribunal noted that the professional disbursements still remained outstanding. He had sought to blame others for his misconduct, including former members of staff and professional advisors that he had retained to assist with the management of the Firm. Mr Fry knew that his misconduct was in material breach of his obligation to protect the public and the reputation of the profession.

39. In mitigation, Mr Fry had self-reported. He had accepted that his financial management of the Firm had fallen well below expected standards. He had cooperated with the investigation and during the proceedings.

40. The Tribunal agreed with the parties' assessment that the seriousness of the misconduct was such that No Order and a Reprimand were not proportionate sanctions. The Tribunal determined that a financial penalty appropriately reflected the seriousness of the misconduct. The Tribunal assessed the misconduct as more serious such that if fell within the Tribunal's Indicative Fine Band 3. The Tribunal determined that a financial penalty in the sum of £9,000 was appropriate and proportionate to the misconduct.

41. The Tribunal considered that given Mr Fry's failings, it was appropriate to impose a restriction on his ability to act as a COFA for a definite period of time. The Tribunal did not accept Ms Heley's submission that this was a matter for the SRA to determine. Given his mismanagement of financial matters, it would be inappropriate for Mr Fry to be the COFA of any firm for the next 3 years. Such a restriction, it was determined,

was necessary to protect the public and the reputation of the profession from future harm by Mr Fry.

Costs

42. Ms Sheppard-Jones applied for costs in the sum of £59,482.00. Those costs were comprised of £18,082.00 for the SRA's internal costs and £34,500.00 +VAT for Capsticks legal costs. The costs of the forensic investigation were reasonable and proportionate. As regards Capsticks fixed fee, the nominal hourly rate amounted to £90-95 per hour. The nominal hourly rate was reflective of the reasonableness of the fixed fee.

43. It was submitted that there should be no reduction in light of Mr Fry's partial success; all of the allegations were properly brought.

44. Ms Heley referred the Tribunal to Barnes v SRA [2022] EWHC 677 (Admin). Ms Heley submitted that given Mr Fry's financial circumstances, there was no future prospect that Mr Fry would be able to pay the costs claimed within a reasonable time.

45. In addition, there were a number of items included in the claim for costs which did not seem to be related to the proceedings, including correspondence that was not before the Tribunal. Those items, it was submitted, were not properly claimable.

46. In reply, Ms Sheppard-Jones submitted that in Barnes, Ms Barnes had been made bankrupt and was no longer able to continue in practice as a solicitor. Mr Fry had not been made bankrupt and had not been struck off. Accordingly, Barnes could be distinguished from Mr Fry's matter. It was not accepted that any of the items included in the claim for costs had not been properly claimed. It was commonplace that not all matters considered in the investigation would go before the Tribunal as part of the bundle of evidence upon which the Applicant relied.

47. The Tribunal firstly considered the reasonableness of the amount claimed. The Tribunal noted that even if it reduced the hours detailed by 50%, the notional hourly rate would still be reasonable given the nature of the case. The Tribunal determined that there should be a reduction in the costs ordered given that Mr Fry had successfully defended the most serious allegations of dishonesty and lack of integrity. Dealing with those matters had taken a significant amount of time. Whilst the Tribunal would still have heard evidence in relation to the underlying facts for allegation 1.1, it would have been significantly shorter if dishonesty and lack of integrity had not been alleged. The Tribunal determined that costs in the sum of £35,000 were reasonable and proportionate and reflected the seriousness and complexity of the issues to be determined.

48. The Tribunal then considered the appropriate costs order to make. The Tribunal noted Mr Fry's financial position. The Tribunal agreed that Barnes could be distinguished from Mr Fry's, as, whilst he currently had financial difficulties, it was determined that he could pay the reduced costs within a reasonable time. Having regard to his current financial circumstances, the Tribunal considered that it was appropriate to order costs, but that those costs were not immediately payable. Accordingly, the Tribunal ordered Mr Fry to pay costs in the sum of £35,000 those costs not to be enforced without leave

of the Tribunal. This allowed the Applicant to recover the reasonable costs expended in bringing the proceedings.

49. **Statement of Full Order**

1. The Tribunal ORDERS that the Respondent, CHRISTOPHER JAMES FRY, solicitor, do pay a fine of £9,000.00, such penalty to be forfeit to His Majesty the King, and it further Orders that he do pay the costs of and incidental to this application and enquiry fixed in the sum of £35,000.00, such costs not to be enforced without leave of the Tribunal.

2. The Respondent shall be subject to conditions imposed by the Tribunal for a period of three years as follows:

2.1 The Respondent may not:

2.1.1 Be a Head of Finance and Administration/Compliance Officer for Finance and Administration;

Dated this 28TH day of June 2023
On behalf of the Tribunal

W Ellerton
Chair

JUDGMENT FILED WITH THE LAW SOCIETY
28 JUN 2023