No. 8752-2003

IN THE MATTER OF JOHN COSTA CONSTANTINIDES, solicitor

- AND -

IN THE MATTER OF THE SOLICITORS ACT 1974

Mr J C Chesterton (in the chair)
Mr A G Ground
Ms A Arya

Date of Hearing: 28th February 2005

FINDINGS

of the Solicitors Disciplinary Tribunal
Constituted under the Solicitors Act 1974

An application was duly made on behalf of The Law Society by Geoffrey Williams of Queens Counsel and partner in the firm of Geoffrey Williams & Christopher Green, Solicitor Advocates of 2a Churchill Way, Cardiff CF10 2DW on 4th February 2003 that John Costa Constantinides of Totteridge, London N20 (subsequently notified to be of Finsbury Park, London N4) might be required to answer the allegations contained in the statement which accompanied the application and that such Orders might be made as the Tribunal should think right.

The allegations were that the Respondent had been guilty of conduct unbefitting a solicitor in each of the following respects, namely:-

a. That he has wrongly paid clients' funds into his office account contrary to Rule 3 Solicitors' Accounts Rules 1991;

b. That he has acted improperly in a conflict of interest situation;

c. That he failed to act in the best interests of a client.

d. That he accepted instructions to advise a client in a matter in respect of which he was unable to properly advise.

The Applicant further alleged that the Respondent has breached the terms of Rule 1 Solicitors Practice Rules 1990 in the following respects:-

Rule 1 (a) – Independence and integrity.

Rule 1 (c) – His duty to act in the best interests of his client.

Rule 1 (d) – The good repute of the profession.

Rule 1 (d) – His proper standard of work.

The application was heard at the Court Room, 3rd Floor, Gate House, 1 Farringdon Street, London, EC4M 7NS when Geoffrey Williams QC appeared as the Applicant and the Respondent was represented by Mr A Achillea of Achillea & Co, Markfield House 35-37 Station Road Kingland London E4 7BJ.

The evidence before the Tribunal included the oral evidence of Mr Ireland, The Law Society's forensic investigation accountant, and oral evidence as to the Respondent's good character from Mr Kyriakies, Mr Georgiou, Mr Barr and Mr Yohanades. The Tribunal had a written statement of Mr Calogiros.

The Respondent admitted the allegations but denied that he had been dishonest.

At the conclusion of the substantive hearing the Tribunal made the following Order:

The Tribunal Orders that the respondent, John Costa Constantinides of Finsbury Park, London, N4 (formerly of Totteridge, London, N20) solicitor, be Struck Off the Roll of Solicitors and they further Order that he do pay the costs of and incidental to this application and enquiry to be subject to a detailed assessment unless agreed between the parties to include the costs of the Forensic Investigation Accountant of the Law Society.

Before hearing the substantive matter the Tribunal dealt with the question of the admissibility of a Judgment of the Honourable Mr Justice Peter Smith in the Chancery Division of the High Court dated 2 April 2004 relating to a civil action brought by Mrs CM against the Respondent and a representative of a Lloyds syndicate (the Respondent's indemnity insurer).

The submissions of the Respondent on the preliminary issue

1. The Respondent had admitted the allegations. There was no issue that the Respondent's conduct amounted to conduct unbefitting a solicitor and a breach of Practice Rule 1. The allegations made by the Applicant had not been based on an allegation of dishonesty. Reference was made to dishonesty only in the Applicant's summary at the end of his Rule 4 Statement (page 17). That allegation was not supported by evidence. The burden was on the Applicant to prove dishonesty and evidence of dishonesty should have been deduced as part of his case.

2. Since the issue of the disciplinary proceedings the Chancery Division litigation had been instigated. The particulars of claim did not allege dishonesty against the Respondent rather a breach of fiduciary duty and / or negligence.

3. The Chancery Division proceedings had been complicated by inclusion of the Respondent's indemnity insurers.

4. During the course of the trial the Respondent, Mrs CM the claimant, and other witnesses gave oral evidence.

5. The Judgment delivered on 2 April 2004 contained 218 paragraphs. Many cross-allegations had been made and the Respondent objected to the Tribunal having that

Judgment before it on the grounds that it would be unjust for the Tribunal to have its discretion usurped by a High Court Judge.

6. The Applicant had asked the Tribunal to accept the decision of the High Court Judge but the only relevant aspect had been that the Claimant had been successful in her claim against the Respondent.

7. The Respondent's defence in the civil proceedings had been limited to the nature of his retainer. He had claimed that he had been a translator and had not acted as an advising solicitor. He accepted that he had no proper knowledge of the transaction in which Mrs CM became involved. He accepted the decision of the learned Judge that he had been involved in his capacity as a solicitor and not as a mere translator.

8. The purpose of the disciplinary hearing was that it should be decided what sanction if any should be imposed upon the Respondent. There was not to be a trial of the issues. The Applicant would not be calling Mrs CM but he sought to persuade the Tribunal to accept the evidence which she gave before the civil court judge and to have regard to the Judge's "sentencing remarks".

9. If dishonesty was to be alleged against the Respondent the Tribunal should confine itself to evidence heard before it.

10. The Respondent accepted that the Tribunal's procedural rules provided that a civil court judgment could be proved by the production of a certified copy. (Rule 30(i)(c)) and in Rule 30(ii) it was provided "in any case set out in paragraph (i) of this Rule the findings of fact by the court or tribunal upon which the conviction finding sentence or judgment is based shall be admissible as prima facie proof of those facts."

11. The Respondent accepted that previous criminal convictions were relevant as were the sentencing remarks in such cases. They did not amount to prima facie evidence. In a civil case all the Tribunal needed to know was that there had been a finding in the civil court which went against the Respondent. The judgment itself was very long and complex. It was not right that the Applicant should be permitted to "cherry pick" paragraphs in support of his case. It could not be said that the Tribunal could read the whole of the judgment and put the paragraphs on which the Applicant placed reliance in context.

12. The judgment had no probative value and the Tribunal should address the question, "why did the Applicant wish to produce it". The allegations were all admitted and there could be no evidential purpose in producing the judgment. There were a number of aspects dealt with by that judgment which were irrelevant to the disciplinary hearing. Some aspects were of a fundamental nature and the Tribunal, even though an expert and experienced Tribunal, would be influenced by material that was not strictly relevant to the disciplinary proceedings. The members of the Tribunal would not be able to put damaging and irrelevant material out of their minds and after reading the judgment could not fairly conduct the disciplinary proceedings and make an unbiased decision in respect of the Respondent.

13. The Respondent accepted that the Tribunal's Rules of procedure were dated 1994 and there was subsequent case law which confirmed that the Tribunal had a wide discretion. It was accepted that the strict rules of evidence did not apply in proceedings before the Tribunal. However the Tribunal was obliged to have regard to Article 6(i) of the Convention for the Protection of Human Rights and Fundamental Freedoms agreed by the Council of Europe in 1950 under which the Respondent was entitled to a fair hearing. The issue of the admissibility of the civil judgment went to

the crux of whether the Respondent was afforded a fair hearing before the Tribunal. The Respondent's representative had been deprived of an opportunity to cross-examine the witnesses who gave evidence in the civil case.

14. It was accepted that the Tribunal had agreed to adjourn the substantive hearing in September 2003 when the Respondent had successfully argued that the civil trial should be heard first. The Respondent was concerned that it might appear that now that the civil trial had gone against him he sought to exclude the written judgment relating thereto. There had been a real issue in the civil proceedings as to the extent of the Respondent's retainer. That was why initially the Respondent had denied the disciplinary allegations. Whether or not he was a mere translator or acted in his capacity as solicitor had been a live issue. If the Court had found in the Respondent's favour that he acted as a mere translator and not as a solicitor he would not have admitted the disciplinary allegations. If the disciplinary proceedings had not been adjourned and there had been a substantive hearing in the Autumn of 2003, the judgment upon which the Applicant now sought to rely would not have been available to him.

15. The Tribunal was invited to conclude that the only reason why the Applicant sought to introduce the judgment was because it would serve to prejudice the Respondent.

The Submissions of the Applicant

16. The Tribunal was entitled both by statute and pursuant to its own rules to admit a civil judgment. There was no dispute that the judgment related to the Respondent.

17. The judgment relied upon the same background material as that relied upon in the disciplinary proceedings. The Respondent's indemnity insurers had been joined in the civil action and they required to ascertain whether or not the Respondent had behaved dishonestly as this was a ground upon which they could decline to indemnify him. The Applicant would rely upon the Respondent's behaviour up to June of 1998. Any behaviour of his referred to in the judgment after that date would not be relied upon.

18. The Applicant had indicated in May of 2004 that he would place reliance upon the judgment at the disciplinary hearing.

The Tribunal's decision on the preliminary issue as to the admission into evidence of the civil judgment of the Honourable Mr Justice Peter Smith dated 2 April 2004

19. The Tribunal considered that the Respondent was made fully aware by the "Rule 4 Statement" the case which he had to meet including the fact that the allegations made against him would be put on the basis of dishonesty. That was underlined by Paragraph 4 of the Tribunal's memorandum of September 2004. Mr Achillea's criticism of the way in which the allegations were framed and the way the question of dishonesty was introduced into the Rule 4 statement amounted to no more than a criticism of the Applicant's drafting. There could, in the Tribunal's view, be no doubt from that document that the Respondent was being accused of dishonesty.

21. The Tribunal had been invited to rule that the judgment should be excluded from the paperwork placed before it on the grounds that it would prejudice the Respondent. The Tribunal's rules of procedure made it plain that such evidence could be admitted and that the Tribunal could read it. The Applicant had made it plain that he would rely on the behaviour referred to in that judgment which related to the allegations only and he would not place reliance on any unrelated material. This Tribunal is an expert

and experienced Tribunal. It is aware that the findings of the learned judge in the Chancery Division were based on the civil standard of proof and it accepted that this Tribunal in considering allegations involving dishonesty against a solicitor would direct itself to apply a standard of proof equivalent to that applied in criminal trials. The Tribunal ruled that the judgment be admitted into evidence.

22. Following the Tribunal's decision to admit the judgment the Tribunal retired to read it. Upon its return to the courtroom the Applicant opened his case and the Tribunal rose when the Applicant had finished his opening.

23. At the commencement of the hearing on the second day the Respondent made another application.

The Application of the Applicant that the Tribunal Members should regard themselves as Disqualified

The submissions of the Respondent

24. Having read the judgment the Tribunal should consider itself disqualified from continuing to hear the substantive matter as the members have become privy to damaging information which would have an impact upon their ultimate decision.

The submissions of the Applicant

25. The Tribunal received the judgment as evidence pursuant to the Tribunal's Rules. It was for the Tribunal to give the contents of that judgment appropriate weight. The Respondent had sought an adjournment to enable the civil trial to proceed and be concluded in advance of the disciplinary hearing. The civil trial had taken place in public.

26. The Tribunal was an expert and experienced Tribunal well able to leave to one side any irrelevant material. The members of the Tribunal continuing to hear this case would not engender a perception of or indeed any actual unfairness. It would be right for the Tribunal to hear the case in the usual and routine way.

27. The Tribunal had before it a great deal of written evidence and there was no reason why the Tribunal should not proceed on the basis of the written evidence before it.

The decision of the Tribunal as to whether its members should be disqualified from hearing the case

28. The Tribunal concluded that its members were not disqualified from continuing to hear the case. When called upon to make a decision as to whether or not the Respondent had acted dishonestly and ultimately, in the light of the admitted allegations, to decide the sanction to be imposed on the Respondent, the members of the Tribunal would confine themselves to the Respondent's conduct relating to his association with Mrs CM and the relevant issues.

The Matter then proceeded to the substantive hearing

The Facts

29. The Respondent, born in 1943, was admitted as a solicitor in 1978. He had served five years articles and prior to that had worked for five years as a litigation assistant. At the material times the Respondent carried on in practice as a sole practitioner solicitor under the style of John Constant & Co at 275 Green Lane Palmers Green London N13 4XE. The Law Society intervened into the Respondent's practice in October 2001. The Respondent had not practised as a solicitor since that date.

30. The Law Society's Forensic Investigation Officer (FIO) began an inspection of the Respondent's books of Account and other matters on 26th September 2000 at the Respondent's offices. The FIO's report dated 20th February 2001 was before the Tribunal. That report revealed that the Respondent established his firm in 1981. He conducted a practice dealing mainly with conveyancing and litigation assisted by a staff of seven including three assistant solicitors. Only the Respondent could operate the firm's bank accounts.

31. The FIO found that the firm's books of account were not in compliance with the Solicitor's Accounts Rules. A list of liabilities to clients as at 31st August 2000 was produced for inspection. It totalled £445,987.24 after adjustment. The items on the list were in agreement with the balances in the client ledger but did not include further liabilities to clients totalling £2,858.61 which were not shown by the books. A comparison of the total liabilities, including the additional liabilities not shown by the books, with cash held on client bank accounts at that date after allowance for uncleared items revealed a cash shortage of £2,918.41. The Respondent agreed the existence of the cash shortage, which had arisen in the main by unpaid professional disbursements having being lodged in office bank account, and he replaced it.

32. The FIO went on to consider two transactions in which the Respondent had been involved on behalf of clients which caused him concern. The Tribunal had before it only the transaction relating to Mrs CM. The matter related to a "high yield investment scheme."

33. The parties involved in the scheme were:

Investor Client:	Mrs CM
Other Parties:	Mrs RL – Investment Broker
	Westminster Services Limited – Client
	Mr V – Client and a beneficial owner of Westminster Services Limited
	Mr P, Oak Haven Investment Corp – Receiver of Funds

34. The transaction related to the investment of US$1 million in a High Yield Investment Scheme.

35. The Respondent acted for Mrs CM, a Greek National, in respect of an abortive conveyancing transaction and subsequently a High Yield Investment Scheme.

36. On 6th April 1998 Mrs CM entered into a Joint Venture Agreement with Mrs RJ Roeters-van Lennep ("Mrs Lennep") in respect of a "Blocked Funds Investment Program for project financing". This agreement provided that Mrs Lennep would negotiate on behalf of the joint venture parties with program managers to secure the

best profit terms and procedures and Mrs CM would make funds of US$1 Million available and provide all necessary documentation to facilitate the transaction.

37. The agreement further provided that Mrs Lennep would ensure that Mrs CM's funds were fully protected at all times by being blocked in Mrs CM's own account in her own bank for "one year and one day". In addition, it was agreed that one hundred and twenty per cent per annum, of which one hundred per cent was in the form of profit and twenty per cent in the form of bonus, would be paid on a monthly basis in arrears or earlier and the first such payment would be made forty one days from the date of the agreement to the client account of the Respondent as solicitor for the investor. Thereafter money so acquired would be equally divided according to the "Distribution of Profits Agreement" (made between Mrs CM and Westminster Services Limited dated 6th April 1998) and would be paid to the Respondent's client account.

38. Also on 6th April 1998 Mrs CM signed a Letter of Intent which included the words,

> "I specifically recognize Westminster Services Ltd as the responsible party for introducing me to this joint venture …".

39. Additionally on 6th April 1998 Mrs CM signed a "Non Solicitation of Funds statement" which included her statement:

> "I am fully aware that the information presented from you is not for the purpose of Solicitation of Funds or an offering in any way but is at my general knowledge and I confirm that I have requested this information of my own free will and choice".

40. On 6th April 1998 Mrs CM instructed the Bank of Cyprus (London) Ltd, Charlotte Street branch, to transfer US$1 Million from her account to Mrs Lennep's US Dollar account at the same branch.

41. The Respondent and Mrs Lennep had a meeting with a Mr Pigaiani on 15 June 1998 where Mr Pigaiani assigned to Mrs Lennep three 30 year US Treasury Bonds callable on 15th May 2005 with a face value of US$750,000 each for a period of one year with ownership being returned to Mr Pigaiani on 14 June 1999.

42. On 16th June 1998 US$1 Million was paid out of Mrs Lennep's Bank of Cyprus account to Mr Pigaiani c/o Oak Haven Investment Corp.

43. On 10th July 1998 US$99,980.00 was paid into John Constant & Co's US Dollar client account from an account of Mrs Lennep at Alpha Bank (London) Limited. On the same date, following instructions given by the Respondent, US$50,000.00 was paid to Mrs CM and US$49,980.00 (net of charges) was paid to Westminster Services Limited.

44. At a meeting on 8th November 2000 the Respondent informed the FIO that he had authority to operate the bank account of Westminster Services Limited which was maintained at Alpha Bank.

45. On 28th August 1998 US$99,975.00 was paid into John Constant & Co's US Dollar client account, again from Alpha Bank London Limited. On the same date, following instructions given by the Respondent, US$50,000.00 was paid to Mrs CM and US$49,975.00 (net of charges) was paid to Westminster Services Limited.

46. In a letter dated 12th September 1998 Mrs Lennep wrote to the Respondent referring to "Formal Variation of Terms of Joint Venture Agreement" and saying

> "It has not been possible to proceed with the original anticipated Investment Opportunity on the basis of entering into a Blocked Funds Investment Program, consequently that investment opportunity was reconstructed and it was based on a US Treasury Bond Deposit."

47. The letter gave details of the reconstructed investment opportunity as follows:

Annual income: One hundred per cent (100%)
Period: One year and one day from 19th June 1998
Commencement Date: 19th June 1998
Payment of income: By ten instalments (monthly in arrears) spread over the 12 month period except for the months of September and January.

48. At a meeting on 28th September 2000 the Respondent told the FIO that Westminster Services Limited was an investment company and a client of the firm.

49. At a meeting on 15th December 2000 the Respondent confirmed to the FIO that the monies paid into Westminster Services Ltd's account at Alpha Bank London Ltd had subsequently been withdrawn by him on the instructions of his client Westminster Service Ltd. He said that he did not receive any monies.

50. The Respondent confirmed to the FIO that no further profit payments had been received and that Mrs CM's investment had not been returned.

51. Upon inspection of the client matter file of Mrs CM the FIO ascertained that on 15th January 1998 the Respondent certified that a Fee Agreement relating to an investment of US$1,100,000.00 was signed and dated in his presence by Mrs CM. When asked by the FIO if that had been the first time the Respondent had met Mrs CM the Respondent said it could have been but he could not remember. He said he had probably known Mrs CM prior to January 1998 because a friend of hers, Mr B, had been a client of his firm at that time.

52. When the FIO asked the Respondent what information he had about the Fee Agreement his response was that he was only witnessing a signature. He said it was an investment through Mr B and was nothing to do with him. The Respondent added that Mr B was a former banker who claimed that he knew about financial instruments. The Respondent went on to say that Mrs CM was part of a group of investors where investments in Europe had not materialized. Mr B tried to set up an investment scheme for her which again did not materialize. It was because of this that Mrs CM was introduced to Mrs Lennep.

53. The Respondent told the FIO that initially his instructions from Mrs CM in connection with the investment scheme were to check and explain the documents to her as her English was not very good.

54. The Respondent had not issued a client care letter to Mrs CM in respect of her separate conveyancing transaction or in respect of the investment. The Respondent did not believe that such a letter was compulsory in the conveyancing matter. In respect of the investment matter the Respondent said:

> "Can't explain why now. I didn't think of it at the time. You have to understand the atmosphere in which these are done. So much pressure. Didn't occur to me at all."

55. There was a document in Mrs CM's file headed "Joint Venture Agreement" with "Sample" hand written at the top with hand written amendments/additions. One of the amendments was to change wording which originally stated "High Yield Investment Program" to "Blocked Funds Investment Program".

56. At a meeting on 12th October 2000 the FIO asked the Respondent if he could explain the difference between a High Yield Investment Program and a Blocked Funds Investment Program. The Respondent said he could not. The FIO asked the Respondent if he knew what a Blocked Funds Investment Program was and how it worked. The Respondent said "Briefly if it is a blocked program the monies do not move". He did not know how it was possible to generate a return of 120% if the moneys could not be used and said that that was not an issue because Mrs CM knew how the investment worked and had assured him of this.

57. At the meeting on 15th December 2000 the FIO asked the Respondent if he thought, after reading the Joint Venture Agreement, that a return of 120% was obtainable over a period of one year and one day. The Respondent said that from what he knew it was possible. He said he was aware that these investment programs produced these percentages. He said that at a meeting with a representative of the Greek Government at the beginning of 1997, which was when he first met Mrs Lennep and where the various investment programs were discussed, returns of 800% were talked about. The Respondent went on to confirm that soon after his meeting with the representative of the Greek Government he had spoken to a contact, who was a Chief Executive at the World Bank in Washington DC about investment programs and this contact informed him that these schemes existed and did work but that many were carried out by fraudsters. The Respondent added that he had not contacted the Chief Executive in respect of Mrs CM's investment. The Respondent had no evidence that such high returns were achievable. He had not previously acted for a client who invested US$1 Million and received US$2,200,000.00 back, but the Respondent said he knew people who had told him that they had made such returns.

58. The Respondent had been aware that there were investment scams. He did not advise Mrs CM of the potential risks in entering such a scheme. Mrs CM proceeded as she trusted Mrs Lennep. Mrs CM herself knew that there were such scams.

59. The Respondent told the FIO that he also believed that Mrs Lennep was genuine.

60. At the meeting on 15th December 2000 the Respondent told the FIO that he did not know the significance or the purpose served by the Letter of Intent. He said that it was one of the requirements of the trading group and Mrs CM had not questioned it. She knew that it was a requirement of the program.

61. Mrs CM's client matter file revealed that Mrs CM held a US$ savings account at Barclays Bank, Hanover Square, London, with a credit balance on the account on 4th March 1998 of US$1,003,238.81.

62. On 13th March 1998 the Respondent sent a fax to Barclays requesting that it write a letter in the following terms:-

> "We the undersigned bank officers, hereby confirm with full bank responsibility that the amount of ONE MILLION UNITED STATES

> DOLLARS ($1,000,000) in cash funds have been irrevocably and unconditionally blocked in this bank at your request for a period of twelve (12) months and one (1) day computed from the date of this letter, further we confirm that these funds are good, clean, cleared, unencumbered, legitimately earned funds, may be verified at the above-mentioned co-ordinates on a bank to bank basis.
>
> Signed …….. Signed ……
> Bank Officer Bank Officer"

63. The Bank's faxed reply of the same date stated:

> "I advised that the Barclays Group would not wish to enter into the letter which you faxed to me today".

64. In a letter, dated 6th April 1998, to Mrs CM, Barclays Bank gave notice that in one month's time her US$ savings account would be closed and the banker/customer contract between them terminated. No explanation was given to Mrs CM.

65. At the meeting on 12th October 2000 the FIO asked the Respondent if he was concerned by Barclays Bank's action. His response had been that he could not persuade Barclays to tell him why Mrs CM's account had to be closed. It had not crossed the Respondent's mind that Barclays thought there was a scam.

66. On 15th December 2000 the Respondent produced to the FIO a copy of a Deed of Trust dated 18th November 1994 between himself as "the Trustee" and Demetrious Vassiliou, Alexia Vassiliou, and Maria Vassiliou as "the Beneficiaries". The Deed stated that the Respondent was the only subscriber to the Memorandum of Westminster Services Limited, a Corporation registered in the British Virgin Islands, and that he held the sole share in trust for the beneficiaries. The company had been formed at the request of Mr Vassiliou.

67. The Respondent said he had known Mr Vassiliou for many years and that he had acted for Mr Vassiliou as a client of the firm in regard to a number of matters including a negligence claim, conveyancing and international work.

68. The Respondent said that Mrs CM was prepared to sign away 50% of her profits (amounting to US$600,000.00) to Westminster Services Limited because this was how these investments were done. Mrs CM knew everything and had done this in Greece and other countries.

69. At the meeting on 15th December 2000 the FIO asked the Respondent how Mr Vassiliou was connected to the Mrs CM transaction. The Respondent said that Mr Vassiliou was the one who introduced the group and that Mr Vassiliou was the original introducer resulting in the investment being made by Mrs CM. The Respondent had known of Mr Vassiliou's involvement. He said he had probably known that Westminster Services Ltd was to be included in the transaction when everything else was ready. The Respondent confirmed that Mrs Lennep knew that Mr Vassiliou was the original introducer and that it was she who suggested using an off-shore company.

70. When asked if there was a potential conflict of interest as he was already acting for Westminster Services Ltd, the Respondent said, "yes, obviously". He went on to say that this conflict of interest came about because he had acted for Westminster

Services Ltd previously. He said that if a new company had been set up in which he was not involved no conflict would have arisen. The Respondent had not been able to explain why he continued to act in the light of the conflict of interest. It had not occurred to him that there would be a conflict of interest as both parties wanted the program to succeed. He accepted, with hindsight, that there would have been a conflict if there had been a failure.

71. The Respondent said that he was going to get something from Westminster Services Limited at the end of the program in connection with his fees. At the meeting with the FIO on 15th December 2000 the Respondent said that Mr Vassiliou had told him that he would be getting between US$150,000.00 and US$200,000.000. The Respondent said the question of his fee had come up many times during the negotiations and that was what he had been told. Mrs Lennep had said that the introducer paid the fees in these investments.

72. The Respondent confirmed that the bulk of the work, which was undertaken exclusively by him, had been carried out in the period February 1998 to June 1998. The Respondent agreed that his fees would represent a high hourly rate charge. When asked by the FIO if the Respondent's judgment was affected by the prospect of the high fee he said "Well, I leave it to you. What else can I say?"

73. At a meeting on 8th November 2000, the Respondent said he had not informed Mrs CM that he was to be paid by Westminster Services Limited, but he thought she knew. Mrs CM asked him how much he would get and he said he would tell her when he got it.

74. The Respondent in the event had not been paid anything by Westminster Services Limited.

75. The Respondent was not able to show the FIO any correspondence in which he had asked Mrs Lennep to explain how the investment program worked.

76. When the FIO asked the Respondent if he advised Mrs CM at all in respect of the investment scheme, he replied,

> "This woman was totally converted to this type of scheme. Just wanted explanation and assurance that documentation was in order and her investment was secure."

77. In a letter dated 17th April 1998 addressed to Mrs Lennep, the Bank of Cyprus confirmed they were prepared to block funds of US$1 Million in her account and issue appropriate documents upon request. The letter also stated

> "… confirm to the best of our knowledge these funds to be good, clean, and cleared funds of non-criminal origin."

78. At a meeting on 8th November 2000 the FIO asked the Respondent why it was not possible to proceed with the Blocked Funds Investment Program as the Bank of Cyprus was happy to block the appropriate account. The Respondent did not know: there has been several changes to the basis of this investment. The Respondent had informed Mrs Lennep that Mrs CM needed security because there were no blocked funds. Mrs Lennep then said that she could get assignment of Treasury Bonds as security. The variation to the investment and a reduction in profit to 100% were detailed in the letter dated 12th September 1998 to him from Mrs Lennep.

79. The Respondent did not know how the reconstructed investment program worked: he said he never knew how any of the investments worked: he did not know how profits were made. Mrs CM said that she knew.

80. The Respondent said that Mrs Lennep had obtained details of the Treasury Bonds and that he went with her and Mrs CM on 15th June 1998 to the Head Office of the Bank of Cyrpus (London) Ltd to check their validity. The Bank's computers had not been working so the check was carried out by a French Bank which faxed the information to the Bank of Cyprus. Following confirmation of the validity of the Treasury Bonds the Respondent went with Mrs Lennep to a meeting with Mr Pigaiani, his lawyer, and an interpreter at his hotel when the formal assignment was made. The formal assignment was supposed to be reported to the US Treasury but Mrs Lennep never provided evidence that this had been done.

81. At the meeting on 8th November 2000 the FIO asked the Respondent why when there was a period of eight to nine months from the date when the October 1998 profit payment was due but was not made to the date when the Treasury Bonds reverted back to Mr Pigaiani, he did not take legal action to dispose of the Treasury Bonds and obtain the return of his client's investment. The Respondent said that it was difficult to do so directly and he had been assured by Mrs Lennep that it would be sorted out. With hindsight, the Respondent accepted that it was not right to rely on the assurance of a third party.

82. A company in Israel, IBC Software, had provided a guarantee for US$1,600,000.00 of the amount agreed by Mrs Lennep as being owed to Mrs CM. This had been in response to the Respondent's request to Mrs Lennep to give him something extra when she asked for more time.

83. The Managing Director of IBC, Mr R Malek, was known to the Respondent from the outset. He was an associate of Mrs Lennep and was supposedly getting vast commissions from Mrs Lennep for introducing investors. The Respondent had no reason to believe that Mr Malek would not be able to fulfill the guarantee. The Respondent had obtained a judgment against IBC Software in respect of the amount owed under the guarantee but it had not been enforced as the Respondent's instructions to act had been withdrawn.

84. At the meeting on 15th December 2000 the Respondent said that he thought the investment made by Mrs CM was investment business but he did not personally know the Investment Business Rules. The Respondent's firm was authorized only in respect of non-discrete Investment Business.

85. The Respondent confirmed that the letter from the Bank of Cyprus confirming that the Bank was prepared to block funds had been drafted by Mrs Lennep. The Respondent agreed that the letter referred to "… good, clean, and cleared funds of non-criminal origin" and said that he believed that to be correct.

86. The Respondent said he did not know what the International Chamber of Commerce 400-1983 provisions of Non-Disclosure/Non-Circumvention were. Those were referred to in the Joint Venture Agreement. He said that it was standard wording provided by Mrs Lennep.

87. The Respondent agreed with the FIO that there were references to "typical phrases" used in Bank Instrument Fraud set out in the Warning Card for Banking Instrument Fraud which appeared in the documents relating to the High Yield Investment Program. These included "ICC (International Chamber of Commerce) 400." "Non-

Circumvention and Non-Disclosure Agreements" and "Good clean cleared funds of non-criminal origin".

The submissions of the Applicant

88. The Respondent had admitted allegation (a) being the breach of the Solicitors Accounts Rules reported by the FIO. No dishonesty was alleged in relation to that allegation.

89. The Applicant did allege dishonesty in relation to allegations (b) (c) and (d). The Respondent should not have acted for Mrs CM at all. There was plainly a conflict between the interest of Mrs CM, Westminster Services Limited, and the Respondent. Westminster Services Limited was an established client of the Respondent. It was a company registered in the British Virgin Islands. The Respondent himself held the only share in the company as Trustee for four beneficiaries, at least one of whom was a client of his. The Respondent had authority to operate Westminster Services Limited's bank account.

90. By an agreement dated 6th April 1998 Mrs CM agreed to pay one half of the profit earned from the High Yield Investment Scheme to Westminster Services Limited.

91. It was, at best, unclear as to precisely what Westminster Services Limited had done or was to do to earn such a remuneration, save for the alleged introduction facility.

92. Mrs CM was taking a commercial risk. There was no apparent risk being taken by Westminster Services Limited. The Tribunal was invited to note that the Respondent had been less than frank as to his knowledge of Westminster Services Limited in his initial interview with the F.I.O.

93. Westminster Services Limited had agreed to pay the Respondent's fees at the conclusion of the investment program. The Respondent believed that he would receive between US$150,000 and US$200,000 as a result of which the Respondent had a direct interest in Mrs CM entering this scheme.

94. In the circumstances the Respondent should have declined to act for Mrs CM. He should have advised her to take independent legal and financial advice. Had she done so, it was virtually inevitable that the advice would have been to have nothing whatsoever to do with the High Yield Investment Scheme.

95. The Respondent had accepted that there was a conflict of interest.

96. Although initially the Respondent had told the FIO that his initial instructions from Mrs CM were to check and explain the documents to her as her English was not very good he had come to accept that the terms of his retainer did involve a solicitor and client relationship and he was not merely engaged as a translator. It was improper for him to have acted in the circumstances when he himself had no understanding of the documents in question or of the High Yield Investment Scheme ostensibly facilitated by those documents. In such circumstances his duty in conduct was to decline to act and to advise Mrs CM to seek appropriate alternative advice. He did not do so. Much of the documentation relating to the High Yield Investment Scheme was not intended to be understood nor indeed was it capable of being understood. It was entirely wrong for the Respondent to have accepted even a limited retainer.

97. The Respondent was under a duty in conduct to advise Mrs CM not to play any part in the investment scheme. The scheme plainly bore all the hallmarks of a fraudulent

transaction. Experience in that field would not be required to identify the risks involved.

98. The scheme was fanciful and its prospects of producing its promised return were so remote as to be practically non-existent.

99. The transaction took place after the issue by The Law Society of its "Yellow Card Warning." The Respondent accepted that he had been at least aware of the general nature of the warning.

100. A large sum of money was involved and the proposed return on the investment was 120% per annum. There was no explanation as to how that enormous return would be generated while Mrs CM's funds were "blocked" in a bank account and not utilised to generate any return.

101. The express nature of the joint venture was vague and the documents were complex and difficult to understand.

102. The level of the proposed fee to be paid to the Respondent was out of all proportion to the work that he claimed he was retained to carry out.

103. The joint venture agreement contained a "non-circumvention agreement". The letter of intent referred to "good clean and cleared funds of non criminal origin." The letter also made reference to the non-circumvention agreement. These were words and phrases in respect of which the Law Society's "Yellow Card" gave specific warning as being demonstrative of fraud.

104. The Respondent had been aware that Barclays Bank had closed Mrs CM's US Dollar savings account and had ceased to do business with her.

105. The Respondent accepted that he had been retained to advise Mrs CM as to the security of her investment. He failed in that duty because initially the only security for the fund was that they were to be blocked in Mrs Lennep's bank account for "one year and one day", another expression of which the Yellow Card gave warning.

106. On 6th April 1998 when the joint venture agreement was concluded and Mrs CM's funds had been released there was no mechanism in place to ensure that the funds remained secured and there was no provision for their application after "one year and one day". Therefore on 16th June 1998 Mrs Lennep was able to pay the funds away to Mr Piagiani. The assignment of the US Treasury Bonds represented no security for Mrs CM. The assignment merely gave Mrs Lennep an asset.

107. Prior to the agreement of 13th March 1998 the Respondent had tried and failed to obtain the agreement of Barclays Bank Plc to the "blocking of the funds". When shortly after the agreement was concluded an apparent opportunity arose to block the funds in an account in the Bank of Cyprus, the Respondent took no, or no adequate steps, to see this done.

108. When Mrs Lennep apparently defaulted on the agreement the Respondent took no, or no adequate steps, on behalf of Mrs CM to seek performance of Mrs Lennep's obligations.

109. The Respondent had accepted that any "security" was inadequate. There was no evidence that he gave any written advice in that respect. Having been retained to

advise upon security the Respondent was under a duty to see that the same was in place before his client's funds were paid away.

110. When on 12th September 1998 Mrs Lennep wrote to the Respondent it was apparent that the initial scheme had failed. Mrs Lennep offered to return Mrs CM's capital (which she then no longer controlled) but she preferred to offer it an alternative scheme. The Respondent failed to take any, or any adequate, steps to protect Mrs CM's interest at that time.

111. When the Respondent obtained a form of guarantee from an Israeli company in 1999 he took no steps to ensure that the company was good for the amount guaranteed.

112. Mrs CM took civil action against the Respondent and had obtained the Judgment dated 19th April 2004 which the Tribunal had ruled should be admitted in evidence.

113. There could be little doubt that the High Yield Investment Scheme was a fraudulent transaction in which the Respondent and the Respondent's client lost US$1 million. The Respondent should not have acted for Mrs CM at all in view of the conflict of interest which arose between her and clients of his and indeed the personal conflict that he had in respect of his close connection with the client, Westminster Services Limited.

114. The Respondent should not have acted given his inability to understand the documents on which he was ostensibly advising. No solicitor should accept instructions unless he is competent to perform them.

115. Having wrongly agreed to act the Respondent dismally failed to protect the interests of his client, Mrs CM. Whatever Mrs CM's level of determination to proceed with the scheme, the Respondent was under a duty to render the clearest possible advice that the scheme was fraught with danger.

116. At the very least, the Respondent was reckless in the extreme. The Tribunal was invited to reach the conclusion that in the light of the facts before them the Respondent had gone beyond recklessness and, indeed, his behaviour in connection with the High Yield Investment Scheme was dishonest.

The submissions of the Respondent

117. The Respondent had been a solicitor running a successful practice over a long period of time. He had been well known and trusted in the Greek community. He was a family man whose three children had become successful and useful members of society. Those witnesses who attended the Tribunal to give evidence of the Respondent's character spoke highly of his competence as a solicitor and that he dealt with client work properly. He was considered to be trustworthy, honourable and honest, and all expressed themselves to be shocked that an allegation of dishonesty had been made against him. Such behaviour was considered by all of those giving character evidence to have been uncharacteristic of the Respondent. The recently retired Chief Executive of the Bank of Cyprus confirmed that the Respondent had banked at the Bank of Cyprus from the mid-1990's. He had also acted on the Bank's behalf to the Bank's full satisfaction. He had been regarded as extremely professional but the Bank had had cause to try to dissuade the Respondent from entering property transactions abroad which the Bank regarded as being of high risk. The Bank had been disappointed when the Respondent was not dissuaded when the Bank felt that his judgment had failed him. The outcome of those investments was not known.

118. The breaches of the Solicitors' Accounts Rules were not the most serious of allegations before the Tribunal although the Respondent did recognise the importance of punctilious compliance with those important rules.

119. The way in which the allegations had been put meant that there was some duplication. The admitted allegations could also be said to be a breach of Practice Rule 1. The additional allegation of breach of Practice Rule 1 in fact added little.

120. The Respondent accepted that he should not have acted for Mrs CM where there was a potential for a conflict of interest. He had not advised Mrs CM that Westminster Services Limited was a client and that he expected some remuneration from that client if the venture proved successful.

121. The Respondent accepted that he had a limited knowledge of the type of investment to be undertaken by Mrs CM. He also accepted that he did not have the expertise to give proper advice in such transactions. He accepted that Mrs CM, his client, had been let down and that that amounted to a breach of Practice Rule 1. He accepted that he did not provide the proper standard of work expected of a solicitor and, as a result, the good reputation of the solicitors' profession could have suffered.

122. The Respondent had not practised as a solicitor since The Law Society's intervention into his practice although he would have been granted a conditional Practising Certificate had he sought one.

123. When the Tribunal agreed that the substantive matter might stand adjourned until the outcome of the civil trial was known, the Respondent had undertaken not to practise as a solicitor and he had kept to that.

124. The Law Society's intervention had not taken place until some 13 months after the FIO's visit to the Respondent's firm. The FIO himself had said that the Respondent's firm was well run and well managed. During the investigation the Respondent had been co-operative and had made Mrs CM's file available. 90% of the documents that had been placed before the Tribunal had come from that very file.

125. The Law Society was obliged to allege that the Respondent's behaviour had been dishonest in view of the fact that it had intervened into the Respondent's practice on the ground of a reasonable suspicion of dishonesty. Due to the length of time between the inspection and the intervention The Law Society must have made a conscious decision not to effect an intervention. This undermined The Law Society's expressed view that the Respondent had been behaving dishonestly.

126. It was suggested that a substantial debit balance on the Respondent's office account had been instrumental in his agreeing to act in connection with a fraudulent transaction. The debit balance upon which the FIO reported had, however, existed some 2 ½ years after the Respondent's involvement with Ms CM. This could not be used to support the Applicant's case that the Respondent acted as he did for financial gain.

127. It appeared that Mrs Lennep was a fraudster. It had not been suggested that the Respondent was a fraudster. It was the Applicant's case that the Respondent acted dishonestly in connection with a fraudulent transaction perpetrated by others. It was not suggested that he had been complicit in any fraud.

128. Westminster Services Limited had been formed in 1994. It had not been set up as a vehicle for the conduct of fraudulent transactions.

129. There had been no mention that Mrs CM had ever been unhappy about the proposed split of the profits of the investment scheme. She had wanted her capital to be secure but she had wanted to enter the investment programme. It was accepted that she had failed as a result of the Respondent's action or inaction to retain security for her capital.

130. The Respondent recognised that Mrs CM should have been told to take independent advice and that there had been a conflict of interest.

131. It had been stated that 120% per annum return was unrealistic and should have "rung alarm bells". However, as far as the Respondent was concerned, the monies were held in a blocked account and two payments of US$100,000 had been made in respect of two months' interest and, of course, if such payments had been made over a period of 12 months, then US$1.2 Million would have been recovered. The reality was that the terms of the agreement had been satisfied for two months. The Respondent had not been aware of where those monies came from.

132. The Bank of Cyprus had written a letter confirming that the funds would be blocked and this had led the Respondent to believe that Mrs CM's money would be secured in this way.

133. It was the Applicant's case that the transaction had been fraudulent from the outset but that was not the case. At the outset there was no obvious deception. It could not be said that because certain wording had been employed which had been referred to in The Law Society's Yellow Card Warning there had been a clear indication that deception was occurring. There was no doubt that Mrs CM had been willing to invest her money provided that it remained secure.

134. The "Yellow Card" dealt with banking instrument fraud. The transaction before the Tribunal, if it was fraud, was an investment fraud, and did not relate to a banking instrument. The Law Society had warned that various documents were not issued by the legitimate banking community. There was no suggestion that this transaction involved a prime bank guarantee. Out of a list of some 43 words to which members of the solicitors' profession were alerted by the Yellow Card, only three could be identified in the paperwork relating to this transaction.

135. Although overall the Respondent accepted that he had not done enough to protect Mrs CM, his behaviour had been a far distance from dishonesty as defined in the case of Twinsectra v Yardley. The Applicant had not met the burden which fell upon him to establish dishonesty to the highest standard of proof. Lord Hutton had said in Twinsectra that a finding of dishonesty required more than knowledge of the facts, it required a dishonest state of mind. A person could be found guilty of dishonesty only if he had the consciousness that he had transgressed the ordinary standards of honest behaviour. A blinkered approach or a burial of his head in the sand did not amount to dishonesty. For an allegation of dishonesty to lie, the perpetrator must himself appreciate that what he was doing was dishonest. A finding of dishonesty against a member of the solicitors' profession was very grave indeed.

136. In the civil judgment the learned Judge had said that the distinction between incompetence and dishonesty represented a fine line. He accepted that gain was usually a motive for dishonesty and accepted that the Respondent stood only to gain if the fraud was not actually a fraud. That did not sit easily with the suggestion that the Respondent had been condoning a dishonest act.

137. It was conceded that the Respondent's involvement and actions might have had the effect of facilitating fraud but that did not amount to dishonesty in the circumstances where the Respondent himself had been taken in by the fraudsters. The Respondent had sought to act in such a way as to protect Mrs CM and her money. It was accepted that he did so in the light of limited knowledge. It was accepted that the Respondent had been naïve.

138. Mrs Lennep had responded to letters addressed to her by the Respondent. She did not have to do so. She had kept in contact with the Respondent perhaps for the purpose of giving the impression that she would repay the money. The Respondent had not written to Mrs Lennep for effect. He had continued to try to take steps to recover Mrs CM's money and that did not sit with an allegation that he had been guilty of a total abrogation of his duties as a solicitor. It was clear that the Respondent had believed that Mrs CM's money had been blocked in April 1998 but in June, upon the receipt of the letter from Mrs Lennep, "the goal posts had moved".

The Tribunal's finding on the question of dishonesty

139. The Tribunal found that the Respondent's behaviour had been dishonest. In making that finding it referred particularly to the conflict of interest which existed at the time when the Respondent agreed to act for Mrs CM and Westminster Services Limited, a company which was to benefit and did benefit, from the investment, and of which another client was a beneficiary. A company moreover in which he himself was a shareholder and a director, and from which he expected to receive a very substantial fee if Mrs CM's investment business had reached fruition. It was dishonest of the Respondent not to disclose these significant conflicting interests to Mrs CM. The Tribunal considers also that it was dishonest for the Respondent to encourage Mrs CM to believe that he was competent to advise in an area of work in which he had no knowledge or competence.

140. In Mrs CM's case the sum of money involved was very large indeed. She was at risk of making a very substantial loss. It is not possible to envisage any reason why the Respondent became involved in the scheme other than the fact that the involvement of a solicitor and the use of his firm's client account would lend a cloak of respectability to an otherwise transparently bizarre and fanciful scheme, allied to the fact that he and two other clients stood to gain from the transaction.

141. The Law Society's Yellow Card warned that "if it seemed to good to be true then it probably was".

142. The Respondent was a conveyancing solicitor and would have been well aware of standard rates of interest charged, for instance, by mortgage lenders and he could not have failed to realize that in a climate where mortgage lenders were lending at five or six per cent per annum where the loan was secured by property, that a return of 120% per annum was mythical. If it had not been no doubt mortgage lenders would have diverted their funds to such investments rather than obtain a low return on mortgage lending.

143. The Tribunal has reached its finding that the Respondent was dishonest by applying the two part test in Twinsectra v Yardley. The Tribunal is in no doubt that the actions of the Respondent, would be regarded as dishonest by ordinary honest members of the solicitors' profession, and the Tribunal was in no doubt that the Respondent as an ordinary but experienced member of the solicitors' profession must have known that what he was doing was wrong and dishonest.

144. The Tribunal has reached this decision upon the facts placed before it by the Applicant, which did Respondent did not dispute, and without taking into account any part of the Judgment relating to the civil trial.

145. The Tribunal has satisfied itself beyond reasonable doubt that the Respondent had been guilty of dishonesty.

The Respondent's Mitigation

146. The Respondent was aware that having made a finding of dishonesty the Tribunal would give careful consideration to the necessity of imposing the ultimate sanction.

147. The Respondent had run a well managed firm. Money held in his client account had never been in danger. The Respondent had offered every assistance to the FIO and, in particular, had handed over Mrs CM's file.

148. A striking of the Respondent from the Roll was not the only option open to the Tribunal. The Tribunal was invited to bear in mind that the Respondent had not practised for some 3 ½ years since The Law Society's intervention and that amounted to a sanction in itself. If the disciplinary proceedings had reached a conclusion earlier and the Respondent had been either suspended or struck off he could, at the date of this hearing, have had the opportunity to apply for restoration.

149. The Respondent had not endeavoured to practise as a solicitor as his defence of Mrs CM's claim in the Chancery Division had taken up all of his time. He had spent some £250,000 on his defence, such money having come from his own resources following a remortgage of his house.

150. The consequences of what had happened had been dramatic and catastrophic. The Respondent was faced with the loss of his matrimonial home. The Respondent had left his home as he could not live with the pressure on his family. Since the civil judgment in April 2004 a charging order had been made on the Respondent's house and in respect of three other properties in which he had an interest. Proceedings were under way to establish the value of his assets so that money could be found to compensate Mrs CM. The sum claimed by Mrs CM, which included interest, suggested a high daily rate and there was some doubt as to the accuracy of those figures. Even if the figures were not correct the Respondent had a substantial debt and interest continued to accrue.

151. The Respondent had sought leave to appeal against the civil court's decision but leave had been refused.

152. The Respondent had only a modest income and his wife was working on a temporary contract.

153. The Respondent's health had suffered as a result of the matters before the Tribunal. He had lost his firm and staff he cared for had lost their jobs. He had lost his good character and good reputation having been held in the highest regard in the Greek community in London. He had served that community for 30 years with distinction. The Respondent's firm had undertaken conveyancing and he had not enjoyed the opportunities following the recent boom in the property market.

154. The Respondent hoped that he might be able to save his home and make up the shortfall of moneys to be paid to Mrs CM and stave off bankruptcy. In the past The

Law Society had granted practising certificates subject to conditions and the public could be protected in this way in the case of the Respondent.

155. The Tribunal needed to be concerned with the perception of the public and in view of the Respondent's good character and long service to the community the public's perception of the solicitors' profession would not be harmed if the Respondent were to be permitted to continue in practice. The Respondent was 62 years of age. It would not be easy to find employment outside the law and he would not be able to retrain. The Respondent's future would be dire if the Tribunal deprived him of an opportunity to return to professional practice.

156. The transaction in which the Respondent became involved was a "one off". The Respondent had not intended that she should enter into an agreement where Mrs CM would lose her money. He thought her money was safe. He had hoped to be able to recover the money which she lost.

157. The Tribunal was invited to give due weight to the character witnesses who had attended the Tribunal to give evidence in support of the Respondent. He was not a "bad apple" and his service to the profession over a long period of time demonstrated that.

158. It was hoped that the Tribunal would consider imposing a punishment upon the Respondent which would mean that the integrity of the solicitors' profession would not suffer but without depriving the Respondent of his ability to practise. The Respondent had sold his practice shortly after The Law Society's intervention and he had sent the proceeds of sale to The Law Society so that The Law Society was currently holding approximately £40,000. The Law Society had retained that money in order to deal with any costs issues. A financial penalty as well as costs could be met from this fund.

159. The Respondent had never faced allegations before the Disciplinary Tribunal before. It was hoped that the Tribunal would exercise leniency.

The Tribunal's decision and its reasons

160. The Tribunal found the admitted allegations to have been substantiated and, as stated above, found that the Respondent's conduct amounted to dishonesty.

161. The Tribunal found this to be a very sad case involving as it did a solicitor of long standing and well thought of in the community in which he practised, having had a previously unblemished career in the law.

162. The Respondent had very properly admitted the formal allegations and after a great deal of consideration the Tribunal had reached the conclusion that the Respondent's behaviour had been dishonest.

163. The Tribunal has taken into account the fact that the Respondent had not practised as a solicitor since The Law Society's intervention into his practice, has given him credit for the excellent character witnesses who gave evidence in his support, and has taken into account all of the submissions made on the Respondent's behalf. Whilst the Tribunal had taken all of these matters into account and recognising that the Tribunal's Order represents a personal tragedy for the Respondent, the Tribunal had made its decision in the light of its duty to protect the public and the good reputation of the solicitors' profession. The Tribunal concluded that it was both right and proportionate to impose a Striking Off Order upon the Respondent. The Tribunal also

ordered that the Respondent should pay the costs of and incidental to the application and enquiry to include the costs of the forensic investigation accountant of The Law Society, such costs to be subject to a detailed assessment if not agreed between the parties. For the avoidance of doubt the Tribunal wishes to make it plain that such costs shall include the costs of the two interlocutory hearings before the Tribunal prior to the substantive hearing.

DATED this 7th day of April 2005

on behalf of the Tribunal

J C Chesterton
Chairman