No. 9109-2004

IN THE MATTER OF RAYMOND JOHN HOLLAND, solicitor

- AND -

IN THE MATTER OF THE SOLICITORS ACT 1974

Ms T Cullen (in the chair)
Mr P Kempster
Lady Maxwell-Hyslop

Date of Hearing: 8th March 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 Jonathan Richard Goodwin of Jonathan Goodwin Solicitor Advocate of 17e Telford Court Dunkirk Lea, Chester Gates, Chester, CH1 6LT on 9th September 2004 that Raymond John Holland of 29 D'Arblay Street London W1F 8EP might be required to answer the allegations set out in the statement which accompanied the application and that such Order might be made as the Tribunal should think right.

The allegations against the Respondent were that he had been guilty of contact unbefitting a solicitor in each of the following particulars:-

Section 1

(i) that he misled the Court in that he allowed a Witness Statement, prepared on his behalf by another, to be put before the Court, having signed the Statement as being true, without any verification as to whether the facts or details contained therein were true;

(ii) that he acted in breach of the terms of an undertaking contained in an Order of the Court dated 5 October 1999, the terms of which he knew or ought to have known;

(iii) that he failed to exercise adequate and/or proper supervision of his staff and/or persons acting for and/or on behalf of his practice;

(iv) that he failed to respond adequately to correspondence from The Law Society;

Section 2

(v) that contrary to Rule 32(1)(c) and Rule 32(4) of the Solicitors Accounts Rules 1998 (hereinafter referred to as "SAR") he failed to keep accounting records properly written up to show dealings with office money;

(vi) that contrary to Rule 19(3) of SAR he failed to transfer office money from client account to office account within 14 days;

(vii) that he withdrew monies from client account other than as permitted by Rule 22 of the SAR;

(viii) that he utilised clients' funds for the benefit of other clients;

(ix) that he failed to inform clients of the required costs information and/or made a secret profit by charging clients a telegraphic transfer fee in excess of that which the Respondent was charged by his bank;

(x) that he misled and/or took advantage of clients by charging a standard contribution towards the firm's Professional Indemnity Insurance premium which was not referable to the amount of the firm's actual premium;

(xi) that contrary to Rule 27 of the SAR, he failed to account to clients for interest and/or failed to ensure that any waiver of the clients' entitlement to such interest was properly made with clients' informed consent;

(xii) that he permitted the firm's client bank account to be used improperly by his former Partner's husband or in the alternative ought to have known that the account was being so utilised;

(xiii) that contrary to Rule 30 (2) of SAR, did arrange and/or permit the arrangement of loans from one client to another, without the lending client's knowledge or consent, or in the alternative he knew or ought to have known that clients' funds were being so utilised by his former Partner;

(xiv) that he acted and/or permitted his former Partner to act and/or continue to act where a conflict of interest existed between two or more clients, contrary to Rule 1(a), (c), and (d) of the Solicitors Practice Rules 1990 and Principle 15.01 of the Guide to Professional Conduct of Solicitors;

(xv) that he made representations in two letters, dated 11th February 2002 and 1st March 2002, that were misleading and/or inaccurate;

(xvi) that he failed to have in place qualifying Professional Indemnity Insurance for the period 1st September 2002 – 2nd December 2002, contrary to the Solicitors Indemnity Insurance Rules 2002;

(xvii) he failed to comply with Practice Rule 15, in that at the outset of acting for Mr and Mrs R, they were not given in writing the necessary costs information, nor were they given information about the complaints procedure;

(xviii) That he utilised funds held on behalf of Mr and Mrs R by way of loan to another client, Mr C, without Mr and Mrs R's knowledge or consent;

(xix) That he paid the proceeds of Mr and Mrs R's remortgage to the C Ministries ledger account without the authority of Mr and Mrs R to do so;

(xx) that he failed and/or delayed in replying to correspondence and/or telephone calls from Mr and Mrs R;

(xxi) that he failed and/or delayed in complying with a direction of an Adjudication Panel dated 6th April 2004;

The application was heard at the Court Room, 3rd Floor, Gate House, 1 Farringdon Street, London EC4M 7NS on 8th March 2005 when Jonathan Richard Goodwin appeared as the Applicant and the Respondent did not appear and was not represented.

The evidence before the Tribunal included the admissions of the Respondent contained in correspondence however this was accompanied by his denial of dishonesty.

Mr Briggs and Mr Rodrigues gave oral evidence.

At the conclusion of the Hearing the Tribunal made the following Order:
The Tribunal Orders that the Respondent, Raymond John Holland of 29 D'Arblay Street, London, W1F 8EP, 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 Investigation Accountant of The Law Society.

The facts are set out in paragraphs 1 to 118 hereunder:

1. The Respondent born in 1959 was admitted as a solicitor in 1986 and his name remained on the Roll of Solicitors.

2. At all material times the Respondent carried on practice in partnership under the style of Holland Solicitors from offices at 29, D'Arblay Street, London, W1F 8EP, until 12th November 2002 when the Respondent's former partner, Ann-Marie Jeffrey, was struck off the Roll of Solicitors by the Solicitors Disciplinary Tribunal. Thereafter, the Respondent continued to practise on his own account.

Section 1
Allegations (i) (ii) (iii) and (iv)

3. By letter dated 18th December 2002 The Hon Mr Justice Lawrence Collins wrote to the then Office of the Supervision of Solicitors ("OSS") in connection with the conduct of the Respondent. Mr Justice Collins prepared a detailed Memorandum which was supported by a bundle of documentation in connection with the matter. The complaint arose out of the Respondent's involvement in litigation commenced in the Queen's Bench Division in September 1999 between G Inc (hereinafter referred to as "G") against Mr S, L International Limited, (hereinafter referred to as "L") and N Lodge Management Club SL, (hereinafter referred to as "N") for repayment of a loan of £350,000 made by G to L and N, to facilitate the acquisition of a property known as N Lodge. In December 1999 separate proceedings were commenced for damages claiming title to N and in February 2000 the proceedings were transferred to the Chancery Division and in due course consolidated.

4. G was registered as a Panamanian corporation in April 1989 on the instructions of Mr H who was then a solicitor. Mr H is a struck off solicitor having served a term of imprisonment for participation in mortgage fraud. He continued to act as a legal consultant to G.

5. On 24th September 1999 and following application made on behalf of G, Richards J. made an Order prohibiting the Defendants from disposing of assets in relation to N Lodge. Undertakings were given to the Court by G in the following terms:-

> "The Applicant will on or before 29th September 1999 cause the sum of £100,000 to be lodged with his solicitors GW Bridge & Co to be held by them in a separate account and applied solely in accordance with any Order the Court shall make pursuant to paragraph (1) above. The Applicant's solicitors will further, forthwith upon deposit of the said funds, send the Respondent its undertaking to hold said funds to the Order of the Court".

Order of Klevan J. dated 5th October 1999

6. On 5th October 1999 Klevan J. continued the injunction. The Order of Klevan J contained an undertaking given to the Court by G in the following terms:-

> "The Applicant's solicitors will hold the sum of £100,000 lodged by the Applicant in a separate account to the Order of the Court to secure the Applicant's cross undertaking in damages given to the Honourable Mr Justice Richards on the 24th day of September 1999".

7. On or about 24th November 2000 the Respondent filed a Notice of Change of Solicitor on behalf of G, (G previously being represented by GW Bridge & Co).

8. By letter dated 28th November 2000 Messrs GW Bridge & Co wrote to Messrs Fenwick & Co (Solicitors for the Defendants) and said;

> "Now that we are no longer on the record and the Solicitors acting for the Claimant are Messrs Holland Solicitors, would you please give us your consent to transfer the security of £100,000 to their client account".

9. By letter dated 15th December 2000 Fenwick & Co wrote to GW Bridge & Co and said:

> "We hereby consent to the transfer by you of the sum of £100,000 to Messrs Holland. Please could you ensure that you send them a copy of the Order of Mr Justice Klevan dated 5th October 1999 and draw their attention to the terms of Schedule B Clause 5".

The letter was copied to the Respondent's firm.

10. On 31st January 2001 summary judgment was given in favour of G against L and N for £304,000. His Honour Judge Barry Green QC ordered that the freezing injunction made by Klevan J on 5th October 1999 remain in force.

11. Mr H was adjudicated bankrupt on 16th October 2001. His ex-wife, Mrs H, and his Trustee in bankruptcy, Mr R, were joined to the proceedings in April and November 2001 respectively to claim interests in the shares and assets of G. By letter dated 17th October 2001 Jeffrey Green Russell Solicitors, acting for Mrs H, wrote to the Respondent indicating that they were aware that the Respondent's firm held the sum of £100,000 either as security or to support undertakings that had been given to the Court. They sought an assurance that the sum of £100,000 would not be dissipated or transferred out of their client account pending a further Order from the Court and any applications that they intended to make.

12. On 25th October application was made by Counsel, instructed by the Respondent, without notice, to Laddie J, seeking Orders to include that the undertaking set out in Schedule B to the Order of Klevan J should no longer apply. The application was supported by a witness statement made by Mr H dated 25th October 2001, describing himself as "European Counsel" to G. The Order made by Laddie J was to increase the Defendants' security figure from £380,000 to £1million, such Order to remain in force until the return date of 1st November 2001.

13. By letter dated 31st October 2001, Jeffrey Green Russell Solicitors wrote to the Respondent requiring an explanation as to why the application to Laddie J had been made without notice and, further, requiring an explanation as to why they had failed to inform Laddie J of Mr H's bankruptcy.

<u>Order of Hart J dated 1st November 2001</u>

14. The matter came before Hart J on 1st November 2001 who, inter alia, ordered that:-

> "The sum of £100,000 together with interest that is held by the Solicitors for the Claimant pursuant to and/or in compliance with the Order of 5th October 1999 or any further Order of the Court shall be retained by them and no application shall be made by the Claimant or the Claimant's solicitors in relation to the said sum unless the Defendants, the Intervener and the said Trustee in Bankruptcy of Mr H are all put on notice of the said application and served with such at least two clear days before the hearing of such application."

Counsel appearing for G upon the instructions of the Respondent was a Mr SB.

15. The Order of Hart J also directed that there be an issue determined as between the parties as to whether the shares and assets of G formed part of the estate of H. This matter came before Collins J on 21st January 2002 when G was not represented. Counsel for the Interveners prepared an Outline Submission dated 17th January 2002, which stated, inter alia:

> "The £100,000 is or should be held by Holland as undertakings were given in the main action. In October 2001 there was an attempt by them to be released from such undertakings and pass the money to an unidentified 3rd party. But that application was withdrawn when the Interveners attended the hearing on 1st November 2001 (sic), that they had not been put on notice by G."

16. Collins J ordered that inter alia:

> "The Order of Mr Justice Klevan of 5th October 1999 shall be varied in that the sum of £100,000 which was to be held by Holland in a separate account to the Order of the Court shall be released and along with the interest that has accrued thereon shall be paid forthwith by Holland of 29 D'Arblay Street, London, W1 to Dechert, 2 Serjeants Inn, London, EC4Y 1LT. (Such Order being made with the consent of the Defendants herein")

17. By letter dated 2nd November 2001 Jeffrey Green Russell Solicitors wrote to the Respondent seeking clarification as to who made the decision not to inform Laddie J, or to include in the evidence information regarding the bankruptcy of Mr H or the opposition to the release of the £100,000. The Respondent failed to reply and it was necessary for the Solicitors to write further letters to the Respondent dated 12th November 2001, 4th January 2002, and 10th January 2002.

18. By letter dated 15th January 2002 Jeffrey Green Russell Solicitors wrote to the Respondent to give notice that at the Hearing listed to proceed on 21st January 2002 they intended to apply to the Court for an Order that the £100,000 that the Respondent should currently have been holding by way of security should be paid over immediately to them, together with accrued interest.

19. By letter dated 21st January 2002 Jeffrey Green Russell wrote to the Respondents informing them of the Order made by Collins J of the same date (see paragraph 16), and that they should pay forthwith the £100,000 together with accrued interest.

20. In fact, the Respondent's firm no longer held the sum of £100,000. By letter dated 21st January 2002 the Respondent wrote to Jeffrey Green Russell indicating that they had received £100,000 from GW Bridge & Co. He said:

> "On instructions from the Directors of our client company, we transferred £5,000 to our office account, in respect of legal costs, and transferred £95,000 out of our client account in part repayment of the loan. We never gave any undertaking whatever".

21. By letter dated 22nd January 2002 Jeffrey Green Russell wrote to the Respondent and said:

> "Under the terms of an undertaking given by your client company on 5th October 1999 it was ordered that your client's Solicitors would hold the sum of £100,000 in a separate account to the Order of the Court (paragraph 5 of the undertaking set out at Schedule B of the Order). Further, on 1st November 2001 your firm, through Counsel, consented to an Order made by Mr Justice Hart that the sum of £100,000 together with interest held in compliance with the Order of 5th October 1999 shall be retained by you and no application should be made in relation to the said sum unless the Defendants and the interveners are put on notice. If this was not enough, we have written to you specifically about the £100,000 continuously since 17th October 2001 with no response.
>
> You now tell us for the first time that the money you were holding in your client account in compliance with the Orders have been paid out. We require and the Court will require to know immediately (a) when the money was paid out and (b) to whom the money was paid out".

22. By letter dated 22nd January 2002 the Respondent replied to Jeffrey Green Russell. The Respondent said, inter alia:

> "The Order of 5th October 1999 related to GW Bridge & Co, and it was that firm not ourselves who gave an undertaking. We have never given any undertaking as to any money, nor have we ever said that we held money. The writer did not speak to Counsel on 1st November 2001, when your client made an application without giving notice. We had not instructed Counsel as to this aspect, as we did not know that it would be raised. Perhaps Counsel assumed that we held the £100,000. We do not know. Had he asked the writer we would have told him that we did not, as we would never mislead the Court. We have never told you or any other solicitor that we held any funds whatever."

23. Jeffrey Green Russell solicitors replied to the Respondent by letter dated 23rd January 2002 enclosing a copy of the Order made by Collins J on 21st January 2002. The letter confirmed that the Order of 5th October 1999 required the Respondent's clients, G, through its solicitors to hold the sum of £100,000 to the Order of the Court. The letter read:

> "You went on record as acting for G some time after this Order was made and your letter of 21st January 2002 confirms that you received the £100,000 from your clients former Solicitors, Messrs GW Bridge & Co. You cannot therefore argue that the Order of 5th October does not apply to you, when clearly it does or why else would you have received the money.
>
> We understand that GW Bridge & Co wrote to Messrs Fenwick & Co acting for the defendants asking for their agreement to transfer the £100,000 to your firm at the time you came on the record. In their reply, Fenwicks agreed to transfer but asked that your attention be brought to the relevant paragraph in the Order of 5th October 1999 which dealt with this money. A copy of that letter was sent to you by Fenwicks …

> … not only were you therefore fully aware that we were seeking an Order that you hold the £100,000 pending the application brought by the Interveners, but through Counsel you consented to the Order that was made on 1st November.
>
> If you are now saying that at that time you did not hold the £100,000 then, that is something which is of very serious concern as you have misled the Court and are in breach of the Court Orders that have been referred to."

24. By letter dated 24th January 2002 the Respondent replied to Jeffrey Green Russell. The Respondent said; "We totally refute the allegation that we misled the Court. The writer did not speak to Counsel on 1st November 2001. If he had the writer would have, of course, made clear that we no longer held the £100,000." The letter confirmed that the fund, i.e. £95,000, was transferred out of client account on 27th March 2001.

25. When the Interveners discovered that the Respondent no longer held the funds, the matter was brought back before Collins J on 25th January 2002. Mr Justice Collins ordered that G and Hollands file evidence by 29th January 2002 concerning the dealings with the £100,000 and identify the party to whom the sum of £95,000 was paid. The matter was relisted to be heard on 31st January.

Respondent's Witness Statement – 29th January 2002

26. In accordance with the Order of the Court the Respondent filed a witness statement dated 29th January 2002. The witness statement was signed by the Respondent and certified as being true. The Respondent subsequently conceded that he did not prepare this statement, but rather the same was drafted by Mr H on his behalf. The Respondent signed the statement as being true.

27. Mr B, Counsel, who had appeared on the instructions of the Respondent at the hearing on 1st November 2001, was informed that the Respondent had accused him of agreeing the Order of 1st November without instructions. Mr B proceeded to instruct solicitors and Counsel to appear on his behalf at the hearing before Collins J on 31st January 2002, when he asked and obtained an Order for costs on an indemnity basis against the Respondent.

28. On 31st January 2002 and in view of the conflict of evidence, the matter was adjourned by Collins J until 7th February 2002 and it was ordered that Holland Solicitors file and serve by 5th February a witness statement from Ms JG, Ms CM and Ms SD, dealing with hearings before Laddie J and Hart J and to produce evidence relating to the same. The matter came back before Collins J on 7th February 2002, when the Court was informed that the Respondent had agreed to pay Mr B's costs and the Respondent had confirmed that Mr B's conduct of the hearing on 1st November was beyond reproach. An Order was made in those terms. Given the seriousness of the matter the Court had indicated that the Respondent should be represented on 7th February.

Hearing before Collins J – 12th March 2002

29. The Respondent was represented by Counsel. The matter was dealt with before Mr Justice Collins on 12th March 2002. A transcript of the hearing was before the Tribunal. The Court was informed by Counsel on behalf of the Respondent that, contrary to the assertions in his witness statement of 29th January 2002, the Respondent had not in fact dealt with the litigation, but had left everything to Ms G, that his witness statement had been drafted by H and that he had just signed it in the light of what H told him about the case.

Respondent's Second Witness Statement – 20th March 2002

30. The Respondent had prepared a second witness statement dated 20th March 2002 in which he said:

> "With regard to my previous witness statement dated 29th January 2002, I did not draft it but gave it on the assumption that notwithstanding my limited knowledge about the case I had to make a statement which would be on behalf of my firm and which would reflect the facts as told to me by H in the conversation. My assumption was incorrect. I was essentially the mouth piece of H."

31. In addition to the Respondent, the following prepared witness statements dealing with the transfer of the money to G in breach of the Court Order and the hearings before Laddie J and Hart J, namely CM, barrister, who appeared before Laddie J on 25th October 2001, SB barrister, who appeared before Hart J on 1st November 2001, JG, solicitor, who the Respondent had asserted dealt with the case and SD, a law student who had work experience with the Respondent's practice and who attended the hearings before Laddie J and Hart J. All of the witness statements were before the Tribunal.

The Respondent's Position

32. In his first witness statement dated 29th January 2002, the Respondent made the following representations:

- That he had a clear recollection of receiving a fax from G asking for the money to be transferred, albeit he did not have the fax in his file.

- That on 27th March 2001 he transferred £5,000 to office account in respect of legal fees, and £95,000 by CHAPS payment, in part payment of a loan to G.

- In hindsight the Respondent accepted that he should have written to the Defendants on or before transferring the funds but failed to do so he said because, as the Defendants knew already, it would merely increase costs and it would be academic because no loss could result to the Defendants. Nonetheless, he apologised as he recognised he should have done so.

- The Respondent exhibited a letter dated 10th January 2002 from the President of G purporting to confirm that he acted perfectly properly in transferring £95,000 out of the trust account and that G had asked him to make the transfer.

- That his firm was instructed to make a without notice application to increase the amount covered by the freezing order and to obtain an Order that undertaking Number 5 in the Order of 5th October 1999 should no longer apply. The Respondent said that in the light of the Interveners' involvement:

  > "… I decided not to proceed with the application with regard to the undertaking no longer applying. Advising my clients and in their best interests I took the view that it would be not in their interests that the Interveners knew the £100,000 had been paid out. The Defendants knew, but I felt I had no obligation or duty to tell the Interveners. Looking at the matter now, I can see that on the face of it, it appears that I misled the Court I most certainly had no intention of doing so."

Mr B, Counsel, had not been able to reach him on the telephone that day. The Respondent said, "Had he spoken to me and had he sought my instructions on the matter I would of course have told him that my firm no longer held the £100,000."

33. In his second witness statement dated 30th March 2002 the Respondent indicated that, contrary to that which was said in his first statement of 29th January 2002, the following was a true and accurate position:

- That Mr H had asked him to make the transfer of monies, but that the Respondent required written instructions from G which he received by fax, albeit no copy of the fax was on the file.

- That he knew nothing of the freezing order of Klevan J dated 5th October 1999 until he read the file in January 2002 and even then only recently understood the implications of the same. He knew nothing about the undertaking.

- That he knew nothing of the application to Laddie J or Hart J.

- That he knew nothing about the action and that his first witness statement was drafted by Mr H.

34. By letter dated 25th February 2003 The Law Society wrote to the Respondent enclosing the letter of complaint from Mr Justice Collins and seeking his explanation. By letter dated 25th February 2003 The Law Society also wrote to Ms G in respect of the same matter seeking her observations.

35. By letter dated 3rd March 2003 Ms G provided her response. She referred to, and relied upon her witness statement prepared at the order of Mr Justice Collins. Within the witness statement Ms G indicated that she was not present at the Court on 25th October 2001 or on 1st November 2001.

36. The Respondent failed to reply and The Law Society wrote to him again by letter dated 25th March 2003 seeking a response within eight days.

37. By letter dated 21st March 2003 the Respondent provided his response in relation to each of the matters put to him:

a) Supervision

"Ms G had the conduct of the action as Holland solicitors' representative … Mr H did not have the conduct of this matter nor did he use any of Holland's stationery … Ms G's involvement was mainly at Court, in conference with Counsel or by the usual telephone and correspondence communication. She closely liaised with Mr H given his consultancy capacity to G International Inc and his knowledge of the case.

… Correspondence in Holland's name was sent from and received at my offices. I believed that Ms G was perfectly able to deal with the case given her familiarity with the documents since she would at all times be supported by and would liaise with Counsel. I am not trying to placate my supervisory responsibility but I was confident she was more than capable of handling the case. Admittedly, my knowledge was limited but she appeared confident and in command to be able to deal with this matter with my limited input. Mr H did not, (as far as I am aware), draft letters in the name of Holland as your letter infers. What he may probably have done from time to time was to assist Ms G given his knowledge about the case which would be acceptable as this would only assist and benefit.

… With regard to the general duty of supervision of staff, I trusted Ms G as she was closely working (with Counsel) on the case. I relied on her judgment and trusted her to speak to me should she run into any difficulties or have any concerns. Accordingly, I did not involve myself in the case and relied on her to contact me on any drafting issues of letters or any contentious points raised in letters that she was not happy with. Accordingly, I did not check her correspondence … Clearly my trust was misplaced and this was an error of judgment on my part. I did not appreciate the complexity of the case and therefore I did not appreciate the level of input required by me as supervisor. If I had understood this I would certainly not have accepted the instructions to act for G."

b) Misleading the Court

The Respondent stated:

> "The first statement was given as a result of an error of judgment and misunderstanding about the purpose of the statement. I was extremely busy at the time on my own transactions and when the statement was placed in front of me I did not know the purpose of it but understood it was merely a summary of events. I assumed, wrongly, that this was equivalent to a letter and I did not know this was to be shown to the Court. I signed it in the belief that the draftsman would have no reason for it not to be correct. This was a grave error of judgment and a mistake. I was relying on others and did not have any reason to question the party and was oblivious to any activities behind the scene. Even at this stage I did not raise any questions which was foolish...

> I fully accept my mistake and have agonised and reflected over this. There was no intention whatsoever to breach Rule 1. I did not believe at that time that I was in potential breach of this Rule but it was an innocent error.
>
> With regard to Principle 21.01 I deny that I had any intention to personally deceive or mislead the Court because I was totally unfamiliar with the case. I was not aware that Mr H or G were bankrupt/insolvent. I was not personally aware of or had any knowledge which indicated to me the existence of any undertaking to the Court."

c) Breach of Undertaking

The Respondent asserted that he had no knowledge regarding any undertaking since he was not aware of the Order of Klevan J of 5th October 1999:

> "I fully appreciate, with hindsight, that without the proper internal administration framework in place, Holland Solicitors should not have accepted the initial instruction to act for G. Regrettably, we were misguided and allowed to be led in the case rather than drive it … I, innocently, by implication, allowed Holland Solicitors to be exposed to the issues that arose. I would never intentionally or knowingly place myself or Holland to act in a manner as to sideline or ignore Court Orders or otherwise or compromise or cause a conflict between my duty to the Court and the Court (sic).
>
> I deeply regret if this has happened, but I trust I have demonstrated that, on notice of the above, I dealt with the issues with resolve and priority … I was not dishonest at any time."

38. By letter dated 1st April 2003 The Law Society wrote to the Respondent seeking clarification of certain matters, to include evidence that Ms G was at the time acting on behalf of Holland as he had represented. The Respondent failed to reply and The Law Society wrote to him again by letter dated 22nd April 2003.

39. By letter dated 24th April 2003 the Respondent wrote to The Law Society indicating that he was awaiting outstanding papers from G's liquidator and hoped to respond within a few days thereafter. No further response was received and The Law Society wrote to the Respondent again by letter dated 12th May 2003. By letter dated 22nd May 2003 The Law Society wrote to the Respondent again, seeking clarification of the fact that Ms G was a locum working on behalf of his firm or as a freelance solicitor working in the name of Holland. By letter dated 27th May 2003 the Respondent replied indicating that he would continue to press the liquidator. In relation to the position of Ms G, the Respondent said, "Miss G was a locum working on behalf of Holland Solicitors".

40. By letter dated 19th June 2003 The Law Society wrote to Ms G raising a number of specific queries upon which she was asked to respond. Ms G replied by letter dated 3rd July 2003, and in response to each of the questions raised by The Law Society confirmed that she was not a locum solicitor for Holland Solicitors at any stage, and that she did not act on behalf of Holland Solicitors in the G litigation, other than sitting behind Counsel on two or three occasions. She confirmed that she did not

carry out any work on the case with Mr H and was unable to pass any comment as to the alleged breach of undertaking regarding the £100,000.

41. By letter dated 19th June 2003 The Law Society wrote to the Respondent chasing the documentation to support the Respondent's assertion that Ms G acted for his firm in the litigation. By letter dated 19th June 2003 the Respondent wrote to The Law Society enclosing notice of change of Solicitor in relation to the litigation dated 24th November 2002 and other documents. He also provided a copy letter from his practice to Fenwick & Co dated 11th July 2001, such letter bearing the Respondent's reference. The Respondent wrote again to The Law Society by letter dated 2nd July enclosing further documentation. The Respondent said:

> "I have no further documents on file with regard to Ms G's position with Holland Solicitors. The arrangement was informal and flexible but there is no question that with our full approval she corresponded in the name of and on behalf of Holland Solicitors".

42. By letter dated 7th July 2003 The Law Society wrote to Ms G seeking further clarification as to her relationship with Holland Solicitors and who had conduct of the G litigation. By letter dated 7th July 2003 The Law Society wrote to the Respondent requesting evidence as to the employment of Ms G.

43. Ms G replied by letter dated 16th July 2003 indicating that she had mislaid the original letter and requesting a copy. By letter dated 22nd July 2003 the Respondent replied and referred to the last paragraph of his letter of 2nd July which he thought dealt with the query. The Respondent said "I would confirm the arrangement was on an informal and flexible basis. She was paid on an ad hoc basis in cash."

44. By letter dated 30th September 2003 Ms G provided her detailed representations. Ms G denied she was a locum for Holland Solicitors at the time of the alleged misconduct. She indicated that her work was looking after her children and that she was paid £50 per day by cheque to sit behind Counsel as an outdoor clerk. Ms G indicated that she clerked two or three G hearings and Ms D clerked at least two.

45. Ms G said "I have never met Mr Raymond Holland, nor have I ever visited his offices or had direct knowledge of his client and office account balances." Ms G confirmed that she did not attend the hearing before Laddie J on 25th October nor the hearing before Hart J on 1st November:

> "I have now read the transcript of the hearing of 12th March 2002. I deny these allegations in total and reiterate that I have never met Mr Raymond Holland."

46. By letter dated 1st October 2003 the Respondent provided further representations. He reiterated that:

> "As far as I am concerned Ms G was indeed a locum solicitor … I accept that I should have supervised her but I would repeat my comments given in my said letter of 21st March. I trusted Ms G as she was closely working with Counsel. In hindsight, I misjudged the situation."

47. The conduct of the Respondent was referred to an Adjudicator who considered the matter on 23rd October 2003 and resolved to refer the conduct of the Respondent to the Tribunal. The Adjudicator also resolved to refer the conduct of Ms G to the Tribunal. Ms G requested a Review of the decision. The Adjudication Panel Review Session considered the matter on 11th February 2004 and resolved to allow her review in whole. The Respondent did not request a review.

Section 2 – Forensic Investigation Report – 15th January 2003

48. On 5th November 2002 a Law Society Investigation Officer, Mr N Briggs, commenced an inspection of the books of account at the Respondent's offices. Details of Mr Brigg's findings are contained in his Report dated 15th January 2003.

Allegation (v)

49. The Investigation Officer found that the books of account were not in compliance with the Solicitors Accounts Rules. The Investigation Officer asked the book keeper to print off a list of office ledger balances, and was told that it was not possible on the accounting system to print off the office balances, only the client account balances. The Respondent indicated to the Investigation Officer on 11th December 2002 that that was the first time he had heard this and he would check the position with his book keeper.

50. The Investigation Officer noted that a number of office entries had not been maintained by the firm. The Respondent indicated he was not aware that this was not being done. Mrs Jeffrey, the Respondent's former partner, indicated that she had noticed that the book keeper was not entering bills and she had told him that he needed to do so and also pointed out that the narrative was inadequate.

Allegation (vi)

51. The Investigation Officer ascertained that on a number of ledgers, the billed costs were not transferred from client bank account to office bank account within 14 days of issue of the bill. On 11th December 2002 the Respondent indicated to the Investigation Officer that he did not realise this was a breach of the Rules until informed.

52. Given the problems regarding the state of the accounts it was not possible for the Investigation Officer to ascertain whether funds in respect of professional disbursements had been lodged in office bank account and the disbursements not paid, or the funds not transferred to client bank account in accordance with the Rules. It was not possible for the Investigation Officer to express an opinion as to whether the firm was holding sufficient funds in client bank account to cover its total liabilities to clients. However, he was able to ascertain that a minimum shortage of £144,671.13 existed as at 31st October 2002. The cause of the shortage is set out below.

Allegation (vii) and (viii)

53. The Respondent raised the matter of Mr D with the Investigation Officer. The Respondent indicated he had forgotten he had previously sent substantial funds to Mr D's Scottish lawyers to deal with a purchase. Completion took place on 30th October

2002. The Respondent indicated that he had re-sent the proceeds of sale on completion and that as a result Mr D's client account ledger was £144,671.13 overdrawn as at 31st October 2002. The Respondent accepted that as at that date there was a client account shortage in that sum. The Respondent realised his error on 6th November 2002 and the shortage was replaced following the return of the funds by the client.

Allegation (ix)

54. The Investigation Officer found from an examination of a number of bills of costs that there were discrepancies in the billing of disbursements in relation to bank charges and/or telegraphic transfer fees and the billing of indemnity charges.

55. The Respondent charged £25-£30 as bank charges, whereas the Respondent's former partner charged £35 plus VAT for telegraphic transfer fees. When asked why they had billed different amounts, the Respondent said he had always charged that sum and Mrs Jeffrey said she had charged £35 being in her view a more realistic charge. The Respondent indicated that some of his clients would object to paying £35. The Investigation Officer asked the Respondent why, if he was paying the bank £20 (or £25 as suggested by Mrs Jeffrey), they were then charging the client £30 or £35? It was suggested by the Investigation Officer that the charges were being described as disbursements rather than a profit charge by the firm, and asked whether the clients might form the view that these were fees being paid by the firm to a third party. The Respondent said he accepted this and that the firm was making a secret profit from telegraphic transfer fee charges.

Allegation (x)

56. The Investigation Officer noted that the Respondent's former Partner, Mrs Jeffrey, would charge £50 plus VAT to every client in conveyancing transactions as a contribution towards the firm's professional indemnity insurance. It was noted that the Respondent did not charge anything. The Respondent was asked why that was the case to which he replied:

> "When I agree with a client a fee I agree the fee and that is how much I charge. There is some negotiation with the fees and I do not think that I could increase my fees by £50 as Mrs Jeffrey does."

Allegation (xi)

57. The Investigation Officer found from the client account statements that each evening the bank would place the majority of client funds, if not all, on Treasury Deposit overnight. It was ascertained that the firm earned several hundred pounds each week in respect of the same. The Respondent agreed that was so and said it had been done on the recommendation of the Bank. The Investigation Officer found from a review of nine files that there was a delay between the receipt of completion monies or mortgage monies and the redemption of charges or the completion of the transactions.

58. On 11th December 2002 the Respondent said there was no intention to delay matters and that most mortgage companies were awkward as regards giving redemption figures and that as a result there was some delay in redeeming mortgages. The

Investigation Officer pointed out to the Respondent that the amount earned on the deposits was significant and he could see no evidence on the files that any interest had been accounted to the client. The Respondent said that if it was a long time they would pay interest but sometimes the clients told them not to bother.

59. The Investigation Officer noted one particular matter of S, where the sale of a property completed on 27th June 2002. The mortgage in favour of Capital Home Loans was not redeemed until 8th August 2002 when the Respondent had despatched the sum of £145,844.25. It was noted that a further £20,000 was paid to Mr S on 13th August 2002 and that the balance due to the client of £18,315 had not been paid to the client until 10th October 2002. The Investigation Officer asked the Respondent's former partner, Mrs Jeffrey, why there had been such a delay in accounting the client, to which she said that she had not accounted to the client because he had failed to send documents back to her from Sweden. She could not comment further without looking at the file.

60. The Investigation Officer noted a ledger in the name of Barclays Bank. The account had been credited with the sum of £100,000 such sum being disbursed over a period of time. Mrs Jeffrey indicated that the account was her former husband's account and the account had been named Barclays because that is where the funds had come from. The Investigation Officer asked Mrs Jeffrey whether she was allowing the client account to be used as a bank by her husband to which she replied "This was only a one off, it was not done on a regular basis, but I agree that it is not appropriate".

61. Mrs Jeffrey accepted that there was no underlying transaction relating to the receipt of funds. When asked why Mr Jeffrey could not use his own account, Mrs Jeffrey replied "Because he was overdrawn on the account and the bank would take his money".

Allegation (xiii), (xiv), and (xix)

62. The Investigation Officer found that there were large numbers of transfers between client ledgers. In the absence of a transfer book, the Investigation Officer investigated a number of the ledgers to ascertain the reasons for the transfer. It transpired that a large number of loans were taking place between clients of the firm. The Respondent agreed that that was so at the meeting with the Investigation Officer on 11th December 2002.

63. The Investigation Officer found that the loans were arranged by telephone, in circumstances where a client who had funds in their account would be contacted by the Respondent's former partner and that the client would be asked to lend funds to another client of the firm. Mrs Jeffrey said "I chose people I knew had money. I would look at the list and I would approach them."

64. The Investigation Officer noted that Mr C, who had borrowed monies from several clients of the Respondent's practice, had not been able to complete his purchase because his mortgage company had refused to release funds in time for completion. The Investigation Officer asked the Respondent's former partner what consideration she had given to the fact that the clients who had loaned funds did not have the money themselves to complete their own transactions, to which she replied, "It depends on

the circumstances … in the case of C there was some identification evidence and they needed to see some accounts".

65. The Investigation Officer found that when the loan was arranged by telephone the transfer from one client ledger to another client ledger took place on the same day, which the Respondent agreed. When asked if there were written authorities from the lender and borrower for the transfer of the funds, Mrs Jeffrey indicated she believed that there were. However, the Investigation Officer pointed out that he had not seen written authorities from both the lender and the borrower for the transfer of funds dated prior to the transfers. The Investigation Officer suggested to the Respondent and Mrs Jeffrey that if a transfer was made without written authority then that would constitute a breach of the Solicitors Accounts Rules to which Mrs Jeffery replied "I don't think they were done on the same day. I can't say yes or no as to whether there is a breach".

66. The Investigation Officer was, in most cases, able to find a loan agreement signed by the borrower, but was not able to find agreements signed by the lender(s).

67. The Investigation Officer suggested to the Respondent and his former partner that acting for both lender and borrower, having promoted the loan agreement to the lender and making express or implied statements regarding the financial viability of the borrower, advancing an interest rate to the parties and then drawing up the loan agreement, created a conflict of interest. Mrs Jeffrey said "It is not being done on a regular basis. I accept this, but I have explained it to the client and the client is happy to go ahead." When asked by the Investigation Officer why there was no evidence on the file suggesting to either the lender or the borrower that they should take independent advice regarding the terms of the agreement Mrs Jeffrey indicated that she did say this to them and that they were free to check on the agreement. Mrs Jeffrey said "The clients used to rely on us. I accept however, this has placed a greater obligation on us to check the position."

68. The Investigation Officer provided details of a loan on behalf of Mrs Jeffrey's former husband in lending monies to two clients of the firm in paragraph 35 of the Report.

69. One of the loans made was by a Ms B to Mr C on 22nd January 2002 in the sum of £109,975. The Investigation Officer wrote to Ms B to enquire as to whether she was aware that she had made the loan, whether she was happy with the terms of the loan and whether she had been advised to seek independent advice.

70. Ms B confirmed in a letter dated 23rd November 2002 that she was not aware that her funds would be used as a loan to Mr C and that her parents, from whom she was buying, were also unaware that a loan had taken place. Ms B said:

> "I am sorry to say, as far as I am concerned, I have not made any loan to anybody I know or have heard of. Neither did I consent to my money, which was with Holland Solicitors, being granted as a loan to any of their clients.
>
> … The sum of £110,000.00 was lent to me by my mortgagees to buy a flat so why should I give it as a loan to someone I do not know or have never met in my life who Holland Solicitors allege is their client? Neither my parents nor I are money lenders."

71. The Investigation Officer asked Mrs Jeffrey how she could have made a loan from Ms B to Mr C when Ms B knew nothing about it to which she replied that she would not have lent money without authority. The Investigation Officer pointed out that Ms B was a barrister and enquired as to whether Mrs Jeffrey was suggesting that Ms B was not in fact telling the truth, to which she replied "I am not saying that she is lying".

72. The ledger in the name of Ms B identified that the mortgagees, The Mortgage Business plc, had sent the sum of £109,975.00 on 22nd January 2002, being the amount to enable her to complete the purchase. The Respondent himself was acting for Ms B's parents and, as such, the funds should have been sent to their ledger. However, the funds were sent to Mr C and returned to Ms B's ledger 21 days later on 13th February 2002. The Respondent's former Partner's explanation for the use of the monies in this way was set out at paragraph 37 of the Report.

73. The Investigation Officer asked the Respondent what action he was taking to ensure that loans arranged by Mrs Jeffrey were being repaid and that the interest was being paid to which he replied that he would need to look into it and that he was not sure if there were any loans outstanding.

74. The Respondent himself was acting on one particular matter where a loan had been granted to Mr C details of which are set out below.

<u>C Gospel and Mr and Mrs R</u>

75. The Respondent acted on behalf of C Gospel, a Church, in relation to the purchase of a property in the sum of £560,000. The Respondent took instructions from the building committee of the Church which was made up of Mrs W, Mrs B, and Reverend O. Despite a number of brokers being involved with a view to arranging finance, none had been successful.

76. The ledger in the name of the Church was credited with the sum of £26,000 said to be Church funds. The Investigation Officer found that the sum of £26,000 was lent to Mr C on 18th January 2002. The Respondent was asked how that had occurred. The Respondent said:

> "Ann-Marie (Mrs Jeffrey) said that she had a problem and she noted that there was money available. I spoke to Mrs W and in view of the fact there was some delay in the church proceeding with the purchase she agreed to the loan to Mr C. The loan was made on the authority of Mrs W and Reverend O."

77. The Investigation Officer found that on 7th February 2002 the ledger was credited with £50,000. The Respondent confirmed that this had come from Mr and Mrs R who were members of the congregation. The Respondent indicated that he received two lots of money from Mr and Mrs R, part being to assist with the purchase of the Church and part to pay for the redemption of the current mortgage on their own residual property.

78. On 13th February 2002 the ledger was credited with a further £41,600 which the Respondent agreed had come from Mr and Mrs R.

79. During the interview on 11th December 2002 the Respondent was asked why there was a delay in redeeming Mr and Mrs R's loan with the Abbey National Building Society between 7th February 2002 (the date the firm received the funds) and 20th March 2002 (being the date the mortgage was redeemed). The Respondent said "There was a big dispute which arose at this time. The church fell out with the Rs and said that they were trying to take over the church". When asked whether he had been instructed immediately to redeem Mr and Mrs R's loan with the Abbey National, the Respondent replied that he did not believe he was immediately to discharge it and suggested that the scenario changed and became a little more complicated because of the ongoing dispute.

80. The Respondent was asked why, given the dispute between Mr and Mrs R and the Church, he had not advised the Church and Mr and Mrs R that he could no longer act for them. The Respondent said that he had informed Mr and Mrs R to go and seek independent advice but that he had not thought that he should also cease acting for the Church.

81. The Investigation Officer found that on 13th February 2002, £104,170.00 was lent by the Church to Mr C. The Respondent suggested that this was on the authority of Mrs W and Reverend O. The Respondent was asked the basis on which he had accepted Mrs W's authority on behalf of the Church to gamble with Mr and Mrs R's money which formed the majority of funds leant to Mr C. The Respondent replied:

> "I presumed it was all Church money, I accept the £48,000 was actually to redeem the Abbey National charge and this probably should not have been used. If the amount was church money then I believe that they had authorities to lend it. I believe that most of the churchgoers pledge money to the church in any event."

82. It was suggested to the Respondent that he was holding Mr and Mrs R's money for two purposes; first, to redeem the mortgage and secondly, to put funds towards the purchase of the Church. It was suggested by the Investigation Officer to the Respondent that he did not have the authority from Mr and Mrs R to lend those monies to other clients, to which he replied that he could not make any comment given the dispute and that all parties were now saying different things.

83. The Respondent denied that he had delayed redemption of the Abbey National charge on behalf of Mr and Mrs R to allow money to be lent to Mr C and, in any event, that was not his intention.

84. The Investigation Officer spoke to Mr and Mrs R on 12th November 2002. They accepted that they had fallen out with the Church but denied that they had given authority for the Church to lend out monies which they had agreed to contribute towards the purchase of church property.

85. The Investigation Officer found from a review of the Church file that there were a number of documents relating to a Mrs B, who was a member of the building committee, and her involvement with a gem mining scheme in West Africa. The Respondent said he had no involvement with that and believed that Mrs B was trying to raise some monies from the mine. The Respondent said "I believe that Mrs B was

a commercial woman and that she had been dying but had been saved by Reverend O who had cured her. She was therefore investing her time in helping the Church."

86. The Investigation Officer found that Mrs B had been paid £15,000.00 from the Church funds. The Respondent suggested that was because Mrs B had been involved in arranging a loan for LG Limited, (see paragraph 88 below) and that the sum of £15,000 had been paid to her as broker. The Respondent suggested the Church was aware that she was being paid this fee although he had not informed Mr and Mrs R.

87. The Investigation Officer found that on 26th June 2002 the ledger in the name of the Church was credited with the sum of £121,500 representing the proceeds of a remortgage of Mr and Mrs R's residential property. The Respondent was asked why he had completed the mortgage on the property when Mr and Mrs R denied giving him authority to do so. The Respondent suggested that the matter was completed with Mr and Mrs R's knowledge but that everyone was refusing to talk at that time. He said that the monies were returned to the mortgage company in July 2002 when Mr and Mrs R said the monies could not be used.

88. The Investigation Officer found that the Church property was purchased by a company registered in the British Virgin Islands, LG Limited. LG Limited was a company owned by one the Respondent's others clients, Mr S. In response to a question as to how the property came to be purchased by Mr S rather than the Church, the Respondent said " Mr S was able to raise the money and therefore said he would purchase it and lease it back to the Church."

89. During the interview, the Respondent was asked why Mr and Mrs R's money had been used towards the purchase of a property by LG Limited, rather than the Church itself. The Respondent said that the Church had paid a deposit of £56,000.00 in June 2002 and that Mr and Mrs R's money was included in that amount. When asked whether Mr and Mrs R were aware that this was what happened to their money and whether they agreed to it, the Respondent said they were not aware, but that he felt that he should tell them what had happened and that he would do so.

90. The Investigation Officer asked the Respondent whether he was going to refund monies to Mr and Mrs R. The Respondent indicated that Mr and Mrs R were no longer involved, that they had made a donation to the Church and that the matter was now between them and the Church. The Respondent was asked how, given that he was aware that a dispute had arisen, he believed that the monies given to him by Mr and Mrs R were still to be utilised for the benefit of the Church and the purchase of the property. The Respondent indicated he would need to look into it, but said he was happy to inform Mr and Mrs R what had happened to the money and that he would write to them. (He did so by letter dated 3rd February 2003).

Allegation (xv)

91. The Respondent had on two occasions namely on 11th February and 1st March 2002 written to Winkworth Sherwood, the Solicitors acting for a seller and to Carlton Business Finance Limited, the finance brokers. In those letters he indicated that he was holding £200,000 in client account when in fact, as at the date of the letters, he was actually holding only the sums of £76,070 and £104,170 respectively. The Respondent said that he had indicated he was holding £200,000 because he was

holding the cheque at the time, but that he had not paid this cheque into the account. He could not recall who the cheque was from or what it was for.

Allegation (xvi)

92. The Respondent failed to have in place qualifying Professional Indemnity Insurance for the period 1st September 2002 to 2nd December 2002. The Respondent informed the Investigation Officer that he had applied to the Assigned Risks Pool ("ARP") for indemnity cover, because he did not know what would happen with Mrs Jeffrey and whether her Appeal against her striking off would succeed. He had spoken to a representative of the ARP on 6th November 2002 who had suggested he was covered but that he should return the application form straightaway. The Respondent said he sent off the form by letter dated 2nd December 2002 which was not received by the ARP until 13th December 2002.

93. By letter dated 3rd March 2003, The Law Society wrote to the Respondent enclosing a copy of the Report of the Forensic Investigation Unit dated 15th January 2003 and seeking his explanation.

94. The Respondent replied by letter dated 24th March 2003.

- The Respondent accepted that having checked the position with his book keeper, a list of the ledger balances was not available and that which the Investigation Officer had said was correct.

- In relation to the transfer of billed costs from client to office account the Respondent conceded that he was not aware of the Rule. He suggested that he had corrected the position.

- In relation to the minimum cash shortage of £144,671.37 in the matter of D, the Respondent accepted that he had made an error.

- The Respondent denied that his firm was making a secret profit from the way it charged for telegraphic transfer fees and suggested that the problem had arisen due to an unclear narrative on the bill.

- In relation to the utilisation of the firm's client account by Mrs Jeffrey's husband, the Respondent denied that he was aware of this. He did accept that he agreed with the Investigation Officer's comments regarding that. The Respondent said "I would not consider it appropriate to use a client account as a general bank account for a client unless it related to a specific transaction or transactions or cases."

- In relation to the loans the Respondent suggested that these were made at the instigation of Mrs Jeffrey. He said "On the request of Mrs Jeffrey I initiated contact with the client to ask loan funds. Other than that I was not involved in this matter … I trusted Mrs Jeffrey to be responsible for her files and the loans that she had instigated and to comply with the necessary Solicitors Accounts Rules".

- In relation to the matter in which he was involved the Respondent suggested that he obtained the written authority from his clients, that is to say the Church, and that the necessary loan agreements were executed.

- In relation to the utilisation of Ms B's funds by way of loan in the absence of her knowledge or consent the Respondent said "The use of Ms B's funds was not acceptable without her consent which appears not to have been obtained by Mrs Jeffrey, although I cannot conclusively confirm this one way or other".

- The Respondent provided his explanation in relation to his involvement with the Church and Mr and Mrs R in paragraphs 11–22 of his reply.

95. By letter dated 31st March 2003 The Law Society wrote to the Respondent seeking clarification of certain matters and by letter dated 10th April 2003 the Respondent provided further representations and documentation.

96. By letter dated 24th September 2003 The Law Society wrote to the Respondent enclosing a copy of the Case Note to be considered by the Adjudicator. The Respondent provided further representations in response by letter dated 13th October 2003.

97. An Adjudicator considered the matter on 6th November 2003 and resolved to refer the conduct of the Respondent to the Tribunal. The Respondent did not seek a review within the required time period but by letter dated 3rd December indicated that he wished to apply for a Review and that he had instructed Radcliffes LeBrasseur to act on his behalf. By letters dated 4th and 17th September 2003 Radcliffes LeBrasseur indicated that whilst the Respondent did not seek a review of the professional conduct decision, he did seek to review the IPS decision (see paragraph 107 below).

<u>Allegation (xvii) and (xx)</u>
<u>In addition to the allegations relating to Mr and Mrs R as identified in the Forensic Investigation Report above</u>

98. By letter dated 14th August 2002 Mr and Mrs R wrote to The Law Society by way of complaint regarding the conduct of the Respondent. The complaint related to the Respondent's involvement in acting for the Church and Mr and Mrs R and the loaning of monies. The essence of the complaint made by Mr and Mrs R was that the Respondent:

- Failed to act in their best interests and/or acted where there was a conflict of interest as between themselves and the Church.

- Failed to act in their best interests in not providing a client care letter in accordance with Practice Rule 15.

- Failing to redeem their existing mortgage for a period of two months.

- Drawing down and utilising the mortgage advance without Mr and Mrs R's knowledge or consent.

- Failing to advise Mr and Mrs R to seek independent legal advice in connection with the proposed loan of their new mortgage funds (£121,500) to the Church.

- Utilisation of Mr and Mrs R's funds by way of loan to another client, Mr C, without their knowledge or consent.

99. Subsequent to Mr and Mrs R's letter of complaint, the Investigation Officer had commenced the inspection at the Respondent's firm. As referred to in paragraph 90 above the Respondent said that he would write to Mr and Mrs R to inform them of the position and he did so by letter dated 3rd February 2003. Solicitors were instructed by Mr and Mrs R to pursue recovery of monies against the Respondent by way of statutory demand.

100. By letter dated 12th June 2003 The Law Society wrote to the Respondent enclosing a copy of Mr and Mrs R's letter of complaint dated 14th August 2002, together with enclosures and seeking his explanation in respect of the matters contained therein.

101. By letter dated 10th July 2003 the Respondent replied. The Respondent accepted that an initial client care letter was not sent to Mr and Mrs R and that that would have been an oversight. Further correspondence followed between the Respondent and The Law Society and by letter dated 22nd July 2003 Mr and Mrs R wrote to The Law Society making further representations.

102. Mr and Mrs R said that a loan agreement was not drawn up and the statutory declaration served by them on the Respondent reflected that to be so. The Respondent suggested that a loan agreement was in fact entered into by the Church in respect of third party funds and a copy of the loan agreement dated 2nd March 2002 between the Church and Mr R was before the Tribunal.

103. By letter dated 4th August 2003 Mr and Mrs R made further representations to include that they had not seen the loan agreement previously, did not agree to any of its terms, and did not sign the document. Mr and Mrs R stated in their letter that the Respondent lent monies which did not belong to him or to the Church and in so doing was "clearly acting in breach of his duty of care to us by lending out our monies without our knowledge and authority". Mr and Mrs R raised the further complaint that their mortgage was not redeemed until April 2002, some two months after the cheque was provided to the Respondent and despite their instructions that the mortgage should be redeemed as soon as possible. They state "he made us incur two extra months extra mortgage repayments which was unnecessary and costly to us".

104. By letter dated 23rd July 2002 Mr and Mrs R had written to the Respondent complaining about his failure to respond to their previous telephone calls. The Respondent did not respond to that letter or to Mr and Mrs R's subsequent letter of 1st August 2002 in which they requested the return of funds advanced by them and all original documentation relating to the discharge of their mortgage including the original title deeds to their property.

105. In response to that aspect of the matter the Respondent indicated in his letter of 10th July 2003 to The Law Society that:

> "It was clear to me when Mr and Mrs R instructed me to return the mortgage advance, that there was some difficulty between them and the Church Trustees, although I did not have any further information. At that stage, I realised that there was a potential conflict of interest between Mr and Mrs R and the Church. I therefore declined to act for Mr and Mrs R. I could see no problem from continuing to act for the Church. Indeed, the Church wished me to continue to act for them in this matter and their general affairs … I did not speak to Mr and Mrs R because it was clear from the aggressive and negative communication from Mr R from the beginning of July that he clearly did not wish me to act on his behalf. I also note that I was actually absent from the office for five days between 11th to 23rd July in any event. I do not have a copy of the letter of 1st August to which you refer."

Notwithstanding the Respondent's denial that he received Mr and Mrs R's letter of 1st August that letter was sent to him by Recorded Delivery.

106. By letters of 14th and 28th October 2003 Mr and Mrs R made further representations to The Law Society.

Allegation (xxi)

107. The Adjudicator who considered the matter (see paragraph 97 above) found that the service provided by the Respondent was not of the quality which it was reasonable to expect of a solicitor for the reasons set out within the resolution. The Adjudicator directed that Holland Solicitors pay Mr and Mrs R the sum of £3,000 compensation, that the Respondent should not be entitled to deliver any bill of costs to Mr and Mrs R and that Holland Solicitors should disclose to Mr and Mrs R or their solicitors within 28 days copies of the entries in the ledgers relating to the receipt and use of their funds as detailed in Mr and Mrs R's letter of 14th October 2003.

108. On 22nd December 2003 a representative of Radcliffes LeBrasseur telephoned the OSS and indicated that in relation to the ledgers relating to Mr and Mrs R, given that a Review had been requested (see paragraph 97 above), the ledgers would only be supplied if directed as part of the Review decision.

109. By letter dated 21st January 2004, Mr and Mrs R wrote to The Law Society making further representations in relation to the observations of the Respondent. By letter dated 6th February 2004 The Law Society wrote to Radcliffes LeBrasseur enclosing a copy of Mr and Mrs R's letter.

110. On 14th March 2004 Mr and Mrs R wrote to The Law Society enclosing a copy of a letter from Stanfords Solicitors, acting on their behalf, dated 9th March 2004 addressed to the Respondent seeking clarification of the ledger he had provided. Mr and Mrs R also made representations by letters dated 29th February 2004 and 16th March 2004.

111. The matter was considered by the Adjudication Panel Review Session on 6th April 2004. The Panel resolved to vary the first instance decision in part. The Panel directed as follows:

"5. The Panel directed that the following steps be taken by Holland Solicitors within 14 days of the disclosure of this decision:

(a) Holland Solicitors pay compensation to the sum of £3,000.00 to Mr and Mrs R;

(b) Holland Solicitors disclose all ledgers relating to these transactions and provide a clear explanation as to how the monies identified in paragraph 4.3. above have been utilised with reasons and supporting evidence;

(c) The firm pay the sums of £1,555.03 and £268.99 together with interest to the date of payment to Mr and Mrs R.

[sic]

7. In all other respects the Panel endorsed the decision made by the Adjudicator of the first instance."

112. By letter dated 28th April 2004 the Respondent was notified of the Adjudicator's decision. By letter dated 10th May 2004 The Law Society wrote to the Respondent reminding him of the obligation to comply with the Review Panel's decision within 14 days, that is to say by 12th May 2004. The Respondent failed to reply to The Law Society's letters of 28th April and 10th May and The Law Society wrote again on 19th May 2004.

113. By email dated 24th May 2004 Mr R wrote to The Law Society indicating that the Respondent had not complied with the direction of the Review Panel. The Respondent closed his practice on 29th February 2004 and there was some concern as to whether in fact correspondence addressed to him had ever been received. Accordingly The Law Society wrote to Radcliffes LeBrasseur by letter dated 26th May 2004 enclosing a copy of the decision.

114. By letter dated 25th May 2004 the Respondent sent to The Law Society a copy of a letter addressed to Stanfords Solicitors dated 25th May 2004 enclosing a cheque in the sum of £4,824.02 comprising the totality of the monies directed to be paid by the Review Panel. Stanfords replied to the Respondent by letter dated 3rd June 2004 raising the issue of interest on the monies and concern that he had failed to comply with the direction as to disclosure of the ledger records with supporting documentation.

115. By letter dated 7th June 2004 The Law Society wrote to the Respondent seeking clarification of a number of matters and, in particular, requested a cheque in respect of the interest due on the monies held in client account in accordance with paragraph 5(c) of the Review Panel's decision, together with ledger sheets in accordance with paragraph 5(b).

116. By letter dated 21st June 2004 The Law Society wrote to the Respondent requesting that he arrange for a cheque representing interest in accordance with the decision to be sent to The Law Society made payable to Mr R together with ledgers to be disclosed as directed.

117. By letter dated 28th June 2004 The Law Society wrote to The Respondent again requesting the information.

118. On 1st and 2nd July 2004 The Law Society spoke to a representative at Radcliffes LeBrasseur who indicated that the Respondent's correct address was 29 D'Arblay Street, London. By letter dated 8th July 2004 The Law Society wrote to him at that address enclosing copies of previous letters. By letter dated 14th July The Law Society wrote to the Respondent indicating that if he did not comply with the decision within seven days the matter would be referred to the Intervention and Disciplinary Department. The Respondent failed to reply and had failed to comply with the directions in the Review Panel's resolution in relation to the payment of interest and the disclosure of ledger sheets.

The Submissions of the Applicant
(including submissions made in the Rule 4 Statement)

119. The Applicant was concerned that in his letter the Respondent had made it clear that all the allegations were admitted. A Civil Evidence Act and Notice to Admit had been served and no Counter-notice had been received. The Respondent had said that he accepted the facts and allegations. The Respondent's statement in mitigation and some of his correspondence, however, appeared to challenge certain aspects of the allegations. In his letter of 7th March 2005 the Respondent had indicated that he saw no point in adjourning the proceedings. The Applicant had replied by fax the same day referring to the fact that the case involved allegations of dishonesty on the Respondent's part and inviting him to reconsider his intention not to appear. The Applicant had, on the morning of the Hearing, made further efforts to contact the Respondent and establish whether he wished to attend.

120. The Tribunal having indicated that they were content to proceed, the Applicant said he would in opening his case point out those areas where the Respondent's statement and correspondence appeared to conflict with his admissions.

121. The Respondent had attributed the responsibility for many of the breaches to his former partner. This was, however, a two partner firm and the Respondent had known of the difficulties and of the disciplinary proceedings facing his partner. He should have made sure what she was doing. He could not escape responsibility.

122. The Respondent ought to have been in no doubt as to the terms of the Order of Klevan J and as to the terms of the undertaking. Fenwick & Co's letter of 15th December 2002, copied to the Respondent, clearly alerted the Respondent to the undertaking and Collins J made reference to it. By January 2002 everyone else involved in the litigation still believed that Holland held the money but it had been paid away ten months earlier at a time when Klevan J's Order remained in force. Holland had also made application to the Court regarding the money when it had already been paid away. Although the Respondent had not given the undertaking he knew or ought to have known of it and ought to have ensured compliance.

123. In his statement in mitigation the Respondent said that he did not know about the undertaking but accepted that he should have known. He suggested that he had not been provided with a copy of the Order which he described as being "conveniently omitted" from the papers sent.

124. In the submission of the Applicant, any undertaking given by a solicitor was important but this was particularly so in the case of an undertaking given to the High Court in the course of litigation.

125. The Respondent had signed his first witness statement not knowing or caring whether or not the contents were true and had allowed the same to be lodged with the Court. He conceded in his second statement that he had had no real involvement in the litigation albeit it was being carried out under the name of his firm, and that he did not prepare the first statement but had signed a statement prepared by H.

126. The Applicant submitted that this was conscious impropriety which on the part of a solicitor equated to dishonesty. The Respondent had said that he did not intentionally mislead the Court.

127. The Tribunal would have to be satisfied on the tests set out in the case of Twinsectra v Yardley, including the subjective part of those tests which required the Respondent at the time to know that what he was doing was wrong. In the submission of the Applicant, that test was met. The Respondent's actions had not been those of a prudent and honest solicitor.

128. The assertion in the Respondent's letter of 21st March 2003 that he did not know that the statement was to be shown to the Court was astounding and of concern. The witness statement was filed in response to an Order by Mr Justice Collins and it was beyond reason that the Respondent should assert in his response to The Law Society that he did not know the purpose of the same and did not know that it was to be shown to the Court. He had subsequently conceded that he was totally unfamiliar with the case but had certified the statement as being true regardless.

129. The Respondent was now saying that he had believed his first statement had been prepared only for Counsel but his second statement of 20th March 2002 made no such assertion and the Tribunal was invited to compare the statement made at the time with the current statement in mitigation. It was submitted that the Respondent would have known his first witness statement was made for the purpose of Court proceedings. The Tribunal was asked to note the opening sentence of the first statement:

> "I make this statement as ordered on 25th January 2002. That Order also ordered the Claimant to file and serve evidence but that is not possible"

130. He had further referred in his first statement to "my clear instructions from the Claimants" and to "my clear recollection that… I received a fax from the Claimants instructing me to do this but I do not have this fax in my files". The Respondent had had no idea whether those assertions were factually correct and true but had been prepared to sign the statement.

131. Collins J had felt sufficiently strongly about this matter to refer it to the Attorney General for consideration of contempt proceedings. Although no such proceedings had ensued Collins J and the Attorney General had felt the matter was sufficiently serious to be referred to The Law Society.

132. It had been said in the case of Bolton v The Law Society that it was required of solicitors that they discharge their professional duties with complete integrity, probity and trustworthiness. The Respondent's actions had fallen well below that standard even if the Tribunal was not minded to find dishonesty substantiated.

133. The Respondent accepted that there had been a breach of the Accounts Rules. The Applicant did not allege dishonesty in relation to the shortage from client bank account in respect of the overpayment to Mr D.

134. In relation to Allegation (ix), solicitors should only charge the actual cost of disbursements. The Tribunal was referred to the Respondent's statement in mitigation stating that he accepted that a secret profit was being made but that there had been no such intention.

135. With regard to Allegation (x), the Respondent should have been aware of the conduct of his partner, especially knowing her problems. These allegations were not the most serious allegations against the Respondent but were a factor in the overall picture.

136. In relation to Allegation (xi), the Respondent was liable for the breaches. He would have had the benefit of the interest.

137. In relation to the loans between clients, the Respondent would say that this was the responsibility of Mrs Jeffrey but again it was submitted that as a partner in a two partner firm, he should have known what was happening. The Respondent himself had been acting in the matter of Mr and Mrs R.

138. In relation to the dispute between Mr and Mrs R and the Church, the Respondent had continued to act within a conflict of interest situation and, given the dispute which had arisen, should have ceased to act for both the Church and Mr and Mrs R. Further, he delayed in redeeming Mr and Mrs R's loan and, as such, failed to act in his clients' best interests. The Respondent had only written to Mr and Mrs R after he had been prompted by Mr Briggs.

139. In relation to allegation (xv), it was submitted that holding a cheque was not sufficient. An assertion that funds were in client account had to mean that there were cleared funds held. The letters had been inaccurate.

140. In the absence of the Respondent the Tribunal was referred to his letter dated 10th July 2003 for a full picture of the representations made by the Respondent to The Law Society during the investigation.

141. The Applicant was not suggesting that the loan agreement was a document which had been created after the event but it was of concern that Mr and Mrs R denied seeing it in the most emphatic terms. The Tribunal was referred to their letter of 4th August 2003.

142. Given the existence of the dispute, the Respondent was utilising funds without clear authority which was improper. The Respondent had denied conscious impropriety and in his letter of 7th March 2005 had said that this was an error on his partner's part which he had missed. Mr Briggs, however, had been of the view that the Respondent was dealing with this matter. If Mr and Mrs R's money was used without their

consent that amounted to conscious impropriety and therefore, in the case of a solicitor, dishonesty. If the Tribunal did not find dishonesty the poor picture created by the allegations as a whole raised the question of the Respondent's fitness to practise.

Oral Evidence of Mr Nicholas Steven Briggs

143. Mr Briggs, senior investigator with The Law Society, confirmed that the contents of his report of 15th January 2003 were true to the best of his knowledge and belief.

144. In the course of his inspection he had found accounts breaches which were minor in nature but many in number. His main concerns, however, had been the loans, primarily led by the Respondent's partner but also involving the Respondent's matter relating to the Church.

145. The Respondent had been instructed by the Church for the purchase of a new hall which was to be met by a mortgage and by the contributions of church members including Mr and Mrs R. The Respondent had been asked by Mr and Mrs R to discharge their existing mortgage, to make a loan to the Church from their funds and to deal with a remortgage. Mr and Mrs R said that as soon as the monies had been paid to the Respondent they expected their mortgage to be redeemed but instead there had been a delay. In the meantime, there had been a transfer of moneys from the Church to Mr C. The Respondent had taken his instructions from the Church Committee and Mr and Mrs R said they were unaware that the funds had been utilized to lend to Mr C. Mr Briggs had spoken to them by telephone and had subsequently written to them to confirm.

146. Mr Briggs had also been concerned regarding the payment to Mrs B in respect of LG Limited. Mr and Mrs R's money had been used as a deposit by the Church, but LG Limited had eventually been the purchaser not the Church. The Respondent had accepted that he had not told Mr and Mrs R about this.

147. The Respondent had said that between the receipt of the monies in February and the mortgage redemption, Mr and Mrs R had fallen out with the Church. Mr Briggs had been concerned at the conflict and the fact that the Respondent had not taken fresh instructions. He also did not have their authority to complete the remortgage.

148. The Respondent had said that there had been a big argument between Mr and Mrs R and the Church and that the Church had said that he should not communicate with them.

149. It was the Respondent's partner who had instigated the loan from the Church to Mr C but the Respondent had received the funds and it was his duty to safeguard them. The Respondent and his former partner had shared an office. When Mr Briggs had first asked the Respondent about the loans he had seemed fully aware of them. It was only subsequently that he had denied knowing. His initial response when asked about transfers as loans had been "Yes, Mrs Jeffrey deals with those". Throughout that period Mrs Jeffrey had been facing serious disciplinary charges but the Respondent had allowed her to deal with the firm's accounts.

Oral Evidence of Mr Peter Rodrigues

150. Mr Rodrigues confirmed that all the letters written by him in this matter were true to the best of his knowledge and belief.

151. Mr Rodrigues had only met the Respondent once on 6th February 2002 when he had met him regarding the intended purchase of a building. He and his wife had been introduced by the three members of his Church. They had taken the day off to give instructions. They had intended to help the Church by loaning money, part of which they had had to procure from a third party. The first purpose of the money given by them to the Respondent was to redeem their mortgage and the second purpose was the loan to the Church. Mr Rodrigues now understood that the money had not been used as instructed.

152. Until they received the Respondent's letter of 3rd February 2003 they had not known of the loan "on a temporary basis to my colleague's client" nor of the delay in redemption. They had not been able to get in touch with the Respondent who had become evasive after they had handed over the money. They had not given authority for the loan and it was untrue that they had been aware of it. They had not had any contact with the Respondent after 6th February 2002.

153. Mr Rodrigues said that he had not seen the loan agreement as set out in his letter of 4th August 2003. What he said in that letter regarding the document was true in every respect as was the summary of the position regarding the monies set out in the same letter.

154. Mr and Mrs R had not received the interest ordered by the Adjudication Panel.

155. The Respondent had purported to send one ledger to The Law Society but it did not show the transaction. He had been directed to disclose all ledgers but had not done so.

156. Mr Rodrigues felt defrauded and wanted to know what had happened to the money.

The Submissions of the Respondent

157. The submissions of the Respondent were contained in his written statement in mitigation, undated but stated to be prepared for the Tribunal hearing.

158. The Respondent said that he had given his first witness statement in the G matter in the belief that this was being prepared to submit to Counsel. He had taken H's word that the statement was just a summary of events between October 2001 and October 2002. There had been no self-serving intention or gain and the Respondent had had no intention of misleading the Court. He admitted that this had been a grave and careless error of judgment. He had given a second statement for the sake of honesty and his responsibility to the profession and to the Court.

159. The Respondent said that he ought to have known about the undertaking but did not actually know about it since the Order relating to it was not enclosed with the papers received from the client. The funds had been released without knowledge of the undertaking and upon discovering this, the Respondent had taken immediate steps at

his own personal cost to rectify the same. There had been no personal gain and no self-serving intention. He had not been dishonest.

160. The Respondent admitted failing to exercise adequate or proper supervision and said he had misunderstood the position regarding Ms G's involvement. He had assumed that Ms G had attended the Hearings without his knowledge from October 2001. He now knew that was not the case and could therefore only assume that H had conducted the matter without his knowledge.

161. The Respondent accepted that he had responded inadequately to correspondence from The Law Society but said that he had not ignored the correspondence but had not found it possible to comply with the time limits.

162. The Respondent addressed the accounts rules breaches in his statement. He commented that in respect of allegations (ix) and (x), previous Law Society inspections had not commented on the firm's practice in this regard.

163. In relation to allegations (xiii), (xiv) and (xix) the Respondent believed that it was an over-simplification and unfair to lay blame based on assumptions that he ought to be aware of his partner's actions. It was simply not practically possible to keep to this standard. Mrs Jeffrey had complete conduct of her files including the loans. The Respondent had put her in touch with one of his clients regarding the loan and the Respondent had taken no further action. He accepted that the firm should have adopted better internal safeguards.

164. The Respondent said that he only acted for Mr and Mrs R regarding the redemption of the mortgage and the proposed remortgage. He did not act for them in connection with the sums given to the Church. There had been no conflict at the time he had accepted instructions and as soon as he discovered that there was a potential dispute he withdrew from the instructions of Mr and Mrs R. The Respondent described the loan by the Church to Mr C as a bookkeeping error. Mrs Jeffrey had not checked the position with the Respondent and had assumed that all the monies held could be utilised.

165. The Respondent said that the payment to Mrs B was not relevant to Mr and Mrs R and he was not obliged to inform them of it.

166. The crediting of the Church ledger with the proceeds of the remortgage was a bookkeeping error. Mr and Mrs R had been pushing for the mortgage drawdown to be completed.

167. The Respondent said that the property in question was purchased by the Church who simultaneously sold it on to LG Limited who then granted a leaseback. LG, unlike the Church, had been able to raise the necessary mortgage funds. This was the only way to salvage the deal.

168. The Respondent said that Mr and Mrs R knew that contracts had been exchanged and their £50,000 had been used for the deposit. There had been no conditions attached to the monies.

169. In relation to Allegation (xv), the letters were not intended to be misleading or inaccurate.

170. The Respondent said that the facts as set out regarding professional indemnity insurance were not correct. He nevertheless accepted that he should have taken action to resolve the insurance issue sooner.

171. The Respondent said that the firm had not paid additional interest to the complainants because the Adjudication Panel had said that the costs of the statutory demand could be offset.

172. The Respondent set out in his statement details of personal difficulties at the relevant time. He said that he had never dishonestly or wilfully compromised his profession or misled anyone intentionally.

173. The Respondent in a letter to the Applicant dated 28th February 2005 admitted all the allegations. In a further letter dated 7th March 2005 to be placed in front of the Tribunal the Respondent said that he was not challenging or denying any of the allegations but endeavouring to explain the background of the circumstances only. He wrote

> "the facts of the allegations are black and white (and I accept these) but there is a little bit of grey which is my mitigation."

174. The Respondent denied intentionally misleading the Court. He accepted the fund of Mr and Mrs R was used as suggested but said that this was an error on his Partner's part which he missed.

The Findings of the Tribunal

175. Correspondence sent by the Respondent subsequent to his witness statement in mitigation had made clear that he admitted the allegations. The correspondence, however, suggested that the Respondent denied dishonesty which had been alleged by the Applicant in relation to the first witness statement in the G matter and in relation to the matter of Mr and Mrs R.

176. The issue which the Tribunal had to decide was therefore the issue of dishonesty only.

177. The Tribunal considered carefully the documentation including all the written representations of the Respondent. In relation to Allegation (i), the Tribunal found dishonesty had been substantiated based on the tests set out in the case of Twinsectra v Yardley. The Tribunal accepted the submissions of the Applicant in this regard. It was clear on the face of the Respondent's first witness statement that it was prepared in response to an Order of the Court and the Respondent could have been in no doubt of the fact that it was intended to be put before the Court. He had signed it as true without any knowledge as to whether the facts stated therein were true or not. A solicitor is an officer of the Court. The Respondent as a solicitor must have known that it was wrong to sign as true a statement to the Court when he did not know and had taken no steps to find out whether it was true or not. That was a dishonest act.

178. In relation to the utilisation of the funds of Mr and Mrs R, the Tribunal had found Mr Briggs and Mr R to be credible witnesses. The test of dishonesty was, however, very high and given that another partner in the firm had some control over the matter the Tribunal did not feel that dishonesty had been substantiated to the high standard of proof required. The allegations relating to the matter of Mr and Mrs R had however been proved other than the matter of dishonesty and the Respondent had been reckless in the extreme in relation to that matter.

179. The Tribunal therefore found all the allegations substantiated, save that the Tribunal had found dishonesty in relation to Allegation (i) but not in relation to the matter of Mr and Mrs R.

180. Clients were entitled to expect the highest standards of integrity, probity and trustworthiness from members of the profession. A very large number of allegations, some serious and some minor, had been substantiated against the Respondent. Some of the allegations raised and particularly those involving the matter of Mr and Mrs R were at the higher end of the scale of concern to the extent that the Tribunal, even excluding its findings in relation to Allegation (i), were concerned about the Respondent's fitness to continue in practice. Further, the Tribunal had found Allegation (i) proved on the basis of the dishonesty alleged regarding the misleading of the Court which was misconduct of the most serious kind. The Tribunal, having regard to the need to protect the public and to maintain the reputation of the profession, did not think it right that the Respondent should be allowed to continue to practise as a solicitor.

181. The Tribunal Ordered that the Respondent, Raymond John Holland of 29 D'Arblay Street, London, W1F 8EP, solicitor, be Struck Off the Roll of Solicitors and they further Ordered 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 Investigation Accountant of The Law Society.

DATED this 29th day of April 2005
on behalf of the Tribunal

T Cullen
Chairman