

IN THE MATTER OF PETER MADU OBIDI, solicitor

- AND -

IN THE MATTER OF THE SOLICITORS ACT 1974

Mr R J C Potter (in the chair)
Mr S N Jones
Mrs V Murray-Chandra

Date of Hearing: 8th November 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 Katrina Elizabeth Wingfield, solicitor and partner in the firm of Penningtons Solicitors LLP, Bucklersbury House, 83 Cannon Street, London EC4N 8PE on 25th May 2005 that Peter Madu Obidi of Tower Bridge Road, London SE1, solicitor, might be required to answer the allegations contained in the statement which accompanied the application and that such order might be made as the Tribunal should think right.

The allegations were that the Respondent had been guilty of conduct unbefitting a solicitor, namely:

- (i) in that he was convicted, on 8th October 2004, of an offence of assisting another to retain or control benefit of criminal conduct, in the Crown Court at Southwark;
- (ii) that he practised without there being a Practising Certificate in place;
- (iii) that he misled The Law Society regarding the extent of his practice;
- (iv) that he breached the Solicitors Accounts Rules in that he failed (inter alia) to keep a client account or any books of account;

- (v) that he practised without indemnity insurance in breach of the Rules;
- (vi) that he failed to register the firm of Dunamis Solicitors with The Law Society;
- (vii) that he failed to honour an undertaking given as a solicitor.

The application was heard at the Court Room, 3rd Floor, Gate House, 1 Farringdon Street, London EC4M 7NS on 8th November 2005 when Katrina Elizabeth Wingfield appeared as the Applicant and the Respondent appeared in person.

The evidence before the Tribunal included the admissions of the Respondent.

At the conclusion of the hearing the Tribunal made the following order:-

The Tribunal Orders that the Respondent, Peter Madu Obidi of Tower Bridge Road, London, SE1, solicitor, be struck off the Roll of Solicitors and it further Orders that he do pay the costs of and incidental to this application and enquiry fixed in the sum of £3,500.18.

The facts are set out in paragraphs 1 to 35 hereunder:-

1. The Respondent, born in 1959, was admitted as a solicitor in 2000. In addition to being employed as an assistant solicitor with two firms from March 2000 to August 2004, the Respondent was recorded as being a partner with Winman Okri Solicitors in Manchester between March 2003 and August 2004 and with Hiace Solicitors between January and February 2004.
2. The Respondent was running his own unregistered practice from his home address between 2001 (September) and February 2005.
3. The Respondent was arrested at Chelsea Police Station in January 2004, following which, he was charged in connection with the receipt of the sum of £18,000 from Mr M.
4. The Respondent in his address to the Tribunal explained the events leading to his conviction and this explanation is recorded in paragraphs 5 to 23 below
5. The Respondent was a member of Grace Outreach Church and had been there for about four years. He had become a minister of the church.
6. The Respondent had met Mr I at church and a pastor had told him that the Respondent was a solicitor. Mr I subsequently approached the Respondent by telephone saying that he was involved in a particular business transaction for which he would need a solicitor. The Respondent agreed to assist if he could. At a later meeting Mr I explained that he raised money for charity projects around the world and needed a firm of solicitors to act as his agent.
7. At the time the Respondent was working for Douglas & Co Solicitors in Camberwell, South London. He spoke to his principal about Mr I's request. The principal was

travelling out of the country for some weeks. He said he would look into it upon his return.

8. Mr I considered that six weeks would be too long for him to wait. He asked why the Respondent could not act as an escrow agent himself. He explained that he could not as he was not a signatory to the client account.
9. A week or two later Mr I contacted the Respondent and said that he was running low on cash and asked if the Respondent could pay his hotel bill. The Respondent went to Mr I's hotel a day or two later after this conversation. He paid approximately £300 to Mr I's hotel by credit card. The Respondent also gave him £200 cash. It wasn't a loan. It was an act done in the Christian spirit of compassion and kindness.
10. A couple of days before this, Mr M had telephoned the Respondent out of the blue. He was unknown to the Respondent; but said that Mr I had given him the Respondent's number.
11. About a week later Mr I told the Respondent that he was meeting one of the potential beneficiaries, Mr M. He asked the Respondent to pay for the entertainment. The Respondent suggested a restaurant and agreed to pay as part of his Christian moral obligation to help a fellow Christian.
12. The Respondent went to the meeting on a purely social basis. The Respondent had not been aware of the details or nature of the transaction between Mr I and Mr M. He had assumed that Mr I was assisting Mr M in some type of finance, which he believed was for Mr M's church.
13. Mr M had taken out his cheque book and Mr I had told him to make the cheque payable to the Respondent. Mr I said that it was just to get the money cleared in order to enable him to do what he wanted to do, i.e. the transaction with Mr M.
14. Mr M wrote out the cheque in the sum of £18,000 payable to the Respondent and gave it to him.
15. It transpired that the Respondent and Mr M shared doubts about Mr I, and the Respondent said that Mr M should retain his cheque until the doubts they had were cleared up. Mr M told the Respondent to keep the cheque. The next day Mr I confirmed that he had discussed the matter with Mr M and the Respondent should bank the cheque. He did so on the following day.
16. Three days later Mr I asked if the Respondent could loan some money to him and also buy a plane ticket with his credit card. The Respondent booked a return ticket from South Africa to the UK and confirmed to Mr I that he had done so.
17. Mr I told the Respondent that he should check with his bank to see when the £18,000 cheque had cleared. At Mr I's request the Respondent lent him £300 in cash. This was followed by a further £300 loan.
18. About two days later the Respondent's cashpoint machine confirmed that the £18,000 cheque had cleared and this was confirmed by a telephone call to the Bank's head office. Mr I and the Respondent went together to a branch of the Respondent's bank

where the money was withdrawn by way of a £15,000 Bankers Draft and £3,000 in cash. Mr I agreed to leave £1,500 in the Respondent's account to cover the loans he had made.

19. The Respondent heard nothing further from Mr I or Mr M. At that point he had no reason to believe that Mr I had acted dishonestly.
20. Further meetings with Mr I, Mr M and others had taken place. Mr I appeared to indicate that he had been double crossed. The Respondent perused some documents supplied to him but could not make sense of them.
21. Mr M sought details of the Respondent's connection with Mr I, which he supplied.
22. The police attended the Respondent's home address. He was not present. They left a note and when he telephoned they asked him to attend Chelsea Police Station. On arrival, on 15th January 2004, the Respondent was arrested and taken into custody.
23. At Southwark Crown Court on 16th April 2004, Mr I pleaded guilty to the charge of conspiracy to defraud.
24. On 8th October 2004, the Respondent was tried and convicted of assisting another to retain or control benefit of criminal conduct, and was sentenced to six months imprisonment.
25. During January 2005 information was received from a member of the public suggesting that the Respondent was practising from a firm called Dunamis Solicitors at 17b Long Walk, London SE1 3QN. At that time the Respondent did not have a Practising Certificate, nor was any firm registered with The Law Society in the name of Dunamis Solicitors. By letter of 16th February 2005 The Law Society asked the Respondent for an explanation. He replied by letter dated 23rd February 2005 indicating that he had started preparatory arrangements towards setting up as a sole practitioner on April 2004. He stated that he had not "actually commenced practice" as Dunamis Solicitors, pointing out that 17b Long Walk was his home address.
26. A Law Society Forensic Investigation was commenced at 17b Long Walk on 25th February 2005. The Forensic Investigation Officer (the FIO) prepared a report dated 10th March 2005 which was before the Tribunal.
27. The FIO found the Respondent working from an office in his home. The FIO inspected some 29 client files from which he ascertained that the Respondent had been practising from that address since September 2001. He had signed an undertaking to Mr M dated 29th September 2001 with which the Respondent had not complied. The circumstances surrounding that particular "transaction" had led to the Respondent's conviction at Southwark Crown Court in October 2004.
28. The work undertaken by the Respondent on behalf of individual clients appeared to be principally in the field of immigration.
29. The Respondent accepted that monies received from clients had been paid into his personal account suggesting that he had received between £500 and £700. On inspection the sum received from clients was found to be approximately £1,850.

30. The Respondent told the FIO that there had been about 15 matters. The FIO reviewed 29 files.
31. When the FIO pointed out the discrepancies, the Respondent admitted that his initial statement had been incorrect. He accepted that he was not qualified to run Dunamis Solicitors as a sole practitioner from September 2001 but had done so. He also accepted that he would not get permission to register the firm with The Law Society at that time (February 2005). He had been admitted to the Roll only in March 2000.
32. The FIO discovered printed headed paper at the home of the Respondent of the firm Dunamis & Co. He found correspondence purporting to hold out the Respondent as a partner with a Mr Okri.
33. A Section 44B Notice dated 28th February 2005 was served by The Law Society in relation to the 29 files examined during the inspection. The Respondent handed over 8 files, stating that the balance had been retrieved by the clients.
34. A decision to intervene into the Respondent's practice and to refer the conduct of the Respondent to the Tribunal was made by The Law Society on 16th March 2005.
35. The Law Society wrote a letter to the Respondent regarding indemnity insurance on 21st April 2005 and a reminder was sent on 9th May 2005. No reply had been received. This matter was authorised for inclusion in the disciplinary proceedings on 18th May 2005.

The Submissions of the Applicant

36. In addition to the fact that the Respondent had been convicted of a criminal offence involving dishonesty, the Respondent had following his release from prison behaved in a dishonest manner by seeking to practise as a solicitor without holding a Practising Certificate and without having any of the regulatory requirements in place which could serve only to bring the solicitors' profession into disrepute.
37. The Tribunal was invited to have regard to the sentencing remarks of Ms Recorder J T Sullivan on 12th November 2004 and in particular when she said that the Respondent had been convicted by the jury of money laundering. The verdict reflected the fact that the jury was sure that by the time the Respondent paid in Mr M's money he knew or suspected that Mr I had obtained the £18,000 from Mr M criminally. The jury rejected his claim that he was naïve in trusting a fellow Christian. Mr M had spoken to the Respondent personally and had checked his Law Society registration. For those reasons he trusted the Respondent as a person to whom he could give his money. The undertaking which the Respondent signed was one which he was unable to give and it was signed on notepaper of a firm that did not even exist. The Respondent had only recently qualified as a solicitor in the UK but he had trained as a solicitor in Nigeria and was a man of 45 years of age. The Recorder took the view that he would have been well aware of his professional obligations. The learned Recorder went on to say that the time came when the Respondent knew or suspected that what he was doing was criminal and his involvement in transferring the money was made more culpable by his professional status.

38. The learned Recorder took into account the Respondent's previous good character, the effect that conviction would be bound to have upon his career as a solicitor and the effect also upon his family. The offence was so serious that only a custodial sentence could be passed.

The Submissions of the Respondent

39. The Respondent admitted the allegations although he said that he did not agree with all of the facts placed before the Tribunal.
40. The Respondent was born in Nigeria and came to the United Kingdom fourteen years ago. He specialised in immigration law and worked for Hiace Solicitors in Croydon.
41. The Respondent was married with four children.
42. The Respondent hoped that he might be permitted to continue to practise as a solicitor. He had considerable debt and enjoyed only a small income.

The Tribunal's Findings

43. The Tribunal found the allegations to have been substantiated.

The Tribunal's decision and its reasons

44. The Respondent, who is not a young man, appeared to have abdicated all responsibility as a member of the solicitors' profession. He acted at best with extraordinary foolishness in becoming involved in the matters of Mr M and Mr I. He appeared simply to have failed to exercise any judgment at all and, indeed, he accepted that he was naïve. The Tribunal considered that his actions could better be described as reckless.
45. The Respondent appeared to have no regard to the requirements of practice as a solicitor. He had undertaken work on behalf of clients in a firm in which he was the sole principal at a time when he had not been admitted as a solicitor for a sufficiently long period to qualify him to act as a sole principal. His firm had not been registered with The Law Society, he had not kept any books of account as required by the Solicitors Accounts Rules and he did not have any professional indemnity insurance in place. Further, he was seeking to practise without holding a current practising certificate.
46. The failure to comply with regulatory obligations was an extremely serious matter and in the light of the fact that the Respondent had been convicted of a criminal offence involving dishonesty the Tribunal concluded that to fulfil its duty to protect the public the appropriate and proportionate sanction to impose was that of a striking off order.
47. The Applicant sought the costs of and incidental to the application and enquiry. She invited the Tribunal to consider a schedule of costs handed up in which the costs to include VAT, The Law Society's internal costs and the FIO's costs totalled £3,500.18.

The Tribunal had regard to the Respondent's submission that he was impecunious. However the costs were fixed at an extremely reasonable level. In view of the Respondent's financial position there was no certainty that he would meet the costs and it was right that The Law Society should not be required to expend further time and expense in having their costs subjected to a detailed assessment. The Tribunal ordered the Respondent to pay the Applicant's costs in the fixed sum sought.

Dated this 20th day of December 2005
On behalf of the Tribunal

R J C Potter
Chairman