

IN THE MATTER OF CHRISTOPHER ELLIOT CLEAVER THOMAS, solicitor

- AND -

IN THE MATTER OF THE SOLICITORS ACT 1974

Mr D J Leverton (in the chair)
Mr L N Gilford
Mr S Howe

Date of Hearing: 27th May 2008

FINDINGS

of the Solicitors Disciplinary Tribunal
Constituted under the Solicitors Act 1974

An application was duly made on behalf of The Law Society on 12th July 2007 that Christopher Elliot Cleaver Thomas, a solicitor, of 3 Tower Road North, Heswall, Wirral, CH60 6RT may be required to answer the allegations contained in the statement that accompanies the application and that such Order may be made as the Tribunal shall think right and further that a direction be made by the Tribunal that the directions of The Law Society, relating to inadequate professional services, details of which are set out and referred to in the schedule attached to the statement that accompanies the application and made in respect of Christopher Elliot Cleaver Thomas, a solicitor, of Tower Road North, Heswall, Wirral, CH60 6RT be treated for the purposes of enforcement as if they were contained in an Order of the High Court.

The allegations made against the Respondent are that he has failed to operate the firm's client account properly in that he:-

1. Failed to account and/or delayed in accounting for monies held in the firm's client account and/or designated deposit accounts in breach of Rule 1(c) of the Solicitors' Practice Rules 1990;

2. Transferred money from client account to office account without submitting a bill to the client contrary to Rule 19 of the Solicitors' Accounts Rules 1998;
3. Failed to account for interest earned on monies in the client account contrary to Rules 24 and 25 of the Solicitors' Accounts Rules.

He failed to comply with Rule 15 of the Solicitors' Practice Rules 1990 and the Costs Information and Client Care Code in that he:-

1. Failed to operate a complaints handling procedure and/or failed to deal with complaints from clients in accordance with that procedure;
2. Failed to provide costs information and/or provided misleading information as to costs.

He shared or agreed to share his professional fees with another body or person contrary to Rule 7 of the Solicitors' Practice Rules 1990 and the Solicitors' Introduction and Referral Code.

He failed to account for commission earned on referring a client to a financial adviser contrary to Rule 10 of the Solicitors' Practice Rules.

He failed to adequately supervise fee earners whether qualified or unqualified in breach of Rule 13 of the Solicitors' Practice Rules 1990.

He failed to respond promptly and substantively and/or at all to correspondence from The Law Society in breach of Rule 1(d) of the Solicitors' Practice Rules 1990.

He is guilty of conduct unbecoming a solicitor in that he failed to heed The Law Society's warning cards and participated in transactions when he ought properly to have been concerned about issues of property fraud and/or money laundering.

He failed or delayed in honouring an undertaking and/or failed in informing the recipient of the undertaking of the reason for the delay, contrary to Rule 1 of Solicitors' Practice Rules 1990.

He operated a Bank account contrary to the Bills of Exchange Act 1882 and/or the Cheques Act 1992 in breach of Rule 1(a) of the Solicitors' Practice Rules 1990.

He provided inaccurate and/or misleading information on an application for authorisation to take trainee solicitors in breach of Rule 1(a) of the Solicitors' Practice Rules 1990.

He failed to comply with notices issued under Section 44(b) of the Solicitors Act 1974 requiring the production of files and documents in breach of Rules 1 and 16C of the Solicitors' Practice Rules 1990 and Rule 34 of the Solicitors' Accounts Rules.

He failed to comply with Adjudicators' decisions made in respect of inadequate professional services whereby the Respondent was directed to pay compensation to various complainants pursuant to Schedule 1A of the Solicitors Act 1974 (as amended).

He failed to comply with Rule 1 of the Solicitors' Practice Rules and is guilty of conduct unbefitting a solicitor in that he:-

1. Has compromised or impaired his independence as a solicitor;
2. Failed to act in the best interests of his clients;
3. Failed to provide a proper standard of work;
4. Has compromised or impaired the good repute of himself and/or the solicitors' profession.

The evidence before the Tribunal included the admission of the allegations and underlying facts by the Respondent.

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

That the Respondent, Christopher Elliot Cleaver Thomas of Brookfield Gardens, West Kirby, Wirral, solicitor, be suspended from practice as a solicitor for an indefinite period to commence on 27th day of May 2008 and it further Orders that he do pay the costs of and incidental to this application and enquiry, to be subject to a detailed assessment, to include the costs of the forensic accountant, if not agreed.

AND

The Tribunal further Orders that the adjudication awards listed in Schedule 2 of exhibit IGM1 of the Applicant's Rule 4(2) statement be treated for the purposes of enforcement as if they were Orders of the High Court.

The facts are set out in paragraphs 1 - 100 hereunder:-

1. The Respondent was admitted as a solicitor on 2nd July 1973 (his date of birth is 10th November 1945). His practising certificate was terminated on 18th January 2005.
2. These allegations arose as a result of the following:-
 1. The receipt of 24 individual complaints concerning the firm of Christopher Thomas & Co;
 2. An inspection undertaken by Mr Freeman on behalf of The Law Society Forensic Investigation Unit of the Respondent's firm on 7th January 2003. The results of the investigation are contained in a report (the First FI Report) dated 12th March 2003 which was before the Tribunal;
 3. A multiple complaints investigation undertaken by The Law Society and led by Mrs Featherstone. Pursuant to the investigation, visits were made to the offices of the Respondent's firm from 10th to 14th May 2004, 6th September to 10th October 2004 and from 9th to 11th November 2004.

4. An inspection undertaken by Mr Freeman on behalf of The Law Society Forensic Investigation Unit of the Respondent's firm on 31st October 2004. The results of the investigation are contained in a report (the Second FI Report) dated 5th January 2005.
5. The intervention into the remnants of the Respondent's firm on 22nd March 2005.
3. The Respondent commenced trading as Christopher Thomas & Co at Charing Cross, Birkenhead in 1982. The Respondent carried on the firm in partnership with Mr RB from 1985 to 30th April 2003. He then became the sole principal of Christopher Thomas & Co from 1st May 2003 and remained so until he ceased to practice on 7th January 2005.
4. There are two schedules attached to the statement. The First Schedule (Schedule 1) details all of the complaints which have been received by The Law Society and each of the forensic investigation reports that have been produced concerning the Respondent's firm. The Second Schedule (Schedule 2) lists details of the complaints which have subsequently been considered by an Adjudicator/Adjudication panel culminating in directions that the Respondent pay various sums to the complainants pursuant to Schedule 1A of the Solicitors Act 1974 (as amended) which sums have not been paid.
5. Twenty four individual complainants have contacted The Law Society about the service which they have received from the Respondent and/or his conduct. Two separate Forensic Investigation Reports have been prepared in respect of Christopher Thomas & Co and the firm has also been subject to an intervention.
6. There are vast amounts of supporting documentation. However Schedule 1 was produced in order to provide the Tribunal with details of each complaint and the circumstances of each alleged breach.
7. The allegation that the Respondent has failed to operate the firm's client account properly arises out of the following:-
 1. The intervention into the remnants of Christopher Thomas & Co on 22nd March 2005.
 2. The Second FI Report.
 3. Complaints received by The Law Society.
8. In relation to the allegation of failure to account and/or delay in accounting for monies held in the firm's client account and/or designated deposit accounts, a selection of ledgers with credit balances in client or designated deposit accounts were examined during an inspection visit which commenced on 10th May 2004. The sample taken indicated that there were several instances where sums of client money remained in client or designated deposit accounts which appeared to relate to matters that were inactive or dormant. It was not possible to quantify the total sum of client monies so held but The Law Society considered that it may have exceeded £100,000.00.

9. At a later inspection visit, which commenced on 6th September 2004, a further number of ledgers and files were selected and examined and this revealed that there were instances where client money was being held in client or designated deposit accounts on matters which were inactive or dormant and had been so for lengthy periods of time. The file of Mr DD (deceased) demonstrates this allegation. Mr D died in 1995 and at the date of his death was indebted to National Westminster Bank in the sum of £12,645.79. By letter dated 23rd October 1995 Christopher Thomas & Co informed Mr RTD that "the monies available to the bank at present are £10,800.42 which sum has been placed on deposit, and which sum plus any interest the bank will have to accept the [sic] full and final settlement. The bank have not been in contact with me since a letter dated 11 October 1994 (dated 1993 in error) which was in reply to a letter I wrote to them on 29th July 1994. I do not, however, propose writing to the bank in the hope that they will "forget" about the monies due to them. If the bank do not press for payment, then, after six years the debt becomes statute barred, that is they will lose their right to payment, and the money can be distributed together with the accrued interest".
10. In accordance with the Respondent's letter referred to above, the bank's claim would have become statute barred in 2000 and the money held in the designated deposit account should then have been distributed in line with Mr D's Will. However, this money was not distributed to those who were properly entitled to it and as at 12th May 2004, some four years later, the client ledger printed by Christopher Thomas & Co showed the original sum of £10,800.42 plus £880.90 accrued interest held by the Respondent in a designated deposit account.
11. An example of the allegation relating to transferring money from client account to office account without submitting a bill to the client comes from a complaint by Mr IS and Mrs JS.
12. Cheryl Lewis & Co, a firm of solicitors, made a complaint to The Law Society on behalf of Mr IS and Mrs JS about the Respondent's firm on 5th March 2003. The complaint concerned the firm's failure to submit a bill to its clients before transferring the money owed from client to office account.
13. From November 1999, Christopher Thomas & Co acted for NS in relation to the sale of his property. Mr NS died intestate whilst the sale was still progressing. He was survived by his father, his brother Mr IS, his two minor children and his ex wife Mrs JS. Mr IS subsequently instructed the Respondent and Mrs JS instructed Cheryl Lewis & Co in respect of the administration of the estate.
14. Upon the advice of the Respondent, Mr IS asked Christopher Thomas & Co to arrange for a tenancy to be granted to Mr G, the prospective buyer of the property until the grant of representation was obtained and the sale could proceed.
15. Between February and August 2001, Christopher Thomas & Co received the sum of £2,000.00 directly from Mr G in rent payments for the property. On 1st August 2001, Halsalls, the solicitors acting for Mr G advised the Respondent that rent would, in future, be paid into a suspense account rather than to them. Subsequently, on 31st August 2001, Christopher Thomas & Co raised a bill, addressed to the executors of

NS (Mr I and Mrs JS) for £1,975.00 and £12.00 disbursements. The bill was made out to the "Executors of NPS deceased" but there was no address given for the executors and there was nothing on the file, such as a covering letter, to suggest that the bill, or other written notification of costs, was delivered to Mr IS or Mrs JS or to Cheryl Lewis & Co.

16. On 31st August 2001, the same day on which the bill was raised, the sum of £2,004.40 was transferred by Christopher Thomas & Co from the client account to the office account, largely out of the rent received by them, in part payment of the bill.
17. The bill numbered 006207 on the Respondent's file for NS is for a total of £2,333.63 including VAT and disbursements of £12.00 for Office Copy Entries. Christopher Thomas & Co have provided a copy of their ledger relating to the property and the bill for £2333.63 appears on the ledger on 31st August 2001 and shows that on the same date the sum of £2004.40 was transferred from client account to office account. The details section of the chit relating to the transfer from client to office states "Part bill" and is initialled "CT". The ledger also shows that the sum of £2004.40 transferred from client to office account was made up of £2.00 being the balance of money paid on account by NS, £2000.00 for rent, received from Mr G and £2.40 interest.
18. Cheryl Lewis & Co stated that "we have on several occasions asked them [Christopher Thomas & Co] to provide us with a breakdown of their account which they have failed to do".
19. An example of the allegation of failure to account for interest earned on monies in client account arises from the matter of Mr C. This was a litigation that commenced in 1992. Christopher Thomas & Co represented Mr C. The matter had primarily been conducted by a former partner in the firm, Mr RB. Mr C had had the benefit of legal aid funding and he had been awarded damages of £59,272.88 which had been received by the firm in two instalments on 8th August 1995 and 1 June 1997. Schedules on Mr C's files indicate that costs on the matter amounted to £134,690.40 and The Legal Services Commission ("The LSC") had put in place a Statutory Charge to recoup any funds recovered on behalf of Mr C.
20. Mr RB left the firm on 30th April 2003. Despite the fact that the funds were received in 1995 and 1997 and were placed in a designated deposit account ("DDA"), they were not paid out to The LSC until 29th July 2004. During the period that the damages had been in the DDA, the account had been credited with interest and on 6th September 2004, interest amounting to £12,581.00 was transferred from the DDA to the firm's office bank account where it has been treated as interest attributable to the firm.
21. The Respondent, by transferring the interest accrual to the firm's own office bank account, has failed to account for interest earned on monies held in client account contrary to Rules 24 and 25 of the Solicitors' Accounts Rules 1998.
22. The allegations relating to failure to operate a complaints handling procedure and/or failing to deal with complaints from clients in accordance with that procedure and failing to provide costs information and/or providing misleading information as to costs, arise out of various complaints that have been made to The Law Society about

the Respondent's failure to provide adequate information either as to costs or as to the complaints handling procedure within the firm. In addition a number of complaints which were received have alleged a complete absence of a complaints handling procedure.

23. The complaint of Mr TJ and Ms TJ made to The Law Society on 3rd February 2003 relates to their dissatisfaction with the service they received from the firm in connection with their purchase of a property. They had written a letter of complaint to the Respondent on 4th January 2003.
24. The Respondent did not respond to Mr and Ms J's letter of complaint until 6th and 7th February 2003 and his replies were sent in error to their former address. Neither the letter of 6th or 7th February 2003 contained an acknowledgement of, or an apology for, the dissatisfaction expressed by Ms J about the service received from Christopher Thomas & Co.
25. There is no evidence on the file to demonstrate that the complaint was investigated promptly or at all. A similar complaint was received by a Mr A who complained to The Law Society by way of a letter and complaint form on 26th February 2003. Mr A had previously complained to Christopher Thomas & Co on 31st October 2002. He wrote again on 17th December 2002 and 3rd January 2003. He asked for a copy of the firm's written complaints procedures and the name of the person with responsibility for dealing with complaints. There is nothing on the file to indicate that the Respondent replied and Mr A states that he received no reply to any of his letters.
26. Mr A complained again by way of a complaint resolution form dated 27th January 2003. When he received no response again he sent the Respondent a reminder dated 12th February 2003. No response was received.
27. There are examples of complaints by Ms GM, Mr JS and AD to illustrate the failure to provide costs information and/or to provide misleading information as to costs.
28. Ms GM instructed Christopher Thomas & Co to act in connection with the estate of her father on 18th December 2002. She complained about the service she had received on 26th November 2003. Within her complaint form, Ms M states "I have not been given an indication as how costs are accumulating". The solicitor's ledger shows "Total Time Value" of £2,506.00 was incurred between 7th January 2003 and 24th July 2003. There is no evidence that any bills had been raised or delivered to Ms M by Christopher Thomas & Co.
29. The solicitor's file reveals that by letter dated 18th December 2002, the Respondent informed Ms M "we are not able to give an estimate of our likely costs at this stage as we do not have any details of the number and value of the assets comprising the estate. When we are in a position to do so we shall endeavour to let you have a realistic estimate". There is however nothing on the file to suggest that such an estimate was ever provided and therefore the Respondent failed to provide adequate costs information in accordance with Rule 15 and the Costs Information and Client Care Code.

30. Mr and Mrs S instructed Christopher Thomas & Co to act in connection with a sale and purchase. As a result of his dissatisfaction with the service and/or conduct of the Respondent, Mr S wrote a letter of complaint to Christopher Thomas & Co on 7th September 2002. Mr S received no substantive response and therefore on 15th February 2003, Mr S complained to The Law Society.
31. Mr and Mrs S had confirmed that they wished Christopher Thomas & Co to act for them by completing a standard form document dated 19th May 2002 which stated "please also take this letter as our acceptance of the 'fixed price' provided on 17/05/02 by your agents Central Legal Conveyancing". No evidence of the "fixed price" quotation could be found on the file.
32. Christopher Thomas & Co, in their two client care letters dated 22nd May 2002 (purchase and sale) referred to an estimate of their costs in connection with the sale of "approximately £241.83 inclusive of VAT and disbursements" and in connection with the purchase of "approximately £253.53 inclusive of VAT and disbursements".
33. Christopher Thomas & Co provided a breakdown of purchase costs, VAT and disbursements along with the purchase client care letter. The client care letters made no reference to any monies payable to Central Legal & Conveyancing and no breakdown of the sales costs was provided. Mr and Mr S received no indication as to the amount of disbursements payable on the sale.
34. The "Statement of Account - Sale" dated 14th November 2002 which was prepared but not sent showed:-
- | | |
|----------------------------------|-----------------------|
| Christopher Thomas & Co | £164.00 |
| VAT on fees | 28.70 |
| Office Copy Entries | 8.00 |
| Central Legal & Conveyancing | 70.50 |
| Copy Planning Consent & Building | 20.77 |
| Regulation Approval | |
| <u>Total</u> | <u>£291.97</u> |

Mr and Mrs S were provided with no explanation for the variation from the fixed fee/estimate and as such the Respondent has provided misleading or alternatively inadequate information as to costs.

35. Another of the costs examples is the matter of AD who wrote to The Law Society on 18th January 2005 to complain on behalf of her husband M and his sister, SD. There is nothing in the Respondent's file relating to the estate of AD to suggest the Respondent provided any information whatsoever as to client care of costs to SD, PD or the other executrix, JH. There is no copy in the file of the terms and conditions of business of the firm and there is no copy in the file of any client care letter. The only letter written following receipt of instructions from SD and her mother is that dated 26th October 2000 from the Respondent to PD which makes no reference to the costs of the legal services that the firm was to provide or to the name and status of the person who was to deal with the matter.

36. The allegation relating to sharing or agreeing to share his professional fees with another body or person arises from the First FI Report dated 12th March 2003. Rule 7 of the Solicitors' Practice Rules 1990 states that a solicitor shall not share or agree to share his or her professional fees with any person so as to maintain the independence and integrity of the solicitors' profession.
37. The investigator discovered that during 2002, the Respondent entered into a verbal agreement with an organisation known as Central Legal and Conveyancing ("Central") whereby Central would introduce clients requiring conveyancing services to Christopher Thomas & Co.
38. Central have introduced clients, with whom it had agreed a fixed conveyancing fee, by forwarding details of the clients and their proposed transactions to Christopher Thomas & Co.
39. The information received from Central was reproduced on to a "Conveyancing Information Form" ("CIF") which was sent to the client together with a client care letter with a request that it be corrected and completed and returned to the firm.
40. Attached to the client care letter was a schedule of costs and disbursements. This schedule typically included an amount described as "Legal Fees" in the sum of £235.00 plus VAT in respect of a purchase or £199.00 plus VAT in respect of a sale.
41. On completion of a matter Christopher Thomas & Co raised a bill for a lesser amount than that quoted in the client care letter typically £180.00 plus VAT in respect of a purchase and £150 plus VAT in respect of a sale.
42. The difference between the amount quoted and the amount billed was paid to Central who raised monthly invoices which described the charge as relating to "administration and Marketing support".
43. In addition to the above payments to Central, Christopher Thomas & Co have paid further sums dependent upon the number of completions each month. These charges are described on Central's invoices as "turnover allowance".
44. The amount of turnover allowance per transaction has varied from zero to £180.00 and totalled £3,498.00 plus VAT from the inception of the scheme to 30th November 2002.
45. These payments to Central amount to fee sharing since Central's fees were recouped directly from the client and as such, are contrary to Rule 7 of the Solicitors' Practice Rules 1990.
46. At the inspection on 7th January 2003, The Inspector, Mr Freeman, also identified that litigation matters had been introduced to the firm by an organisation called Industrial Disease Compensation Ltd ("IDC") operating under the name of "Freeclaim IDC".
47. The Respondent confirmed to Mr Freeman that IDC would make the initial contact with potential clients and then would subsequently discuss the strength of the potential client's claim with a member of Christopher Thomas & Co. It was then

decided, if the client's claim was sufficiently well founded, to enter into a Conditional Fee Agreement ("CFA").

48. If the client entered into a CFA, then IDC would arrange for the client to enter into an "after the event" insurance policy and apply for a funding loan.
49. Following the commencement of each matter an invoice was received from IDC addressed to the "Accounts Department c/o Christopher Thomas & Co" in respect of "Clerking Services for Freeclaim Clients". The invoices vary in amount between £75 plus VAT and £200 plus VAT.
50. The Respondent's firm paid these amounts to Freeclaim either by claiming them as disbursements from an insurance policy for which the client had paid, or from the firm's own profit costs. As such, the payments amount to fee sharing since they were recouped one way or another from the client.
51. The allegation relating to a failure to account for commission arises out of a complaint made to The Law Society by Mr MD on 17th March 2004.
52. JWD died on 27th August 2001 appointing the Respondent and Mr RB as executors and trustees. The deceased's Will was apparently straightforward providing for two charitable donations and leaving the residuary estate to the deceased's brother, Mr MD.
53. The Respondent wrote to Mr D on behalf of the firm with an update on the administration of the estate and an interim distribution by letter dated 8th December 2001. In the same letter, the Respondent advised Mr D to consider an investment strategy for the money he was due to receive from the estate and recommended two firms of independent financial advisers.
54. It appears that Mr D, on the Respondent's advice contacted The C Partnership, one of the two independent financial advisers recommended by the firm since on 8th March 2003 The C Partnership wrote to the firm confirming that they had been instructed by Mr D to invest £20,000.00 on his behalf and within that letter also confirmed that a commission payment of £125.00 would be paid to the firm.
55. There is no evidence on the file to suggest that Mr D was ever made aware of the commission received by the firm or indeed of the firm's obligation to account to the estate for any commissions received in excess of £20.00. The firm did not account for this amount in the estate accounts produced in December 2003 or apparently at any time since.
56. When making introductions or referrals, a solicitor must do nothing which could be likely to compromise or impair, inter alia, the solicitor's independence or integrity or the solicitor's duty to act in the best interests of his or her client. By recommending an independent financial adviser and then receiving and failing to account for commission in excess of £20.00 earned on such a referral, the Respondent is in breach of the Solicitors' Introduction and Referral Code 1990.

57. In relation to the allegation of a failure to adequately supervise fee earners, a number of complaints were made to The Law Society that highlighted the absence of a comprehensive system within Christopher Thomas & Co to ensure the proper supervision of work.
58. A locum solicitor, Mr F, advised that when he arrived at the firm on 1st September 2003, the Respondent explained that he was a sole practitioner and that he was about to depart on holiday. Mr F states that he was given a half an hour introduction to the computer system and no other induction, although it was made clear to him that he would have no secretarial support and all the conveyancing was done on a computer case management system.
59. Mr F was employed from 1st September 2003 until 12th September 2003. He advised that he last saw the Respondent at the end of Tuesday 2nd September 2003 and although he had completed two full days' work, Mr F explained that he had not had to deal with the full caseload. He stated that he did not know when the Respondent went on holiday and that he did not speak to him again.
60. The Respondent failed to ensure that Mr F was provided with an adequate induction in order to enable him to carry out the required work and, in addition, failed to ensure that his staff was properly supervised during his absence. The Respondent, when asked, was unable to provide documentary evidence in relation to the systems which were in place at Christopher Thomas & Co to supervise work.
61. The allegation in relation to failure to respond promptly and substantively and/or at all to correspondence from The Law Society had arisen pursuant to various complaints made to The Law Society concerning Christopher Thomas & Co. The Law Society's investigations have highlighted the Respondent's disregard for the seriousness of these complaints. The Respondent has consistently failed, on multiple occasions, to reply to correspondence from The Law Society.
62. Ms F and Mr G wrote to The Law Society on 3rd December 2002 alleging that the Respondent had refused to complete on their purchase until the firm's fees had been discharged in full. The matter was initially referred to a Local Conciliation Officer on 18th December 2002 but the Respondent did not respond to their enquiries. The matter was therefore referred back to The Law Society on 20th March 2003 and allocated to a case worker in July 2003.
63. A formal letter of complaint was sent to the Respondent on 3rd July 2003 but no response was received therefore a chasing letter was sent on 23rd July 2003. A fax was then received from the solicitors on 28th July 2003 requesting an extension of time to 11th August 2003 to respond. This was agreed and confirmed to the solicitors in writing in a letter dated 30th July 2003.
64. No response was received by 11th August 2003 therefore the case worker tried to telephone the Respondent but was forced to leave a message. The call was not returned and no response received, therefore a Statutory Notice was sent to the Respondent on 13th August 2003. The Respondent once again failed to reply and a Section 44B Notice was sent on 4th September 2003. The Respondent replied on 8th September 2003 requesting an extension of time until 19th September 2003. The

caseworker agreed to the requested extension of time for responding to the allegations, but requested that the actual file be received by 11th September 2003. The file was received on 10th September 2003 but no other response has been forthcoming from the Respondent.

65. A further case of failure to respond to correspondence related to Ms GM. Ms GM instructed the Respondent on 18th December 2002 to act in connection with the estate of her father, Mr LR who died on 14th December 2002.
66. On 26th November 2003, Ms GM wrote to the Respondent to complain about the service that she had received from the firm since she had not been kept fully informed of how the matter was progressing. In fact, she had not heard from the firm since their last letter to her dated 21st July 2003. Ms GM did not receive a satisfactory response and on 1st February 2004 instructed other solicitors to act for her.
67. Ms GM wrote to The Law Society complaining about the Respondent's firm on 13th January 2004. This was received on 27th January 2004. The caseworker contacted the Respondent for the first time on 4th March 2004. The office wrote again to the Respondent on 18th March 2004 but he did not reply therefore another letter was sent on 15th April 2004.
68. On 16th April 2004, Christopher Thomas wrote to The Law Society requesting an extension of time in which to reply and stated "Mr Thomas is on holiday until 26th April...". The extension of time was granted. When nothing further had been heard from the Respondent, the caseworker called him on 28th April 2004 and was informed by the Respondent that he was working his way through his reply. The caseworker spoke to the Respondent again on 30th April 2004 when he stated that having been away on holiday he was "playing catch up". The Law Society had still not heard from the Respondent by 7th July 2004 and therefore wrote to him again but he failed to reply or provide any explanation regarding the complaint.
69. The allegations in relation to failure to heed The Law Society's warning cards on money laundering and property fraud arise out of the Second FI Report and from a complaint made by Paul Crowley & Co Solicitors on 5th February 2004 concerning the service and conduct of the Respondent.
70. The Respondent confirmed that he had acted on behalf of a Mr T in connection with the payment of £30,000.00 to a third party and the removal of a charge on a property owned by Mr T.
71. In order to put the Respondent in funds and enable him to pay £30,000.00 on Mr T's behalf, two sums of £4,000.00 and £26,000.00 were received on 20th November 2003. The relevant account in the client ledger records that these sums were received by way of the client depositing cash directly into the firm's client bank account. On the same date, the Respondent transferred the funds to another firm of solicitors to enable the charge on the property to be removed.
72. Upon examining the client file for this matter, Mr Freeman, the Investigator found no indication that the Respondent had performed an identity check on Mr T. During the inspection, the Respondent did not produce any evidence to show that a check had

been performed but said that he thought he had performed one and that he would find it and forward it on to Mr Freeman. As at the date of the Second FI Report, no such evidence had been received.

73. In a similar case the Respondent acted on behalf of SS Limited in connection with a purchase of property which completed on 26th March 2004 at a price of £165,000.00. The Respondent advised that Mr T was a director of SS Limited.
74. In order to put the Respondent in funds and enable him to pay the deposit of £31,958.87 on 25th February 2004 to the vendor's solicitors, he received £32,000.00 from Mr T on that same date. The relevant account in the client ledger records that these funds were received by way of Mr T depositing cash directly into Christopher Thomas & Co's client bank account.
75. The Respondent advised that whilst he believed that Mr T, together with a Mr A, were the directors of SS Ltd, he had not performed a company search in order to verify this. It was subsequently established that the Respondent's belief was correct.
76. In a further case the Respondent acted on behalf of Miss D in connection with several properties during 2003 and 2004 and in each case correspondence on the files indicated that Miss D had paid the purchase price, in cash, directly into the vendors' solicitors' client bank accounts. When questioned, the Respondent advised that he had no way of knowing if the payments had been made in the form of cash as they were made to other solicitors.
77. Miss D had instructed the Respondent in connection with a purchase of a property at a price of £60,000.00. Miss D had bought the property at an auction and had paid a deposit of £6,000.00 leaving a balance due to the vendors of £54,000.00. The Respondent completed the purchase on Miss D's behalf on 23rd November 2004.
78. The Respondent confirmed that on this occasion, Miss D had been unable to pay the purchase consideration direct to the vendor's solicitors because they had refused to accept the £54,000.00 in cash and had written to the Respondent on 22nd November 2004 stating "We understand from our bank that your client attempted to pay £54,000.00 cash directly into our account. We had to stop this for obvious money laundering regulations".
79. The relevant account in the client ledger records that on 22nd November, £54,000.00 was deposited directly into the Respondent's bank account in the form of cash. This is supported by an attendance note dated 22nd November 2004, initialled "CT" and headed "Miss SD", which states "She confirmed that she had paid this money in cash"
80. It was noted from observation of all the files relating to Miss D provided by the Respondent that there was no evidence of any identity checks having been carried out.
81. The allegation in relation to failure to heed The Law Society's Warning Cards on property fraud was identified in relation to a purchase by a Mrs W. By a faxed letter dated 29th May 2003, under the Respondent's reference, the firm wrote to PC & Co solicitors indicating that they understood that PC & Co were instructed by a Mr GW in connection with the purchase of the property at a price of £97,500.00. The letter

stated that "We understand that your client is to pay £8,500.00 directly to Mr H on behalf of the seller."

82. The next item on the file is a copy letter dated 20th June 2003 from Christopher Thomas & Co to PC & Co sending out the draft contract and other supporting documentation and referring to PC & Co's client as "LB" By a letter dated 23rd June 2003, PC & Co wrote to Christopher Thomas & Co and acknowledged receipt of the letter and contents. In that letter, they also described their client as "B".
83. The next item on the file was a copy letter from the Respondent to Mrs W dated 13th July 2003, which indicated that he anticipated that they would be completing in the next day or so. The Respondent stated that "As I believe you are aware, although the purchase price is stated to be £105,000, JH has already received £8,500.00 in cash which has been paid into the bank and there is in effect a seller's "gift" of £7,500.00 to enable the buyer to obtain the funding she required. This will obviously be relevant so far as tax is concerned. The balance payable on completion is £89,000.00".
84. There is a copy credit account slip showing receipt into the client account of £89,088.13 received from PC & Co dated 17th July 2003 described as "balance being a wired transfer". An undated statement of account addressed to Mrs W shows a deduction from the sale price of £105,000.00 "Paid by Buyer Direct £16,000.00". The copy credit client account slip has been initialled "CT". There is also a slip which has not been initialled being a copy debit account slip showing £88,250.24 payable to JJHD Limited sent by wired transfer to Lloyds TSB Bank plc with a sort code and account number. There is no explanation on the file for this.
85. The file was obtained from Christopher Thomas & Co pursuant to Section 44B of the Solicitors Act 1974. Christopher Thomas & Co's sale file has been examined and shows that there are no records of any telephone conversations save for a handwritten note. There is no draft or signed contract on the file. The documents, apart from the correspondence, comprise of a copy of a 94B search by PC & Co dated 17th October 2002 which shows the proprietors as N and NMW, a death certificate of NW and planning permission granted to JJHD in October 2001. No contract, office copy entries, transfer, replies to standard preliminary enquiries or replies to requisitions on title were found on the file.
86. The allegation of failure or delay in honouring an undertaking arises out of various complaints received by The Law Society.
87. W&L acted for Mr O and Ms M in connection with their purchase from the Respondent's client, Dr G. The sale completed on 5th September 2005.
88. In response to the Requisitions on Title provided by W&L, the Respondent listed at question 3.2 the documents that would be handed over to the buyer's solicitors on completion of the sale. Within that list, the Respondent stated "Land/Charge Certificate, Transfer". In answer to question 4.2, the Respondent confirmed that he would be adopting The Law Society's code for completion by post. The Respondent should have been aware that a reply to a requisition on title may amount to an undertaking.

89. W&L allege that the Respondent failed to inform them that he was not holding a Transfer signed by Dr G and that he did not, immediately upon completion, send them the title deeds as per the undertaking given in the reply to the Requisitions on Title. W&L have further alleged that it was only after they wrote to the Respondent on 15th and 23rd September 2003 that they received a letter from the Respondent enclosing a "copy Transfer". W&L wrote again to the Respondent on 1st and 20th October 2003 but received no reply. The original Transfer Deed was finally sent to W&L on 16th November 2003, some 10 weeks after completion, therefore the Respondent delayed in honouring his undertaking and failed to inform the recipient of that undertaking, W&L of the reason for that delay.
90. The allegation relating to the operation of a Bank account contrary to the Bills of Exchange Act 1882 and/or the Cheques Act 1992 arose from investigations by Mrs Featherstone, the allocated caseworker. During one of her visits, she discovered that the Respondent had been operating a bank account called the "RTA account" which allowed for cheques payable to third parties to be paid into an account in the name of Christopher Thomas & Co. This account was used by the firm when cheques payable to clients were received, usually in personal injury cases from insurance companies. Such cheques were routinely crossed "Account Payee".
91. Pursuant to Section 81A of the Bills of Exchange Act 1882 (as inserted by Section 1A of the Cheques Act 1992), any cheque crossed "Account Payee" is not transferable but is only valid as between the parties to it.
92. In the cases noted by the Investigator however, the cheques, representing the client damages and sent to Christopher Thomas & Co in the client's name, were paid into the RTA account in breach of Bills of Exchange Act 1882 as amended by the Cheques Act 1992.
93. The allegation relating to providing inaccurate and/or misleading information on an application for authorisation to take trainee solicitors arose when it was discovered that on 23rd September 2004, the Respondent had submitted a signed Application for Authorisation to Take Trainee Solicitors ("Form TC4"). By ticking boxes 8 and 10 on the form, the Respondent had indicated that there were no matters pending which might result in conditions being imposed upon his practising certificate or a referral to the Solicitors Disciplinary Tribunal ("SDT").
94. At the time when the Respondent completed that Form TC4, he was aware or should have been aware that his answers to boxes 8 and 10 were inaccurate or misleading since on 29th July 2003, 15th March 2004 and 22nd July 2004, his conduct had been referred to the SDT. The Respondent was aware of this. In addition, between 3rd February 2004 and 7th October 2004, five decisions to vest a discretion in The Law Society under Section 12(1)(e) of the Solicitors Act 1974 with respect to the issue of the Respondent's next practising certificate were made. The Respondent was informed in writing of each referral and each vesting.
95. The allegation in relation to the failure to comply with Notices issued under Section 44B of the Solicitors' Act 1974 arose in the matters of clients B, H, JS and S. On 9th November 2004, the office manager at Christopher Thomas & Co informed The Law

Society that the files for client B and part of the file for client H had been found and these were produced.

96. The files and documents for JS, S and part of the file relating to H were not produced as required, therefore the Respondent failed to comply with the Section 44B Notice in those respects.
97. The matters of clients B, H and S are also matters to which client monies were shown to be held by Christopher Thomas & Co on the client matter listing dated 22nd March 2005, in the sums of £1,196.38, £9,273.22 and £2,566.34 respectively.
98. The allegations relating to failure to comply with Adjudicators' decisions made in respect of Inadequate Professional Services arise following a number of complaints made to The Law Society by various clients of Christopher Thomas & Co about the Respondent's firm in relation to its handling of their matters. The Law Society has investigated a number of these complaints which have subsequently been considered by an Adjudicator/Adjudication panel culminating in directions that the Respondent pay various sums to the complainants, which sums have not been paid.
99. Details of the current decisions which are put before the Solicitors Disciplinary Tribunal for consideration are set out in Schedule 2 "Outstanding IPS awards."
100. The final allegation, failure to comply with Rule 1 Solicitors' Practice Rules 1990 arises as a result of the fact that twenty four separate complaints have been made against Christopher Thomas & Co. In addition, two Forensic Investigation Reports and one Intervention Report had been prepared in respect of the firm. Of the twenty four complaints, thirteen of those expressly refer to a breach of Rule 1 of the Solicitors' Practice Rules.

The Submissions of the Applicant

101. The Applicant submitted that by virtue of the very nature of the allegations referred to and their supporting evidence, the Respondent has acted in breach of Rule 1(a) (c) (d) and (e) of the Solicitors Practice Rules.
102. The Applicant said that the Respondent accepted the allegations and the underlying facts. The Respondent's practising certificate was terminated in January 2005 and the Respondent has indicated that he had no future intention to practice as a solicitor although his name does remain on the Roll. The Applicant explained that he had considered ten box files provided by the Solicitors Regulation Authority together with twenty four complaints and two Forensic Investigation Reports prepared in respect of Christopher Thomas & Co. The firm has also been subject to an intervention. The Applicant referred to the vast amounts of supporting documentation contained in the ten box files and explained that rather than exhibit copies of all the relevant documents, Schedule 1 had been produced in order to provide the Tribunal with details of each complaint and the circumstances of each alleged breach.
103. The Applicant submitted that whilst some (although not all) of the matters may be seen in isolation as being relatively minor, the overall picture was that of a solicitor who, in a number of different aspects of practice and on a number of occasions, fell

short of the standard expected of him. Such conduct raised issues as to the safeguarding of the public interest and the reputation of the profession. The Applicant stressed that the failure on the part of the Respondent to carry out his professional obligations had resulted in a vast amount of work for The Law Society and the Solicitors Regulation Authority. The Applicant confirmed that to date there had been no claims on the compensation fund and neither were there any allegations of dishonesty. The Applicant took the Tribunal through the allegations in the Section 4 statement. The Applicant also asked for costs of the application referring the Tribunal to the case of *Merrick v The Law Society* 2007 EWHC 2997 (Admin). The Applicant referred the Tribunal particularly to paragraphs 60 - 66 of the Judgment relating to the necessity of assessing the Respondent's ability to pay any order for costs.

The Submissions and Mitigation of the Respondent

104. The Respondent admitted the allegations and the underlying facts.
105. The Respondent provided details of his career history and explained that in 1982 he opened his own practice in which from 1985 to 2003 Mr B was an equity partner.
106. The Respondent stated that many years ago, as a result of an accounting error, he had been subject to a small fine by the Solicitors Disciplinary Tribunal.
107. He further stated that his firm had a franchise in both crime and welfare benefits from the Legal Services Commission and had been told that they had the best business plan seen by their Liaison Manager. Subsequently, there were difficulties with Mr B and he moved to operating as an employee rather than equity partner and left at the end of April 2003. The Respondent discovered limitation issues on some of the firm's cases, the firm's indemnity insurance increased dramatically and the firm came under further financial strain in that, as a result of staff leaving, it was necessary to close the criminal department.
108. Although in 2002 there had been increased conveyancing work, the departure of Mr B in 2003 resulted in an increased workload for the Respondent and also there were staff absences due to stress. The Respondent explained that both the Family and PI departments were not subject to the same pressures. The Respondent further explained that for some considerable time he was working for seven days a week for 13 to 14 hours each day. As a result of this, he lost sight of the need to deal with both complaints and correspondence from The Law Society.
109. By 2004, the Respondent stated that he was both physically and mentally exhausted and close to a complete breakdown. He was not able to deal properly with the accounting issues but subsequently he did recover and was able to assist the intervener. Although he took responsibility for the firm's procedures, he stressed that he was not involved in any dishonesty. He apologised for his actions and stressed that he did not seek to defend them but asked the Tribunal to take his circumstances into account.
110. As to the fee sharing, he had believed that he was acting in accordance with the relevant code. In relation to the difficulties of the locum Mr F, the Respondent stressed that he had asked Mr F to start several days before he went away, that all fee

earners produced their own work and had no difficulties with the conveyancing case management system. The Respondent recalled talking through a difficult matter with Mr F and stressed that he did keep in touch with his firm while he was on holiday, by telephone.

111. In relation to the allegations of money laundering, while not disputing the facts, the Respondent stressed that Mr T was an existing client and that he, the Respondent, was informed by his cashier that there were cleared funds and that it was not his practice to check the ledger in those circumstances.
112. In relation to the issue of undertakings, the Respondent accepted that he should not have accounted until in possession of the Transfer.
113. In relation to the third party cheques, the Respondent stressed that the RTA account was used only in exceptional circumstances but that he could not remember exactly why it was used.
114. In relation to the application for authorisation, the Respondent stressed that the form had been completed not by him but by the trainee. However, he admitted that he had failed to check the form.
115. The Respondent admitted to the Tribunal that he had let down both himself and the profession but asked the Tribunal to take into account both his age (62 years) and the fact that he did not intend to apply for a practicing certificate. He stressed that if he ever sought to return to the profession it would be as an employee only.

Submissions as to costs

116. The Applicant applied for costs. He explained that his costs were in the region of £40,000.00 (a schedule of costs was submitted). Costs included the two forensic reports and the costs of investigating the 10 boxes of evidence. The Applicant again referred the Tribunal to the case of Merrick v The Law Society. The Tribunal considered the case and consequently examined the financial position of the Respondent.
117. The Respondent explained that given his present circumstances, it would be very difficult for him to pay costs at the present time. He explained that he was not working but that there was an opportunity for him to act, in the future, as a consultant to a claims management company. Other than that he had a small pension.

The Findings of the Tribunal

118. The Tribunal found all of the allegations to have been substantiated. It was noted that the Respondent had appeared previously before the Solicitors Disciplinary Tribunal in relation to minor accounting issues for which he was fined approximately £200.00.

The Tribunal's Decision

119. The Tribunal carefully considered the submissions of both the Respondent and the Applicant and all the evidence in the case. They gave the Respondent credit for his admissions and acknowledged that there had been no dishonesty on his part nor any loss to his clients.
120. However, the Tribunal found a whole catalogue of errors, including serious failure to deal with the payment of adjudication awards and failure to reply to correspondence. Taken as a whole, these failings brought the profession into disrepute. The Tribunal accepted that the Respondent had encountered a difficult time in his practice but mindful of its responsibilities, both to the profession and to the public, it decided to suspend the Respondent indefinitely as from 27th May 2008.
121. The Tribunal noted that the Respondent is always at liberty to apply to lift the suspension at any time, if he can produce sufficient evidence to support his re-admittance.
122. The Tribunal also found that the Respondent should be subject to the enforcement of the adjudication awards against him as if they were orders of the High Court.
123. As to the issue of costs, the Tribunal had considered most carefully the case of *Merrick v The Law Society*, referred to it by the Applicant. However, the Tribunal, having examined the Respondent as to his means, noted that the Respondent intended to work outside the profession. In these circumstances, the Tribunal was satisfied that a costs order could be satisfied out of future earnings and saw no reason, in these particular circumstances, not to make an order for costs. The costs of the case had for the most part arisen from the Respondent's neglect of his professional duties and obligations. In these circumstances the Tribunal was satisfied that the Respondent would be able to come to some agreement with The Law Society as to payment by instalments.

Dated this 13th day of August 2008
On behalf of the Tribunal

D J Leverton
Chairman