

SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974

Case No. 12611-2024

BETWEEN:

SOLICITORS REGULATION AUTHORITY LTD

Applicant

and

STEFANIE ANNE O'BRYEN

Respondent

Before:

Mrs F Kyriacou (in the chair)

Ms C Evans

Ms E Keen

Date of Hearing: 09 October 2025

Appearances

There were no appearances as the matter was dealt with on the papers.

JUDGMENT ON AN AGREED OUTCOME

Allegations

1. The allegations made against the Respondent, Ms O'Bryen, by the Solicitors Regulation Authority in a Rule 12 Statement and a Rule 14 Statement were that, as a solicitor and as the manager, sole owner and the money laundering reporting officer (MLRO) of an authorised body (a recognised sole practice), namely Stephanie O'Bryen, trading as Watlington Solicitors ("the Firm") since 10 August 2021:
 - 1.1. Between around 26 January 2020 and 27 July 2022, she failed to keep and maintain accurate accounting records for the Firm. In doing so, she breached any or all of Principle 2 of the SRA Principles 2019 ("the Principles") and Rule 8.1 of the SRA Accounts Rules 2019 ("SRA Accounts Rules").
 - 1.2. From around January 2020 to 25 July 2022, she caused or allowed a client account shortage of up to £6,079.73 on the Firm's client account and thereby breached any or all of Principle 2 of the Principles, Rule 5.3 of the SRA Accounts Rules; Paragraph 4.2 of the SRA Code of Conduct for Solicitors, RELs and RFLs 2019 ("the Code for Solicitors").
 - 1.3. From 26 June 2017 to around 10 October 2022, she failed to have in place:
 - 1.3.1. A Firm Wide Risk Assessment ("FWRA") as required by Regulation 18 of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 ("MLRs 2017");
 - 1.3.2. Anti-Money Laundering Policies, Controls and Procedures ("AML Policies") as required by Regulation 19 of the MLRs 2017.
 - 1.3.3. And thereby:
 - 1.3.3.1. insofar as such conduct took place before 25 November 2019, acted in breach of any or all of Principles 6, 7 and 8 of the SRA Principles 2011 and failed to achieve Outcome O(7.5) of the SRA Code of Conduct 2011;
 - 1.3.3.2. insofar as such conduct took place on or after 25 November 2019, acted in breach of any or all of Principle 2 of the Principles, Paragraphs 2.1(a) and 3.1 of the SRA Code of Conduct for Firms ("the Code for Firms").
 - 1.4. On or around 12 December 2019, she made a declaration to the SRA which was false and misleading in that it confirmed that the Firm had in place a fully compliant FWRA as required by regulation 18 of the MLRs 2017 when, in fact, there was no such FWRA in place and thereby acted in breach of any or all of Principles 2 and 5 of the SRA Principles and Paragraph 7.4 of the Code for Solicitors.
 - 1.5. Between 1 January 2022 and 31 March 2022, and in relation to the purchase of a property by Client A, she caused or allowed the Firm to fail to comply with the MLRs 2017 in that the Firm:

- 1.5.1 Failed to conduct adequate client due diligence (“CDD”) measures as required by Regulation 28 of the MLRs 2017;
- 1.5.2 Failed to apply enhanced due diligence (“EDD”) as required by Regulation 33 of the MLRs 2017;
- 1.5.3. And thereby acted in breach of Principle 2 of the Principles.
- 1.6. Between around March 2022 and November 2023, the Respondent caused or allowed “Asad Sahi”, ‘Edward Elkins’ and/or other persons known as the “London Group” to be employed by or contracted with to conduct legal services at or on behalf of the Firm without undertaking adequate due diligence as to their identity and qualifications. In doing so the Respondent breached paragraph 3.6 of the Code for Solicitors and Principles 2 and 7 of the Principles.
- 1.7. Between around March 2022 and November 2023, following the employment or engagement of the individuals identified in Allegation 1.6 above, the Respondent failed to ensure that these individuals were effectively supervised in the provision of legal services. In doing so the Respondent breached paragraph 3.5 of the Code for Solicitors and Principle 2 and 7 of the Principles.
- 1.8. Between 18 December 2023 and 26 February 2024, the Respondent caused or allowed a cash shortage totalling £3,487.10 to occur on the Firm’s client bank account. In doing so the Respondent breached Rule 5.1 (a) and (b) Rule 5.3 and Rule 6.1 of the SRA Accounts Rules and paragraph 4.2 of the Code for Solicitors, and Principles 2 and 7 the Principles.
2. Ms O’Byrne admitted each of the allegations made against her in full.

Documents

3. The Tribunal had before it the following documents:-
 - Rule 12 Statement and Exhibit MLR1 dated 24 May 2024
 - Respondent’s Answer to the Rule 12 Statement dated 27 June 2024
 - Rule 14 Statement and Exhibit AG1 dated 15 April 2025
 - Respondent’s Answer to the Rule 14 Statement dated 13 May 2025
 - Statement of Agreed Facts and Outcome dated 8 October 2025

Professional Details

4. The Respondent was admitted to the Roll in January 1982. She did not hold a current practising certificate. At all material times, she held compliance roles within the Firm

Application for the matter to be resolved by way of Agreed Outcome

5. The parties invited the Tribunal to deal with the allegations against the Respondent in accordance with the Statement of Agreed Facts and Outcome annexed to this Judgment. The parties submitted that the outcome proposed was consistent with the Tribunal’s Guidance Note on Sanctions.

Findings of Fact and Law

6. The Applicant was required to prove the allegations on the balance of probabilities. The Tribunal had due regard to its statutory duty, under section 6 of the Human Rights Act 1998, to act in a manner which was compatible with the Respondent's rights to a fair trial and to respect for their private and family life under Articles 6 and 8 of the European Convention for the Protection of Human Rights and Fundamental Freedoms.
7. The Tribunal reviewed all the material before it and was satisfied on the balance of probabilities that the Respondent's admissions were properly made.
8. The Tribunal considered the Guidance Note on Sanction (11th edition – February 2025). In doing so the Tribunal assessed the culpability and harm identified together with the aggravating and mitigating factors that existed. The Tribunal found that the seriousness of the misconduct was such that it was necessary, in order to protect the public and the reputation of the profession, to interfere with the Respondent's practise by the imposition of an immediate suspension. The Tribunal was satisfied that the 18 months proposed and agreed by the parties was proportionate. The Tribunal was also satisfied that the Respondent should be subject to indefinite restrictions on her ability to practise at the conclusion of the suspension. Given the nature of the allegations, the Tribunal determined that it was necessary to prevent the Respondent from managing a firm or holding compliance roles within that firm. Further, the Respondent should not be able to hold or deal with client money. The Tribunal determined that it was necessary for these restrictions to be placed on the Respondent's practise indefinitely given the serious nature of the misconduct and the time over which that misconduct had taken place. Further, public trust in the profession would be diminished were the Respondent able to obtain an unconditional practising certificate without evidencing that she had learnt from her misconduct such that the public could be satisfied that there was risk of repetition.
9. The Tribunal was satisfied that the sanction proposed by the parties was proportionate and accurately reflected the seriousness of the misconduct. Accordingly, the Tribunal granted the application for the matter to be resolved by way of an Agreed Outcome.

Costs

10. The parties had agreed costs in the sum of £25,000. The Tribunal determined that the agreed amount was reasonable and proportionate taking into account the matters that had to be investigated. Accordingly, the Tribunal ordered the Respondent to pay costs in the agreed sum.

Statement of Full Order

11. The Tribunal ORDERS that the Respondent, STEFANIE ANNE O'BRYEN solicitor, be SUSPENDED from practice as a solicitor for the period of 18 months to commence on the 9th day of October 2025 and it further ORDERS that she do pay the costs of and incidental to this application and enquiry fixed in the sum of £25,000.00.
- 11.1 Upon the expiry of the fixed term of suspension referred to above, the Respondent shall be subject to conditions imposed by the Tribunal as follows:

11.2 The Respondent may not:

- Practise as a sole practitioner or sole manager or sole owner of an authorised or recognised body;
- Be a partner or member of a Limited Liability Partnership (LLP), Legal Disciplinary Practice (LDP) or Alternative Business Structure (ABS) or other authorised or recognised body;
- Be a Head of Legal Practice/Compliance Officer for Legal Practice (HOLP/COLP) or a Head of Finance and Administration/Compliance Officer for Finance and Administration (HOFA/COFA) or a Money Laundering Compliance Officer (MLCO) or a Money Laundering Reporting Officer (MLRO);
- Hold client money;
- Be a signatory on any client account;

12. There be liberty to either party to apply to the Tribunal to vary the conditions set out above.

Dated this 22nd day of October 2025

On behalf of the Tribunal

F. Kyriacou

F. Kyriacou
Chair

BEFORE THE SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974 (as amended)

BETWEEN:

SOLICITORS REGULATION AUTHORITY LIMITED

Applicant

and

STEFANIE ANNE O'BRYEN

(SRA ID: 121114)

Respondent

STATEMENT OF AGREED FACTS AND OUTCOME

Introduction

1. By a statement made by Mark Rogers on behalf of the Solicitors Regulation Authority Limited ("SRA") pursuant to Rule 12 of the Solicitors (Disciplinary Proceedings) Rules 2019 ("the Rules"), dated 24 May 2024 and a statement made by Amita Gungaram on behalf of the SRA pursuant to Rule 14 of the Rules, the SRA brings proceedings before the Solicitors Disciplinary Tribunal ("the Tribunal") making allegations of misconduct against Ms Stefanie O'Bryen ("the Respondent").
2. Definitions and abbreviations used herein are those set out in the Rule 12 and Rule 14 Statements.

Allegations

3. The Allegations made against the Respondent are that, as a solicitor and as the manager, sole owner and the money laundering reporting officer (MLRO) of an authorised body (a recognised sole practice), namely Stephanie O'Bryen, trading as Watlington Solicitors ("the Firm") since 10 August 2021:
 - 1.1. Between around 26 January 2020 and 27 July 2022, she failed to keep and maintain accurate accounting records for the Firm. In doing so, she breached any or all of Principle 2 of the SRA Principles 2019 ("the Principles") and Rule 8.1 of the SRA Accounts Rules 2019 ("SRA Accounts Rules").

- 1.2. From around January 2020 to 25 July 2022, she caused or allowed a client account shortage of up to £6,079.73 on the Firm's client account and thereby breached any or all of Principle 2 of the Principles, Rule 5.3 of the SRA Accounts Rules; Paragraph 4.2 of the SRA Code of Conduct for Solicitors, RELs and RFLs 2019 ("the Code for Solicitors").
- 1.3. From 26 June 2017 to around 10 October 2022, she failed to have in place:
 - 1.3.1. A Firm Wide Risk Assessment ("FWRA") as required by Regulation 18 of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 ("MLRs 2017");
 - 1.3.2. Anti-money Laundering Policies, Controls and Procedures ("AML Policies") as required by Regulation 19 of the MLRs 2017.
 - 1.3.3. And thereby:
 - 1.3.3.1. insofar as such conduct took place before 25 November 2019, acted in breach of any or all of Principles 6, 7 and 8 of the SRA Principles 2011 and failed to achieve Outcome O(7.5) of the SRA Code of Conduct 2011;
 - 1.3.3.2. insofar as such conduct took place on or after 25 November 2019, acted in breach of any or all of Principle 2 of the Principles, Paragraphs 2.1(a) and 3.1 of the SRA Code of Conduct for Firms ("the Code for Firms").
- 1.4. On or around 12 December 2019, she made a declaration to the SRA which was false and misleading in that it confirmed that the Firm had in place a fully compliant FWRA as required by regulation 18 of the MLRs 2017 when, in fact, there was no such FWRA in place and thereby acted in breach of any or all of Principles 2 and 5 of the SRA Principles and Paragraph 7.4 of the Code for Solicitors.
- 1.5. Between 1 January 2022 and 31 March 2022, and in relation to the purchase of a property by Client A, she caused or allowed the Firm to fail to comply with the MLRs 2017 in that the Firm:
 - 1.5.1. Failed to conduct adequate client due diligence ("CDD") measures as required by Regulation 28 of the MLRs 2017;
 - 1.5.2. Failed to apply enhanced due diligence ("EDD") as required by Regulation 33 of the MLRs 2017;
 - 1.5.3. And thereby acted in breach of Principle 2 of the Principles.
- 1.6. Between around March 2022 and November 2023, the Respondent caused or allowed "Asad Sahi", 'Edward Elkins' and/or other persons known as the "London Group" to be employed by or contracted with to conduct legal services at or on behalf of the Firm without undertaking adequate due diligence as to their identity and

qualifications. In doing so the Respondent breached paragraph 3.6 of the Code of Conduct for Solicitors, RELs and RFLs 2019 (“the Code”) Principle 2 and 7 of the SRA Principles “the Principles”.

1.7. Between around March 2022 and November 2023, following the employment or engagement of the individuals identified in Allegation 1.6 above, the Respondent failed to ensure that these individuals were effectively supervised in the provision of legal services. In doing so the Respondent breached paragraph 3.5 of the Code and Principle 2 and 7 of the Principles.

1.8. Between 18 December 2023 and 26 February 2024, the Respondent caused or allowed a cash shortage totalling £3,487.10 to occur on the Firm’s client bank account. In doing so the Respondent breached Rule 5.1 (a) and (b) Rule 5.3 and Rule 6.1 of the SRA Accounts Rules 2019 (“the Accounts Rules” of “SAR”) and paragraph 4.2 of the SRA Code of Conduct for Solicitors, RELs and RFLs (“the Code”) and Principle 2 and 7 the Principles.

Admissions

4. The Respondent admits each of the allegations made against her in full.
5. The SRA has considered the admissions being made and whether those admissions and the outcome proposed in this document, meet the public interest having regard to the gravity of the matters alleged. For the reasons explained in more detail below, and subject to the Tribunal’s approval, the SRA is satisfied that the admissions and outcome do satisfy the public interest.
6. The Applicant and the Respondent invite the Tribunal to approve this Agreed Outcome on this basis. The Parties consider in all the circumstances that the proposed Agreed Outcome represents a proportionate outcome to the proceedings which is in the public interest.

Professional details

7. The Respondent was admitted as a solicitor on 15 January 1982. She no longer holds a Practising Certificate. From 1 October 2004 to 31 December 2023 she was the sole manager and sole owner of the Firm. At all relevant times, she was the COLP, COFA, Money Laundering Reporting Officer (“MLRO”) and Money Laundering Compliance Officer (“MLCO”) of the Firm.

Agreed Facts – Rule 12 Allegations

Background

8. In respect of all allegations, the SRA relies on the Forensic Investigation Report (“FIR”) dated 18 October 2022 and the documents referred to therein.
9. On or around 26 April 2022, and following an application by the Respondent to change the status of the Firm from a sole practice to an LLP, the SRA began an investigation into the books of account and other documents of the Firm. The FIO to conduct a comparison of the Firm’s client liabilities against client money held as at the extraction date, 31 March 2022.

Allegation 1.1: Failure to keep and maintain accurate accounting records for the Firm /

Allegation 1.2: Caused or allowed a client account shortage of up to £6,079.73 on the Firm’s client account

10. The FIO examined the Firm’s books of account. The investigation found that the books of account were not in compliance with the SRA Accounts Rules. As at the extraction date of 31 March 2022, the position was found to be as follows:

Liabilities to clients	£2,602,654.64
Client cash available	£2,011,207.95
Difference	£ 591,446.69

11. The difference had been caused by the books of account not being up to date, mis-postings and postings not being lodged on to the relevant client matter ledgers.
12. Between 26 April 2022 and 27 July 2022, the Respondent/Firm was given time to bring the Firm’s books up to date. Once this was done, a shortage in the client account was identified as at 31 March 2022 (which had first arisen on 26 January 2020) and totalled £4,997.17 by and as at 31 March 2022. A further shortage totalling £1,082.56 arose after the extraction date on 31 March 2022. The total shortage (£6,079.73) was replaced by the Respondent by making office to client account transfers on various dates between 16 May 2022 and 25 July 2022 as set out in paragraphs 20 and 22 of the FIR.
13. When she was interviewed by the FIO on 14 September 2022, the Respondent confirmed the following:
 - (a) She agreed the figures relating to the client account shortage totalling £6,079.73;
 - (b) The shortages had not been rectified: *Because we have lots of other work on and I didn’t do it in a timely manner, and I should have done;*
 - (c) She accepted that the books of account were behind and that they should not have been;

- (d) The Firm had outsourced its bookkeeping but the bookkeeper assigned to the Firm had made errors which were not immediately picked up. A new cashier had been allocated in January 2022;
- (e) The Firm had become very busy in 2021 which had a knock-on effect on keeping the books up to date. Both the Respondent and one of the consultants who was helping with the books became unwell around Christmas 2021.

14. In representations made on the Respondent's behalf by Murdochs Solicitors dated 7 February 2024, it was confirmed that, amongst other things:

- (a) The Respondent admitted both Allegations 1 and 2;
- (b) The Respondent had taken on too much work during 2021 and could not find any extra conveyancing staff to assist her;
- (c) During the autumn of 2021, she became aware that the bookkeeper had made entries on the wrong ledgers. The bookkeeper then took sick leave;
- (d) A more senior bookkeeper was assigned to the Firm to assist with rectification of the mistakes. The mistakes did not become apparent until each ledger was looked at individually;
- (e) The Respondent did not immediately transfer funds from the Firm's office account to the client account but accepted that she should have done so;
- (f) The shortfall on the client account derived from "*honest mathematical errors*" linked to the errors in the ledgers. The Respondent always had enough money in the office account to cover the shortfall.

Allegation 1.3: Failure to have FWRA and AML Policies / Allegation 1.4: False declaration to the SRA

15. The MLRs 2017 came into force on 26 June 2017. The Respondent as a sole practitioner was an "*independent legal professional*" as defined in Regulation 12(1) and, therefore, was required to comply with the MLRs 2017 as a "*relevant person*" under Regulation 8(1).

16. Under Regulation 18, the Respondent was required, amongst other things:

- 16.1. To carry out a risk assessment to identify and assess the risks of money laundering and terrorist financing to which its business was subject (Reg 18(1));
- 16.2. To keep an up-to-date record in writing of that risk assessment (Reg 18(4));
- 16.3. To provide the risk assessment to the SRA on request (Reg 18(6)).

17. The SRA published a warning notice on 7 May 2019 (updated on 25 November 2019) *Compliance with the money laundering regulations – firm risk assessment*. This confirmed that firms were required to:

...take steps to identify the risks of money laundering and terrorist financing that are relevant to it.

Your firm-wide risk assessment must be in writing, kept up to date and provided to us upon request. It also must accurately set out what risks your firm is exposed to and you must also record the steps you have taken to prepare the risk assessment.

18. On 29 October 2019, the SRA published guidance on completing FWRA's *Firm-wide risk assessments*.

19. Regulation 19(1) of the MLRs 2017 required the Respondent to establish and maintain policies, controls and procedures to mitigate and manage effectively the risks of money laundering and terrorist financing identified in any risk assessment undertaken under regulation 18(1).

20. At an initial interview with the SRA on 26 April 2022, the Respondent was asked:

Do you have (a) a written money laundering policy in place and (b) a firm wide risk assessment (as per regulation 18 of the 2017 ML regulations)?

The Respondent replied:

No the firm is not up to date

21. The Firm was unable to produce a copy of the FWRA or the AML policy at that time.

22. As part of an exercise by the SRA to verify the legal profession's compliance with Regulation 18 of the MLRs 2017, it sent out a template letter to Firms in December 2019. This reminded firms of the requirement to have an FWRA in place and required firms to complete an online declaration confirming that they had one in place.

23. The Respondent submitted an online response on 12 December 2019. The Response confirmed that the Respondent was the Firm's COLP. The Respondent was asked the following question:

Does your firm have in place a fully compliant firm-wide risk assessment, as required by Regulation 18...?

In response, the Respondent confirmed: Yes

24. This was false and misleading as the Respondent did not have a FWRA in place at that time.

25. The online response contained the following declaration which was “ticked” by the Respondent:

I confirm that the information I have given is correct, to the best of my knowledge and belief and that I will notify you if anything changes

26. On 19 May 2022, the FIO requested the Respondent to provide the FWRA. She did not provide this to the SRA but confirmed in an email of 19 May 2022 :

.. with regard to the anti money laundering declaration, at that time the only staff here were my secretary/ office assistant, Mrs Murphy, and Nuzhat Dunn. I remember at the time discussing with both of them the precautions we should be taking in order to avoid issues arising in relation to money laundering problems...

So it was on the basis of these discussions that the declaration was completed. Discussions, rather than written memos enable me to ensure that the relevant points are communicated and understood. I accept that it would have been better to have a document that I could have produced! I am also continuing to work through the AML toolkit in order to produce a written document that is specifically tailored to this firm.

27. The Respondent did not have a compliant FWRA in place despite the declaration given on 12 December 2019 and that there was still no such document in place on 19 May 2022. The Respondent provided a copy of the Firm’s FWRA to the SRA on 10 October 2022.

28. The Respondent did not have an AML policy that could be produced to the SRA on 26 April 2022. On 10 October 2022, the Respondent provided the SRA with a copy AML Policy.

29. When she was interviewed by the FIO on 14 September 2022, the Respondent confirmed the following:

29.1. The Firm had AML policies under the “old regulations”. However: ... *I think they were not in writing as obviously they should have been.*

29.2. At the time of the declaration given on 12 December 2019 that the Firm had a FWRA in place, the Firm did not have a written FWRA in place but she accepted it should have done.

29.3. As regards the response she gave earlier on 12 December 2019 confirming that there was a FWRA in place: *I think it was untrue because I don’t understand that I should have a written assessment in place, and I obviously didn’t carry out the exercise that I should have done.*

29.4. She had unintentionally misled the SRA by confirming the Firm had a FWRA in place: *I do accept that I should have looked at it more carefully and complied with the requirements.*

30. In representations made on the Respondent's behalf by Murdochs Solicitors dated 7 February 2024, it was confirmed, amongst other things, that:

- 30.1. The Respondent accepted that her AML policies were not compliant;
- 30.2. The Respondent did not accept that there were no AML policies. She had an AML manual but it was not up to date;
- 30.3. Copy ID documents were always taken from new clients, however, they were not routinely certified. Although in hindsight she accepts this procedure was non-compliant, up to early 2022 the Firm's clients were all low risk;
- 30.4. The Respondent regretted that her AML policies were not compliant. As soon as the SRA informed her they were non-compliant, she acted quickly to rectify this position;
- 30.5. The Respondent accepted that the information provided in the declaration on 12 December was inaccurate on the following bases:
 - 30.5.1. The information was inaccurate in that the AML policies she had in place were not compliant when she honestly believed they were;
 - 30.5.2. The making of the inaccurate declaration was careless (not reckless).
- 30.6. The Respondent apologised for and regretted having made the declaration carelessly without full consideration of her policies in line with her obligations.

Allegation 1.5: Failure to conduct adequate CDD and EDD

31. The Firm acted for Ms A in the purchase of a property in the UK for a price of £385,000. The purchase completed on 16 March 2022.

32. On 12 January 2022, Mr A instructed the Firm to act on his behalf in the purchase of a property in the UK. Mr Kamara, who was an unqualified employee of the Firm, responded on 13 January asking for a copy of Mr A's passport and a proof of address dated within the past 3 months.

33. On 14 January 2022, Mr A emailed Mr Kamara, using an email address and name different to that of Mr A ("Email B"), with various documents stating:

I have also sent my wife passport and visa page because I'm buying the property for my wife and children so the documents of the property will come in my wife's name...

Attached to that email were uncertified copies of the following:

- 33.1. Mr A's Nigerian passport;
- 33.2. Ms A's Nigerian passport;
- 33.3. A copy marriage certificate from Nigeria;

33.4. A photograph of an energy bill from EKO Electricity Distribution Company. There was no address on the bill.

34. On 19 January 2022, Mr Kamara wrote to Mr and Ms A asking for a letter of authority from Person A's wife, and proof of payment of funds:

As well as confirmation that the fund are from your own resources or confirmation from your bank that the funds have been lawfully acquired by yourselves and are from your resources.

35. On 24 January 2022, a third-party AML check of Ms A was conducted by the seller's solicitors. No such check was conducted by the Firm.

36. The following funds were received by the Firm into its client account:

Date	Amount	Source
21 January 2022	£1,000	R**** Enterprise
25 January 2022	£10,000	R**** Enterprise
24 February 2022	£40,000	R**** Enterprise
9 March 2022	£341,443	R**** Enterprise
14 April 2022	£12,750	R**** Enterprise
Total	£409,193	

37. Ms A provided the following documents regarding R**** Enterprise:

- 37.1. A letter dated 21 January 2022 from GTCO Bank in Nigeria confirming that R**** Enterprise had an account with them and that Ms A was the sole signatory;
- 37.2. A Nigerian Application for Registration of Business Name for R**** Enterprises;
- 37.3. Bank statements in the name of R**** Enterprise showing the following payments in on 20 January:

Payer	Naira (Nigerian currency)	GBP (rate at 11 October 2022)
A**** T****	3,000,000	£6,156.64
H**** Security	900,000	£1,846.99
Ms A	95,000,000	£194,960.31
Ms A	85,000,000	£174,438.17
Ms A	100,000,000	£205,221.37
H**** Ventures	17,000,000	£34,887.63

38. The balance in the account as at 20 January 2022 was 301,694,531.84 Naira (approximately £537,353.67 at the prevailing exchange rate on that date).

39. Ms A signed the SDLT return. The Firm's file contained an affidavit regarding the change of signature. On 5 May 2022, one of the Firm's solicitors emailed Mr Kamara stating:

Stephanie [the Respondent] has asked that you provide another form of ID with her [Ms A's] signature as we noted the signature on the passport does not match the one on the SDLT return.

40. On 13 May 2022, the Respondent wrote to Mr Kamara stating:

[Ms A's] affidavit of change of signature is dated 15.7.2021. Her passport is dated 21.10.2021 and is signed in her old signature. Please can this be clarified.

41. The Respondent's file contained a second affidavit dated 6 April 2022.

42. When she was interviewed by the FIO on 14 September 2022, the Respondent confirmed the following:

- (a) It was not common practice for the Firm to deal with overseas clients;
- (b) The fee earner on the transaction was Mr Kamara who was not a solicitor. He was supervised by Asad Sahi. She did not know Mr Kamara's level of experience or what anti-money laundering ("AML") training he had. The Respondent did not provide him or Mr Sahi with any AML training;
- (c) When asked if there was a policy for dealing with overseas clients, the Respondent stated: *Yes, because we have a policy for all clients ...we can't have them bring the paperwork in. So, they would need to produce it certified by somebody locally* But admitted that: *I don't think there was a specific policy which said this ... It was simply that each client who came along, we kind of judge on, on the circumstances;*
- (d) The Respondent admitted that there was no certification of Ms A's passport or the application for registration of a business name. She had no explanation as to why that hadn't been done in this transaction;
- (e) The Firm had not acted for this client previously;
- (f) The Respondent did not believe an AML check had been done on this client but she would check;
- (g) *I think we would have done a more formal AML check with the benefit of hindsight, and I also think that this is not the sort of work that we want to be doing in the future.*
- (h) The Respondent was aware of the matter when the file was opened and was also aware of the payments being;
- (i) There was no document assessing the AML risk on the file;
- (j) The matter was probably medium to high risk for AML purposes. However the Firm did not have a policy for higher risk matters at the time;
- (k) She considered that EDD should have been completed.

43. In representations made on the Respondent's behalf by Murdochs Solicitors dated 7 February 2024, it was confirmed, amongst other things, that:
- 43.1. This allegation was admitted on the basis that this was a "one off" situation;
 - 43.2. Checks were carried out but the Respondent recognised that the checks did not go far enough;
 - 43.3. The fact that the clients came from abroad was not considered to the extent it should have been;
 - 43.4. When the client was first taken on, she provided a UK address and it was only at a later point it became clear that funds for the transaction would be provided from a non-UK source;
 - 43.5. The Respondent expected the fee earner involved in the matter to have contacted her regarding the AML checks required but he did not;
 - 43.6. As MLRO, the Respondent recognised that her obligations extended to ensuring an adequate and sufficient level of due diligence was carried out by everyone at the Firm. She regretted this was not the case.

Agreed Facts – Rule 14 Allegations

Background

44. In respect of all the allegations, the SRA relies on the Second Forensic Investigation Report ("Second FIR") and appendices dated 17 October 2024 prepared by the Forensic Investigation Officer ("FIO").
45. Following a report on 23 May 2023 by Complainant 1 and Complainant 2, the SRA commissioned a second Forensic Investigation into the Firm. Complainant 1 and 2 disengaged with the investigation. However other issues were identified by the FIO requiring the investigation to continue. The Second Forensic Investigation also looked into subsequent reports made to the SRA by Client A and Client.

"Asad Sahi"

Previous Investigation of the Firm

46. During the current investigation it was identified that "Asad Sahi" was in fact a disbarred barrister with a criminal conviction for conspiracy to commit fraud called Yawar Ali Shah.
47. The Firm was first investigated and the Respondent first interviewed on 14 September 2022 regarding conduct that is the subject to the Rule 12 statement lodged on 24 May 2024. The FIO reported that the Firm had allowed "Asad Sahi", an RFL, to supervise the work of staff who were conducting reserved legal services. The Respondent had informed the FIO that Mr Sahi would be "finished pretty soon" in her first interview on 14 September

2022. On completion of the outstanding work, “Asad Sahi” would no longer be working at the Firm.

48. However, Mr Sahi’s involvement with the Firm continued until beyond August 2023. During the current investigation, the Respondent informed the FIO that “Asad Sahi” had in fact continued to work at the Firm until the middle of 2023.

Information about “Asad Sahi”

49. At the relevant time, the SRA’s records showed that “Asad Sahi” was a Registered Foreign Lawyer (RFL). According to SRA records, “Asad Sahi” worked at Watlington Solicitors between 7 June 2022 and 23 August 2023 as a consultant.
50. It is understood that “Asad Sahi” worked at the Firm on a consultancy basis. A fee arrangement was agreed between “Asad Sahi” and the Firm, according to which “Asad Sahi” would receive 80% of the fees he billed on client matters, with the firm receiving 20% of the billed fees.
51. During the investigation, the SRA obtained evidence which showed that Yawar Ali Shah, who is a disbarred barrister previously convicted of fraud, had been holding himself out as “Asad Sahi” while working at the Firm.
52. The FIO, during the second interview on 15 August 2024, showed the Respondent photographs of Yawar Ali Shah, given to the SRA by the Police. The Respondent identified the individual in those photographs as being “Asad Sahi”, the individual who had been working at her firm. The Respondent was not aware until August 2024 that “Asad Sahi” was in fact Yawar Ali Shah.
53. Bank account statements provided to the SRA by Clear Bank show that between 5 January 2023 and 27 June 2023, 37 payments were made from the Firm’s office bank account to the bank account of “Asad Sahi” for his fees/invoices totalling £54,201.47.
54. In relation to the payments made from the Firm’s office account to “Asad Sahi’s” bank account for his fees/invoices after December 2022, the Respondent stated that all the payments made up to February 2023 were for old client matters “Asad Sahi” had been working on.
55. In relation to the 12 payments made to “Asad Sahi” in the period from 1 March 2023 to 27 June 2023, the Respondent stated these payments were made in relation to ongoing work on existing client matters and “one or two” one-off new client matters.

56. The Respondent's legal representative sent an email to the FIO on 16 September 2024 in response to matters raised in interview, stating that "Asad Sahi" had opened three new client matters since December 2022.

"Edward Elkins"

57. "Edward Elkins" was a fee earner working at the Firm. During the first Forensic Investigation, the Respondent provided the FIO with a copy of "Edward Elkins" driving licence. The SRA has made enquiries with the Driver Vehicle Licensing Agency ('DVLA') in relation to "Edward Elkins" driving licence. The DVLA informed the SRA that the driving licence is not genuine in a statement dated 5 July 2023.

58. The SRA has obtained evidence that Peter Hastings, who is a struck-off solicitor, had been using the alias "Edward Elkins" while working at the Firm. The FIO compared the image on the false driving licence to that of the driving licence of Peter Hastings. The photos appeared to be the same image. The SRA records indicate that Peter Hastings was struck from the roll of solicitors on 13 February 2003.

Allegation 1.6: lack of adequate due diligence

59. The Money Laundering Regulations 2017 ("MLR") state at regulation 21 that –

21.—(1) Where appropriate with regard to the size and nature of its business, a relevant person must—

(b) carry out screening of relevant employees appointed by the relevant person, both before the appointment is made and during the course of the appointment

(2) For the purposes of paragraph (1)(b)— (a) "screening" means an assessment of— (i) the skills, knowledge and expertise of the individual to carry out their functions effectively; (ii) the conduct and integrity of the individual; (b) a relevant employee is an employee whose work is— (i) relevant to the relevant person's compliance with any requirement in these Regulations

60. Furthermore, in the *Legal Sector Affinity Group Anti-Money Laundering Guidance for the Legal Sector 2023*, "LSAGAML" it states at Page 19, paragraph 35 that:

The practice must undertake screening of relevant employees – both at pre-employment stage and on an ongoing basis.

61. At page 112, paragraph 7.9 further guidance is set out as to what screening tools can be used to screen employees: -

Use of Technology to Conduct Employee Screening and Verification EID&V tools can be used to screen employees. They can verify their claim of identity, and also check

their names against PEP, sanctions and adverse media lists held by the provider. Screening of relevant employees is a requirement in R21 (depending on the size and nature of the firm) of the Regulations where practices are required to assess the 'conduct and integrity' of an individual both before and during their employment.

62. The SRA allege that the wording of MLR 2017, Regulation 21 and Page 19 of the LSAGAML is clear that a relevant person, the Respondent here as manager, must carry out screening of employees conducting legal services by assessing their skills and expertise to carry out the functions effectively. Also the Respondent as manager and principal of the Firm must assess the conduct and integrity of the individual. The SRA's position is that these requirements apply irrespective of whether the individuals held a contract of employment or were otherwise engaged by the Firm.
63. In interview as part of the first investigation into the Firm on 14 September 2022, the Respondent was asked questions about the recruitment of "Asad Sahi" and his associates. They were referred to as the "London Group".
64. The "London Group" had responded to an advert that the Respondent had placed. The Respondent did not know where they had come from, "in all respects". The Respondent stated that it was "difficult to do due diligence" and she had checked the Law Society's list. The Respondent was not sure what other due diligence in terms of paperwork she would have been able to do. She had relied on conversations with the "London Group".
65. The agreement with "Asad Sahi" was that he would supervise the "London Group" and be the Respondent's point of contact. The "London Group" were lawyers and "Asad Sahi" was a registered foreign lawyer ("RFL").
66. The Respondent stated that she had not asked them for references and "they spoke for each other". The Respondent admitted that she did not have the details of where they had worked and how long for. When asked further about CV's, the Respondent stated that she relied on her personal experience of them. The Respondent had relied on "Asad Sahi" to undertake checks for Osman Kamara who was not a solicitor, she made it clear that she expected him to be responsible for his group. The Respondent stated that "Asad Sahi" was taking that responsibility.
67. The Respondent did not have the "London Group's" identification documents until the FIO asked her for those as part of the first forensic investigation. When she did obtain them she did not put these through any checks because she did not think it was necessary she only checked if they were in date, she did not do AML checks on them or see the original copies, it was 'Mr Sahi' who confirmed their authenticity. She did not ask if he had seen originals.
68. The Respondent further confirmed in her first interview that she did not see an original passport of identification for "Asad Sahi" and did no other background checks. During this interview the Respondent accepted that she was COLP and COFA and that she was responsible for "Asad Sahi" and the staff he brought with him.

69. The Respondent ought to have undertaken appropriate due diligence, by investigating and exercising care when recruiting consultants to ensure that only appropriately qualified and competent lawyers were recruited to continue her practice when she was to retire.

Allegation 1.7: failure to effectively supervise in the provision of legal services

70. Following the employment or engagement of “Asad Sahi”, “Edward Elkins” and/or other persons known as “the “London Group” by the Respondent to conduct legal services, a number of concerning business practices came to the Respondent’s attention regarding client files and the conduct of the “London Group”.

Supervision of “Asad Sahi”

71. The Respondent explained in interview that “Asad Sahi” used to work from home. He also had an office in Red Lion Square in London. The Respondent explained that she did not monitor “Asad Sahi’s” emails as the Firm’s email system did not have the functionality to allow this.
72. The Respondent explained that “Asad Sahi” opened email addresses outside of the Firm’s email system. The Respondent became aware of this sometime in 2022. “Asad Sahi” had informed her he would give her access to these other email addresses, but he never did.
73. The Respondent knew therefore from some time in 2022 that there was no means nor method for her to supervise communications with clients from these email addresses or adequately control their data and the Respondent was aware that access was needed, having asked “Asad Sahi” for access and not having been granted it.
74. On 30 April 2024 the Metropolitan Police contacted the SRA to explain that Newham Council had recovered bags of documents that were fly tipped into public bins, containing 17 client files from the Firm.
75. Amongst the fly-tipped documents recovered by Newham Council was a notebook titled ‘Watlington’s New File Book’. The notebook lists the Firm’s client matters, providing a list of client names, matter description, name of fee earner, file/ledger reference and the date the file was opened.
76. In the second interview with the FIO the Respondent stated that she did not know how these files ended up in a bin in Newham.
77. The FIO compared the client file list in ‘Watlington’s New File Book’ that was found in the public bin to a list of client matters Murdochs Solicitors (on behalf of the Respondent) sent to “Asad Sahi” on 3 January 2024. Murdochs’ list was in relation to the Firm’s client files the Respondent believed “Asad Sahi” was holding on to. The FIO noted there were only 23 client matters listed in ‘Watlington’s New File Book’ which appeared on the list sent to

“Asad Sahi” by Murdochs. There were a further 73 client matters on the Watlington’s New File Book’, which had ledger numbers allocated to them, which did not appear on the list Murdochs sent to “Asad Sahi”.

78. The FIO asked the Respondent whether the two client matter lists differed because she was not keeping track of the client matters “Asad Sahi” had been opening. The Respondent stated that “Asad Sahi” had kept promising her he would give her a record of the client files he had, but he didn’t do this.
79. The Respondent informed the FIO that she had kept records of the files “Asad Sahi” was working on which she had reviewed. However, she lost all her notes and records when she moved office in March 2024.
80. At interview, in relation to supervision of the work “Asad Sahi” was undertaking on client matters, the Respondent said she would expect him to bring most of the files that he was working on at any one time to review but that it was clear that he was working on files that weren’t properly opened. She did not have clarity on which files he was working on.
81. At the date of the FIO’s report (17 October 2024), “Asad Sahi” had returned only two client files to the Firm despite a letter from Murdochs on 3 January 2024.
82. Three of the client matters, found amongst the fly-tipped documents are those of Clients Client C, Client D and Client F. The files are examined below and serve to exemplify the conduct that the Respondent was, or ought to have been, aware of. The Respondent had allowed consultants including the “London Group” to conduct legal services on her behalf. However due to her inadequate supervision of “Asad Sahi”, “Edward Elkins” and the “London Group” their conduct on client matters led to a poor standard of service and ultimately the demise of the Respondents’ Firm.

Client matter: Client C

83. Amongst the documents recovered by Newham Council was a letter sent by Birketts LLP to Ms Emily Barros, who had worked at the Firm as an administrative assistant reporting to “Asad Sahi”. The letter concerns the sale of land on the south side of B**** Lane and identifies Yawar Ali Shah (i.e. “Asad Sahi”) as a client of Watlington Solicitors. It also states that £48,300 had been transferred to the Firm’s client account in relation to the transaction.
84. The Firm’s client account bank statement dated 7 June 2023 shows that £48,300 was then paid by the Firm to Person G. Having looked through the Firm’s documents and in particular, the Firm’s cashbook for June 2023, the FIO identified that the client matter ledger was in the name of Client C with the matter description as ‘Sale of Land at O****

Lane, Norfolk'. The FIO notes from the various payments and receipts on the client matter ledger for Client C that there appears to have been two purchase transactions and one sale transaction between 27 May 2022 and 7 June 2023.

85. During interview, the Respondent was asked about this and she asked to be given time to investigate the matter. The Respondent has not provided any explanation as to why £65,000 from Client C's ledger account was transferred to Person H on 17 June 2022.
86. Although the Respondent had intended to review the client ledger for Client C's matter with "Asad Sahi", he did not attend the meeting the Respondent had arranged. She states: *"He made arrangements to come to the office and then repeatedly cancelled them. The result was that he left a number of ledgers unfinished, and I never had a chance to review them with him"*.
87. The Respondent said in interview she does not have any client files for any of Asad Sahi's files. The Respondent also said that she relied on "Asad Sahi" to undertake due diligence on the file.
88. The Respondent stated in an email to her legal representative on 10 October 2024:

"Asad Sahi" knew that I required information about the source of funds to be obtained for all transactions, and he also knew that this was a standard lender requirement ... "Asad Sahi" had manipulated me into believing that I could trust him to obtain certified ID for all clients, and appropriate proof of funds information and paperwork in all cases. I confirm that I authorised the payment of the completion monies and the payment to Person G".
89. The Respondent provided email correspondence between the Firm and "Asad Sahi" on this matter. The Respondent has not been able to explain why funds from Birkett's solicitors of £48,300 received on 7 June 2023, were sent to Person G for the same amount without the Firm taking any costs for work undertaken on the matter.
90. The email correspondence between the Firm and "Asad Sahi" regarding funds from Client C made no mention of source of funds checks. The Respondent has not been able to provide any evidence of source of funds checks and nor has she been able to provide copies of client identification documents for Client C. The Respondent authorised the payment to Person G.

Client matter: Client D (deceased)

91. Amongst the fly-tipped documents recovered by Newham Council were documents relating to Client D's matter. This included a letter from Coventry Building Society dated April 2023, addressed to the Firm, with a statement of account in respect of Client D's

saving accounts with the bank. It also included a letter from HSBC dated 11 May 2023, addressed to the Firm, detailing the accounts and sums the bank held for Client D.

92. Attached to correspondence the Respondent received from Coventry Building Society was a certified copy of Person E's passport. The passport had (purportedly) been certified on 12 September 2023 with a stamp bearing the Firm's details. The certification had been signed on behalf of the Firm by Edward Elkins (the now struck off Peter Hastings).
93. The Respondent informed the FIO that "Edward Elkins" had worked at the Firm from January 2022 to December 2022. At the time "Edward Elkins" had certified Person E's passport on 12 September 2023, he was not working at the Firm.
94. The Firm also received correspondence from HSBC in relation to Client D's matter. HSBC informed the Firm it had been advised that the estate was being dealt with by "Asad Sahi". HSBC provided copies of the correspondence it had received from the Firm, including a copy of a Grant of Probate which had been certified as a true copy by "Asad Sahi".
95. The Firm responded informing HSBC *"We confirm at no time has this firm represented this estate. The grant of probate misspells our trading name and was not obtained through this firm."* The letter was signed 'Watlington Solicitors'.
96. There was no indication on the letters sent by Coventry Building Society and HSBC to suggest they were sent to the Firm or individuals at the Firm by email only. The FIO asked the Respondent how she was not aware that Client D / his estate was a client of the Firm, when the Firm was receiving postal correspondence in relation to his matter.
97. The Respondent has explained *"I wouldn't have been monitoring all of it [post] because Asad would have been monitoring the post that I passed to him, but I would have made sure that any post that came in was passed on to whoever had the file because I thought it was important, but it didn't mean that I saw absolutely every letter that came in. To me it was more important to give it to the person who had the file, not to be held in a pile while I was on holiday for a week, because that way court dates might be missed or something important"*.
98. The Respondent stated that looking back it would have been "great" if she had checked whether Client D was a client of the Firm, but she did not check. It was not something the Respondent knew anything about.

Client matter: Client F

99. Also amongst the fly-tipped documents recovered by Newham Council was correspondence from HM Land Registry addressed to the Firm. This included a 'Warning

of Cancellation' dated 31 May 2023 for an application relating to 37 Strathfield Gardens, Barking. It also included correspondence from HM Land Registry addressed to the Firm dated 28 June 2023 informing of the cancellation of the application.

100. The Respondent has been unable to provide the FIO with a copy of Client F's purchase file and informed the FIO by email on 4 April 2024 that she had requested the client file from "Asad Sahi", who has said the file had been returned to the Firm. She set out that "Asad Sahi" lodged the application through his own Land Registry account, using electronic copies.
101. The Respondent provided the FIO with a copy of the client matter ledger, informing the FIO that the matter was causing difficulty as the lender required their charge to be registered with HM Land Registry. However, the application to register the lender's charge had been cancelled by HM Land Registry. The seller's solicitor (Lincoln Lawrence) had ceased to practice. The Respondent was unable to locate the documents needed for the HM Land Registry application to be re-lodged.
102. The Respondent explained that on 16 February 2024 Ms Nuzhat Dunn at the Firm had sent an email to "Asad Sahi" requesting the documents required for the HM Land Registry application to be re-lodged. "Asad Sahi" responded stating that all the Firm's live and closed files he was dealing with had been dropped off to 'Stef' on two separate occasions.
103. The Firm had also been acting for the lender, Cheltenham & Gloucester, in the purchase transaction. At the date of the FIO's second interview with the Respondent (15 August 2024), Cheltenham & Gloucester's interest had not been registered with HM Land Registry.
104. The Respondent's solicitor emailed the FIO on 22 April 2024 stating that the Firm's insurer had been put on notice that there could be an issue on this client matter. During interview, the FIO asked the Respondent why she hadn't taken action sooner to be able to re-lodge the HM Land Registry application when she was, or ought to have been aware of the cancellation of the application in June 2023.
105. The Respondent stated: *"I was asking Asad to deal with them, and then by September or so I realised he wasn't going to deal with them and we had to, but I didn't get to this one until later"*.
106. The Firm historically undertook a significant proportion of conveyancing work and the SRA allege that for the principal to permit such practices when dealing with land registry, in contravention of the SRA's regulatory arrangements is a clear failure of supervision.

Client matter: Client A

107. The two further client matters of Client A and Client B, also served to bring client concerns about the Firm to the SRA's attention, demonstrating the conduct by consultants for the Firm.
108. The Firm acted for Client A in relation to an insolvency matter. Client A reported that the person at the Firm handling this matter was "Asad Sahi" and his assistant was "Mr Elkins". Client A made a report to the SRA about the Firm on 23 December 2023.
109. The client matter ledger shows that on various dates between 14 March 2022 and 13 October 2023, nine client account to office account transfers were made by the Firm totalling £11,932.32.
110. On 26 July 2022, £600 was transferred from the Firm's office account to the client account to correct a debit balance arising on Client A's client matter ledger. On 2 September 2022, £577 was transferred from the Firm's office account to the client account to correct a further debit balance arising on Client A's matter.
111. Client A spoke with the FIO on 29 January 2024 and informed the FIO that the fee earner was "Edward Elkin". He had not received a client care letter or invoices from the Firm for work done in relation to the fees billed on his matter.
112. Invoices were raised on the client matter and have been provided by the Firm to the FIO. In relation to Client A's matter, the Firm raised seven invoices between 14 March 2022 and 25 April 2023 totalling £11,817. Client A believed the payments he made to the Firm's client account were for barristers' fees as set out in the FIO file note 29 January 2024.
113. The Firm's client matter ledger for Client A's matter shows that Client A paid £16,800 into the Firm's client account between 17 March 2022 and 18 April 2023.
114. The FIO ascertained that the Firm did not have a file on the matter and the representative for the Respondent asked "Asad Sahi" for the file (with others) in a letter on 3 January 2023. At the date of the FIO Second report, two client files were returned to the Firm.
115. During interview with the SRA, the Respondent informed the FIO: *"I was relying on Asad who assured me that every invoice was always sent to the client"*.
116. Client A's report to the SRA about the Firm's handling of his insolvency matter set out:

- (i) In the three months prior to Client A making a report to the SRA, the caseworkers at the Firm who had been dealing with his insolvency matter, “Asad Sahi” and Edward Elkins, had left the Firm. Client A had not been informed the caseworkers had left, and the Firm appeared to have stopped dealing with correspondence from the solicitors for the trustee and creditors.
- (ii) Counsel's fees were unpaid, despite Client A having paid money into the Firm's client bank account for payment of counsel's fees.
- (iii) The Firm had not appropriately handled Client A's complaint about the Firm's handling of his insolvency matter.

117. The Respondent provided copies of email correspondence passing between her and “Asad Sahi” in relation to outstanding counsel's fees for Gatehouse Chambers Counsel's fees had been outstanding since June 2022 and had incurred interest payments of £78.90 and £15.78. The outstanding counsel's fees in the sum of £1,594.69 were paid by the Firm on 15 May 2023.

118. There are also counsel's fees on Client A's matter owing to Thomas More Chambers, with an outstanding invoice in the sum of £3,950. At that at the date of the FIR (17 October 2024), the fees owing to Thomas More Chambers remained outstanding.

119. The FIO asked the Respondent about an email she had sent to “Asad Sahi” on 25 October 2023 asking who the fee earner was on Client A's matter. The Respondent explained that she was trying to illicit from “Asad Sahi” that he was not the fee earner on the matter, as it was clear to her by then that “Asad Sahi” was operating a ‘fraudulently clandestine operation’.

120. On 25 October 2023, Mr Craig Brown of Thomas More Chambers sent an email to an “Edward Elkins” requesting payment of outstanding counsel's fees due on Client A's matter. The Respondent was copied into that correspondence. She responded on the same day (25 October 2023) informing Mr Brown that ‘Edward Elkins is not part of my firm, and not authorised to carry out any work. This has been the case since last winter’.

121. Mr Brown responded on 26 October 2023 informing the Respondent that he had recently been corresponding with Edward Elkins and most recently on 7 September 2023.

122. On 25 November 2023 and 8 December 2023, Client A complained to the Firm about the Firm's handling of his insolvency matter. During the interview with the FIO, the Respondent informed the FIO that she was yet to address Client A's complaint.

Client matter: Client B

123. On 20 February 2024, Client B made a report to the SRA regarding the Firm's handling of his bridging loan matter. Client B's complaint mentioned he had instructed the Firm in connection with a bridging loan of £60,000 to be used as a deposit for the purchase of a property at Property 1.
124. Client B had been introduced to the Firm by Yawar Ali Shah. According to Client B's report, he and Yawar Ali Shah had done business previously and Client B was hopeful of making some money through interest on the loan. Client B understood that a restriction was to put on the title of the purchase property in case the bridging loan was not repaid. Ms Emily Barros at the Firm made contact with Client B by way of an email dated 20 October 2022.
125. It was Client B's understanding that the sale contract provided for him to pay a £60,000 deposit on the purchase of the Property. The purchase price of the property was £175,000. Client B's deposit of £60,000 was then to be released to the sellers.
126. On 8 and 9 December 2022, Client B paid £60,000 into the Firm's client bank account in respect of a bridging loan transaction. Client B did not receive invoices from the Firm in relation to the fees billed in his matter. On 9 December 2022 the Firm raised an invoice for fees in the sum of £1,819.20. On the same day "Asad A Sahi" raised an invoice for professional fees of £1,200.
127. "Asad Sahi" wrote an email on 9 December to the Respondent regarding the £60,000 from Client B. He stated that "an allowance has been made for our fees and I will send you invoices later". This conduct by an employee of the Firm is in breach of the SAR and the Respondent was put on notice by this email.
128. At all times, Client B corresponded with Ms Emily Barros at the Firm. On 9 December 2022, Ms Barros wrote: *"I am glad to report that we have now exchanged contracts on the subject property as instructed. Please see attached both parts of the contract which are now official. I will now add a restriction on the Land Registry (of this property) in your favour so as to protect your interest and this contract and thereby bringing this property under your control"*.
129. Client B was given further assurances about this by Ms Emily Barros, and they continued to correspond on the understanding that the property would be sold by auction at the end of May 2023. However, the sale of the property and the loan repayment with interest never materialised. By October 2023, Client B was struggling to obtain a clear picture of what was happening with the property and when he was likely to be repaid the loan he had advanced.

130. On 9 November 2023, Client B wrote to Ms Beryl Murphy, a secretary at the Firm, explaining his situation and learned shortly afterwards that Ms Emily Barros had been supervised by “Asad Sahi”. On 19 December 2023, Ms Beryl Murphy wrote to Client B stating: *‘I can confirm that Asad Sahi has your file (it was never in this office) and he now works for SanTERS Solicitors. We paid SanTERS the deposit of £58,180 on 9th December 2022. The remaining balance of £1820 was taken as fees by Asad. Asad can be reached either at SanTERS or his mobile ...’*
131. Client B requested the Firm’s complaints procedure and in an email he sent to the Firm on 21 December 2023 he set out some details of his complaint. On 25 January 2024, Client B wrote to the Firm for a final time not having received any response.
132. The Firm does not have a client file for Client B’s bridging loan matter. Murdochs (on behalf of the Respondent) requested the client file from “Asad Sahi” in correspondence on 3 January 2024. At the time of the FIO report (17 October 2024) it had not yet been returned by “Asad Sahi”.
133. On 20 February 2023, Client B made a complaint to the SRA regarding the Firm’s conduct of his property purchase. In his complaint to the SRA dated 20 February 2024, Client B states he later learnt that a fee of £1,820 had been deducted from the money he paid into the Firm’s client account. Client B states he never received an invoice from the Firm for the fee that was deducted.
134. In relation to both the client matter of Client A and that of Client B, client money was transferred without giving either client a bill of costs or other written notification of costs prior to transfer.
135. On 20 February 2024, Client B made a report to the SRA regarding the Firm’s handling of his bridging loan matter. Client B requested the Firm’s complaints procedure and in an email he sent to the Firm on 21 December 2023 he set out some details of his complaint. On 25 January 2024, Client B wrote to the Firm for a final time not having received any response. At the time of the Second FIR dated 17 October 2024, the FIO had seen no evidence that this complaint was dealt with promptly or at all.

Allegation 1.8: client account shortage of up to £3,487.10 on the Firm’s client account and breaches of the SAR

136. The Rule 12 statement lodged on 24 May 2024 alleges that from around January 2020 to 25 July 2022, the Respondent caused or allowed a client account shortage of up to £6,079.73 on the Firm’s client account. The Respondent is under a duty to only withdraw

client money if sufficient funds are available and safeguard money entrusted to the Firm by clients.

137. Again, in this investigation the FIR identified a number of concerning business management issues at the Firm. Clients had not received invoices from the Firm. The Firm's books of account were not in accordance with the Solicitors Accounts Rules ("SAR") and a client account shortage was found. The FIO found in her investigation that there were client matters where the Respondent was unaware of receipts and payments on client matter ledgers.

138. The FIO examined the Firm's books of account. The investigation found that the books of account were not in compliance with the SAR. As at the extraction date of 28 February 2024, the position was found to be as follows:

a.	Liabilities to clients	£87,049.99
b.	Client cash	£83,562.89
c.	Cash shortage	£3,487.10

139. The FIO found that the client account shortage was attributed to 11 client matters. The differences had been caused by costs and disbursements being transferred twice and by seven over transfers as set out below.

Client Matter	Amount (£)	Date debit balance		Reason for debit balance
		Arose	Replaced	
AFF0012	1,627.00 ⁵	1 February 2024	30 April 2024	Costs transferred in error twice
FRY0011	41.45	26 February 2024	2 April 2024	Costs transferred in error twice
GAL0041	563.00	4 January 2024	2 April 2024	Costs transferred in error twice
JON0163	330.00	18 December 2024	2 April 2024	Disbursement transferred in error twice
KHA0021	10.00	1 February 2024	2 April 2024	Over transfer
KHA0042	10.00	10 January 2024	28 June 2024	Over transfer
MUN0042	10.00	4 January 2024	30 April 2024	Over transfer
SNO0011	152.32	4 January 2024	30 April 2024	Over transfer
SUS0021	712.44	17 January 2024	28 March 2024	Over transfer
TYA0022	13.00	10 January 2024	30 April 2024	Over transfer
WIL00113	17.89	8 February 2024	2 April 2024	Over transfer
TOTAL	£3,487.10			

140. The cash shortage was replaced on 28 March, 2 April, 30 April and 28 June 2024 by office to client transfers.

141. The Respondent was interviewed on 15 August 2024 and she confirmed that mistakes had been made in bookkeeping during the time she had been undergoing treatment for a serious illness. The Respondent had not been focussing on client account reconciliations as she had undergone radiotherapy in January and February 2024.
142. At the extraction date of 28 February 2024, the Firm did not hold sufficient cash in its client bank accounts to meet its liabilities to clients. A client account shortage is serious, not least due to the impact it can have on clients' matters and their interests. Clients trust solicitors and those working in law firms to safeguard their money and assets. A client account shortage has the potential to diminish the trust the public places in solicitors and the legal profession as a whole.
143. The client account shortage first arose on 18 December 2023 (N.B. the FIR incorrectly provides in a table the date as 18 December 2024) and it was not fully replaced until 28 June 2024. On at least 10 occasions, client money was not replaced within five weeks, or very shortly thereafter, any breach ought to be remedied promptly. The duration the client account shortages had been ongoing is important to consider in respect of the swiftness of the Respondent's rectifying of breaches.
144. The Respondent was the sole principal of the Firm and the authorised person to make payments and authorise payments from the office and client accounts. As the COFA for the Firm, there was an obligation upon her to ensure that her firm and all employees complied with obligations under the SRA Accounts Rules.

Non-Agreed Mitigation

145. The Respondent puts forward the following in mitigation and/or explanation, which is neither agreed nor endorsed by the SRA.
146. The Respondent has made full and appropriate admissions and co-operated with the SRA throughout. The Respondent sincerely regrets her documented failures to comply with the required standards and that she has fallen below the high standards expected of a solicitor in practice. These are failures she apologises for.
147. The Respondent has run a successful solicitors practice for more than 20 years and has a good regulatory record.
148. The Respondent has made all possible efforts to mitigate the effects of the failures of 'Asad Sahi' on his clients, including carrying out work and incurring expense to ensure that client matters were properly concluded.

149. The Respondent has dealt with complaints to the best of her ability, given 'Asad Sahi's' failure to hand over the necessary files. Client B's complaint comprised an allegation of negligence and so she referred it to her insurers, who negotiated a settlement with him, involving a payment to him in February 2025.
150. In relation to her bookkeeping, at all times there was sufficient money in office account to easily cover any shortfall in client account. No client ever suffered any loss.
151. In relation to the allegation that the Respondent should have carried out 'due diligence' to discover that 'Asad Sahi' and 'Edward Elkins' were fraudulently using false identities, the Respondent accepts, in hindsight, that she was duped and should have taken further steps in ensuring the identity of 'Sahi' and 'Elkins'. That said, both produced false ID documents when asked, and were vouched for by a practising accountant (Ahdel Hussain of Delshaw & Higgins LLP) and several other solicitors with current practising certificates – including Bright Arrey-Mbi and David Dunitz, all of whom are still in practice. Their original intention was (they asserted) to take over her practice.
152. The Respondent believes that 'Asad Sahi' then carefully manipulated and groomed her into believing that he was trustworthy and honest, and a competent lawyer. Knowing now that he is a convicted fraudster, it is clear that he is experienced in deceit. At the time (like other victims of fraudsters) the Respondent was taken in by him.
153. The Respondent did tell 'Sahi' that he needed to leave and work at another firm, but when he was not immediately able to find somewhere else to work, the Respondent was conscious of his client's interests, and gave him extra time.
154. While the Respondent accepts the allegations in relation to failure to supervise properly, the use of modern electronic communications makes it easy for fraudsters to carry out work purporting to be on behalf of a solicitor's firm, because email addresses and headed paper can be produced so easily.
155. The Respondent has suffered greatly (physically, mentally and financially) as a result of the destruction of her cherished sole practice by 'Asad Sahi' and his associates. She lost the chance to hand over her practice to another local firm, so had to pay a run off cover premium to close down. She has incurred fees in relation to two negligence claims, unbilled disbursements and other matters, as well as her own legal fees. The total to date is just over £100,000, not including the SRA costs of £25,000 being claimed.
156. Mentally, the Respondent was experiencing severe stress during 2022 and 2023 while being investigated by the SRA, and also dealing with the additional demands on her in 2023 when she discovered 'Asad Sahi's' failings, and in 2024, his criminality. In September 2023 the Respondent was diagnosed with breast cancer and had two operations in the

winter, at the same time as trying to close down her practice as competently as possible. In early 2024 she had radiotherapy. She suffered from brain fog and fatigue. The Respondent was diagnosed with anxiety in Spring 2024, and has had treatment. A medical report has been produced.

157. The Respondent's long and unblemished career as a solicitor has been brought to a sad end as she is sanctioned for her admitted failings, but she is also a victim of crime perpetrated on her by 'Asad Sahi' and his associates, and as such, she has and continue to experience the financial and mental consequences. These include feelings of guilt, anger and disbelief.
158. The whole situation remains unfinished business, as although the Respondent reported 'Asad Sahi' to Action Fraud, and she was informed by the SRA that he had been arrested in summer 2024, to date she has not been contacted by the police for a statement evidencing the fraud he perpetrated on her. She has not been told what action the SRA have taken. She also has no information about any action being taken against other professionals, who must have been aware of his fraud (including those mentioned above).

Proposed Sanction including explanation of why such order would be in accordance with the Tribunal's Guidance Note on Sanction

159. Subject to the Tribunal's approval, it is agreed that the Respondent should receive:

- 159.1. a **fixed term of suspension for a period of 18 months**; followed by
159.2. an **indefinite restriction order** in the following terms:

The Respondent shall be subject to conditions imposed by the Tribunal as follows: The Respondent may not:

- *practise as a sole practitioner or sole manager or sole owner of an authorised or recognised body;*
- *be a partner or member of a Limited Liability Partnership (LLP), Legal Disciplinary Practice (LDP) or Alternative Business Structure (ABS) or other authorised or recognised body;*
- *practise as a solicitor in an unregulated organisation;*
- *be a Head of Legal Practice / Compliance Officer for Legal Practice (HOLP/COLP), a Head of Finance and Administration / Compliance Officer for Finance and Administration (HOFA/COFA), a Money Laundering Compliance Officer (MLCO) or a Money Laundering Reporting Officer (MLRO);*
- *hold client money; or*
- *be a signatory on any client account.*

160. The sanction outlined above is considered to be in accordance with the Tribunal's Guidance Note on Sanctions (11th edition) taking into account the guidance set out in *Fuglers & Ors v Solicitors Regulation Authority* [2014] EWHC 179 (as per Popplewell J) and as set out in the guidance at paragraph 8.
161. The misconduct giving rise to the allegations is serious. Given the nature of the alleged misconduct, lesser sanctions such as a Restriction Order, Reprimand or a Fine, would not be adequate or suitable. To protect the consumers of legal services and to safeguard the integrity of the legal profession, it is necessary to interfere with the Respondent's practice, by imposing (a) an immediate suspension for 18 months; and, subsequently (b) indefinite restrictions/ conditions on her practising certificate. The protection of the public from risk of harm and the protection of the reputation of the legal profession justifies such a sanction.
162. This assessment takes into account that the level of the Respondent's culpability and harm caused in respect of the allegations above is high as:
- a. **Allegation 1.1, 1.2 and 1.8** - The Respondent's conduct cannot be described as spontaneous; her failure to keep and maintain accurate books of account by allowing client account debit balances to accrue caused a risk to the safeguarding of client funds. These failings were investigated and reported upon within two forensic investigation reports in October 2022 and October 2024.
 - b. The Respondent was a manager of the Firm and was responsible for compliance rules by her Firm and employees.
 - c. The public trusts solicitors to use money entrusted to them by a client. The Respondent allowed a client account shortage of £6,079.73 (between January 2020 and July 2022) and £3,487.10 (between 18 December 2023 and 26 February 2024), which undermined the trust placed by the public in solicitors. By causing and allowing shortfalls to accrue in the Firm's client account the Respondent failed to safeguard the clients' money and assets entrusted to them.
 - d. **Allegation 1.3** - The Respondent failed to comply with anti-money laundering laws and regulations which left her firm exposed to the risk of involvement in money laundering and terrorist financing. As the sole owner, sole manager MLCO and MLRO of the Firm she was responsible for compliance with the MLRs 2017. By failing to ensure the Firm had in place a compliant FWRA and AML Policies between 26 June 2017 and 10 October 2022, the Respondent failed to comply with Regulations 18 and 19 of the MLRs 2017. She failed to ensure that the Firm had effective arrangements in place to manage compliance with the MLRs. The public trusts solicitors to place an active role in such prevention by complying with anti-money laundering laws and regulations including the MLRs 2017, public trust is diminished by a solicitor who fails so to comply.

- e. **Allegation 1.4** - The Respondent made a statement to the SRA confirming that she had a firm wide risk assessment in place, this was false and misleading. The Respondent admits that she misled the SRA in making that statement, albeit unintentionally. She admits that she did not carry out the checks she should have and she was careless. The public would expect solicitors to be scrupulous and accurate in providing information to their regulator and to ensure they do not provide misleading information. The Respondent's conduct in doing so lacked integrity.
- f. **Allegation 1.5** – Solicitors are required to behave in a way that maintains the trust and confidence in them in the provision of legal services. As an owner, manager MLCO and MLRO, the Respondent failed to conduct adequate customer due diligence and enhance due diligence. Her failure in doing so was not behaviour which the public would have trust or confidence in.
- g. **Allegation 1.6** – The Respondent was the manager and sole owner of the Firm. She was the relevant person who ought to have screened her staff or consultants as to skills, suitability and integrity. However, the Respondent admits that she did not carry out the standard recruitment checks that would be expected in any law firm and that it was her responsibility. She caused or allowed staff to be employed by the Firm that were not competent or qualified to undertake legal services. Her failure to undertake rudimentary identity checks and disregard for established recruitment and due diligence processes, designed to uncover those who are disqualified, unqualified or convicted criminals, led to her recruiting staff a reputable law firm would seek to avoid.
- h. "Public trust and confidence in the solicitors and firms we authorise is at the heart of the legal system" (SRA's guidance on public trust and confidence). The Respondent broke the public trust and the trust of her clients by permitting "Asad Sahi" "Edward Elkins" and the "London Group" to join the Firm without adequate screening. The Respondent's clients trusted her with their confidential information, money and assets by allowing these individuals to work at the Firm she was not acting in the best interests of her clients.
- i. **Allegation 1.7** – The Respondent was the principal of the Firm and had a duty to supervise and manage work being done for clients. The Respondent permitted conduct by "Asad Sahi", "Edward Elkins" and/or other persons known as "London Group" without checking and put her clients at risk. She did not act in her clients' best interest as there was no way the Respondent could supervise adequately the work done on behalf of the Firm.
- j. A law firm would be expected to have secure systems in place for managing physical client files and keeping them secure at all times. The Respondent, as principal, ought to have put measures in place to ensure that the files were securely locked away when not in use. The Firm would be expected to ensure confidentiality of all client matters. The Respondent permitted the Firm's email system for communicating with client to become insecure and external to the

supervision and control of the Firm. The Respondent had no understanding of where client files and documents were, either those in her possession and or those that were lost and or those "Asad Sahi" was working on as part of his employment with the Firm.

- k. The Respondent, as an experienced solicitor, ought to only employ appropriately qualified staff. She should have supervised the provision of legal services in an effective manner, having a system in place for file handling, communication with clients and postal and written correspondence that allows for transparency and oversight.

163. Factors that aggravate the seriousness of the misconduct include:

- a. The client account shortage was repeated between January 2020 and February 2024.
- b. The misconduct continued over a period of time despite two forensic investigations and the Respondent being aware of concerns over her failure to keep and maintain accurate accounting records and client account shortages.
- c. The Respondent is an experienced solicitor holding a position of responsibility as a sole manager, sole owner, COLP, COFA, MLRO and MLCO, she ought reasonably to have known her obligations of these positions.
- d. There was significant harm, or the prospect of significant harm, to a number of clients.

164. The parties therefore consider that in light of the admissions set out above and taking due account of the guidance, the proposed outcome represents a proportionate resolution of the matter, which is in the public interest. The admitted conduct involves a breach of the requirement to act with integrity. Accordingly, the parties agree that the appropriate outcome in this case is for the Respondent to receive an immediate term of suspension and for a restriction order to be imposed.

Costs

165. Subject to the approval of this Agreed Outcome Proposal, the SRA is agreeable to the following Order as to costs being made £25,000.00 inclusive of VAT. The SRA is satisfied that this is a reasonable and proportionate contribution by the Respondent in the circumstances of this case, which adequately reflects the seriousness of the conduct.

On behalf of the SRA (Applicant):

Dated:

Signed:

On behalf of Stefanie Anne O'Bryen (Respondent)

Dated:

Signed:

Solicitor