SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974 Case No. 12863-2025

BETWEEN:

SOLICITORS REGULATION AUTHORITY LTD Applicant

and

KIERAN FERGUSON Respondent

Before:

Mrs F Kyriacou (in the chair)
Miss O Davies
Mrs L McMahon-Hathway

Date of Hearing: 13 – 15 July 2026

Appearances

Kathryn Hughes, counsel of QEB Hollis Whiteman, 1-2 Laurence Pountney Hill, London EC4R 0EU instructed by the Solicitors Regulation Authority for the Applicant.

Ben Smiley, counsel of 4 New Square, Lincoln's Inn, London WC2A 3RJ, instructed by DAC Beachcroft LLP for the Respondent.

JUDGMENT

Allegations

1. The allegation made against Mr Ferguson by the Solicitors Regulation Authority Limited ("SRA") were that, whilst in practice as a Solicitor at Ashurst LLP (the Firm), he:

1.1. On or around 10 April 2022 he provided misleading information to his insurers in an attempt to make a claim on his insurance policy for a stolen bike which was not covered by the policy at the time the theft took place. In doing so, he breached any or all of:

1.1.1. Principle 2 of the SRA Principles 2019 ("the Principles")
1.1.2. Principle 4 of the Principles.
1.1.3. Principle 5 of the Principles.
1.1.4. Paragraph 1.4 of the SRA Code of Conduct for Solicitors, RELs and RFLs ("the Code").

1.2. Between 11 April 2022 and 3 May 2022 deliberately made untrue/misleading statements to his insurers in support of his claim for the stolen bike. In doing so, he breached any or all of:

1.2.1. Principle 2 of the Principles.
1.2.2. Principle 4 of the Principles.
1.2.3. Principle 5 of the Principles.
1.2.4. Paragraph 1.4 of the Code.

Executive Summary

2. The Tribunal found both allegations proved on the balance of probabilities. It found that Mr Ferguson knowingly submitted a claim to Laka/Zurich for the theft of the Topstone when that bike was not covered by the Policy and then amended the Policy after the theft in an attempt to create the appearance of cover. The Tribunal rejected Mr Ferguson's evidence that he genuinely believed the Policy operated as a multi-bike or value-based policy. It found that his conduct was dishonest by the standards set out in *Ivey*, lacked integrity, undermined public trust in him and in the profession, and amounted to an attempt to mislead his insurers, in breach of the Principles and Code as alleged.

3. The Tribunal's findings can be accessed here:

- Allegation 1.1
- Allegation 1.2

4. The Tribunal considered the mitigation advanced on Mr Ferguson's behalf, including his personal circumstances, lack of previous disciplinary findings, good character, employer support, absence of repetition and evidence as to low risk of recurrence. It accepted that he was not inherently dishonest but concluded that the circumstances relied upon did not sufficiently relate to, or explain, the dishonest conduct and did not amount to exceptional circumstances. The Tribunal found that the dishonesty was not momentary but continued over a period during which Mr Ferguson had opportunities to correct the position and tell the truth. It determined that the only appropriate and

proportionate sanction was to strike Mr Ferguson off the Roll and ordered him to pay the Applicant's costs in full in the sum of £20,757.00. The Tribunal's reasoning on sanction can be accessed [here].

Documents

5. The Tribunal reviewed all the documents submitted by the parties, which were included in the electronic bundle.

Professional Details

6. Mr Ferguson was born in 1995 and admitted to the Roll in September 2020. Mr Ferguson had been employed by the Firm since June 2021, specialising in Finance. He held an unconditional Practising Certificate.

Witnesses

7. The following witnesses provided written statements and gave oral evidence:

- Kieran Ferguson – Respondent
- Dr Zimbron – Expert witness for the Respondent

8. The written and oral evidence of the witnesses is quoted or summarised in the Findings of Fact and Law below. The evidence referred to will be that which was relevant to the findings of the Tribunal, and to facts or issues in dispute between the parties. For the avoidance of doubt, the Tribunal read all of the documents in the case and made notes of the oral evidence. The absence of any reference to particular evidence should not be taken as an indication that the Tribunal did not read, hear or consider that evidence.

Findings of Fact and Law

9. 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 Mr Ferguson's rights to a fair trial and to respect for his private and family life under Articles 6 and 8 of the European Convention for the Protection of Human Rights and Fundamental Freedoms.

Dishonesty

10. The test for dishonesty was that set out in *Ivey v Genting Casinos (UK) Ltd t/a Crockfords* [2017] UKSC 67 at [74] as follows:

> *"When dishonesty is in question the fact-finding Tribunal must first ascertain (subjectively) the actual state of the individual's knowledge or belief as to the facts. The reasonableness or otherwise of his belief is a matter of evidence (often in practice determinative) going to whether he held the belief, but it is not an additional requirement that his belief must be reasonable; the question is whether it is genuinely held. When once his actual state of mind as to knowledge or belief as to facts is established, the question whether his conduct was honest or dishonest is to be determined by the factfinder by applying the*

> *(objective) standards of ordinary decent people. There is no requirement that the defendant must appreciate that what he has done is, by those standards, dishonest".*

11. When considering dishonesty, the Tribunal firstly established the actual state of Mr Ferguson's knowledge or belief as to the facts, noting that the belief did not have to be reasonable, merely that it had to be genuinely held. It then considered whether that conduct was honest or dishonest by the standards of ordinary decent people.

Integrity

12. The test for integrity was that set out in *Wingate and Evans v SRA and SRA v Malins* [2018] EWCA Civ 366, as per Jackson LJ:

> *"Integrity is a useful shorthand to express the higher standards which society expects from professional persons and which the professions expect from their own members ... [Professionals] are required to live up to their own professional standards ... Integrity connotes adherence to the ethical standards of one's own profession".*

13. **Allegation 1.1 - On or around 10 April 2022 he provided misleading information to his insurers in an attempt to make a claim on his insurance policy for a stolen bike which was not covered by the policy at the time the theft took place. In doing so, he breached any or all of: Principles 2, 4 and 5 of the Principles; and paragraph 1.4 of the Code.**

Factual Background

13.1 On 26 September 2023, the SRA received a report from Zurich Insurance (Zurich) that Mr Ferguson had submitted a fraudulent insurance claim and made false statements in support of his claim in respect of his bike, a Cannondale Topstone (Topstone) with a value of £1,699. The Firm was notified of this report by the SRA on 30 November 2023.

13.2 Mr Fergusson had an insurance policy (Policy) with Laka Bicycle Insurance (Laka) in respect of a Cannondale Systemsix Ultergra bike (Systemsix) with an insured value of £2500. The Policy was underwritten by Zurich. The Laka Policy specifically stated that it covered the Systemsix and photos and receipts of the Systemsix needed to be provided to Laka under clause 7.1 of the Policy, which was required *"partly as one of our precautions against fraud but also because it makes the claims process much easier"*.

13.3 At approximately 19.45 on Sunday 10 April 2022, during a house move, Mr Ferguson's other bike, the Topstone, was stolen. At 21:11 on 10 April 2022, Mr Ferguson initiated an online claim for a stolen bike which he submitted at 21:29 on the same date. Mr Ferguson also submitted a video with the claim notification at around 21:15 on 10 April 2022. At 21:39, 10 minutes after submitting the claim, Mr Ferguson amended the Policy online by adding the Topstone to the Policy.

13.4 Due to Mr Ferguson's attempt to add the Topstone to the Policy after the theft, Laka referred the case to Zurich for further enquiries to be made.

13.5 On 7 December 2022, Zurich wrote to Mr Ferguson notifying him of the outcome of its investigation, stating:

> *"It is evident that the Cannondale Topstone was added to the policy after the theft. Furthermore, you stated and reaffirmed, that the bike was added to the policy prior to the theft. Your actions and statements made to Zurich and Urban Jungle show there has been a deliberate attempt to defraud. The evidence therefore supports that you have engaged in fraudulent conduct by making a fraudulent claim and made a number of false statements to us in support of the same".*

13.6 On 24 March 2023, Zurich responded to representations from Mr Ferguson that it would be disproportionate for his details to be shared with the Insurance Fraud Register (IFR). Zurich found that he should be added to the IFR as he had engaged in fraudulent conduct by making a claim on a bike that was not insured and in providing misleading answers in subsequent communications:

> *"We consider that Mr Ferguson is neither credible or reliable and therefore we do not accept his response that he was 'careless'. It is clear Mr Ferguson attempted to deceive, not one, but two insurers in an attempt to gain benefits from the policies to which he was not entitled. We appreciate Mr Ferguson was the victim of a crime but that does not excuse his engagement in fraudulent conduct. The criteria has been met for uploading Mr Ferguson's details to the IFR and that is what we intend to do. Mr Ferguson will be notified when his details are uploaded".*

<u>The Applicant's Case</u>

13.7 Ms Hughes submitted that the terms of the Policy were clear. Mr Ferguson had complied with the requirement to upload details of the insured bike, and during the course of the policy, had amended it both to change his address and add a bike lock as a separately insured item. This, it was submitted, evidenced Mr Ferguson's understanding of how cover attached to specific items. It was also abundantly clear from the Policy that only the items listed in the Policy schedule were insured.

13.8 Ms Hughes submitted that Mr Ferguson's explanation defied reasonable belief. His suggestion that he believed that any bike (up to a value of £2,500) was insured was incredible and not accepted. The clearly stated terms of the Policy, the actions taken by Mr Ferguson when insuring the Systemsix and the actions taken by him after the theft of the Topstone evidenced that Mr Ferguson knew that only the Systemsix was insured. Furthermore, if Mr Ferguson genuinely believed that any bike was covered, there would have been no reason for him to amend the Policy to include the uninsured bike after the theft. Mr Ferguson, it was submitted, knew that the Topstone was uninsured, and thus knew that he was not entitled to make a claim for the theft.

13.9 Mr Ferguson had provided misleading information to Laka on 10 April 2022 by making a claim for the Topstone when, at the time of the theft, it was not covered by the Policy and amending the Policy after the event. The effect of his conduct was to present an uninsured loss as one falling within the policy. Mr Ferguson's conduct was a deliberate attempt to create retrospective cover for the Topstone. Ordinary and decent people would consider that it was dishonest for a solicitor to make an insurance claim for an item that they knew was not covered by an insurance policy. Accordingly, Mr Ferguson’s conduct breached Principle 4.

13.10 A solicitor acting with integrity would not attempt to mislead an insurer by making a claim for a bike which he knew or believed was not subject to an insurance policy, especially if it was to financially benefit themselves to the detriment of the insurer. A solicitor who deliberately deceived an insurer for his own financial gain was clearly in breach of the ethical principles of the profession. By knowingly making a false claim on an insurance policy, Mr Ferguson had failed to act with integrity in breach of Principle 5.

13.11 In pursuing a false claim, Mr Ferguson had undermined the trust the public placed in him and in the profession in breach of Principle 2.

13.12 In submitting a claim for the uninsured Topstone and then amending the Policy after the theft to include the Topstone, Mr Ferguson had sought to present an uninsured claim as falling within the scope of his insurance policy. In doing so, he had attempted to mislead his insurers. The fact that the insurers were not misled did not negate the breach of paragraph 1.4 of the Code which required solicitors not to mislead or attempt to mislead others.

<u>The Respondent's Case</u>

13.13 Mr Ferguson denied allegation 1.1. Mr Smiley submitted that the facts and timeline of the claim were substantially not in dispute; the central issue was Mr Ferguson's state of mind when the claim was made. The SRA’s case, it was submitted, was premised on proving that Mr Ferguson knew or believed that the Topstone was not covered. In order to assess Mr Fegusons’s state of mind at the time of making the claim, it was necessary for the Tribunal to understand three important factors.

13.14 Firstly, Mr Ferguson witnessed the theft, by two masked thieves, from the living-room window. He described seeing the lock being cut with an angle grinder, hearing loud grinding noises, and seeing sparks. He and his partner tried to run after the thieves, but they had already left. The police were called and attended, and a crime reference number was provided.

13.15 At the point of making the claim, he was still in shock and overwhelmed by the theft. He did not think to check the policy terms before submitting the claim. He believed that the policy provided cover for a bike up to the value of £2,500, rather than cover for only the specific bike listed on the schedule. As the Topstone was valued at approximately £1,699, which was below the amount he believed was insured, he believed it was reasonable to make the claim.

13.16 Secondly, in January 2020, a close childhood friend had been murdered. The trial took place in November 2021, convictions followed in February 2022, and sentencing took place in May 2022. The media coverage and repeated exposure to the details of the murder left Mr Ferguson in a vulnerable and anxious state and materially affected his decision-making abilities.

13.17 Thirdly, the accommodation difficulties in late March and early April 2022 were a further stressor. Mr Ferguson and his partner had been attempting to purchase their first home, with completion aimed for early April. The seller delayed without explanation, requiring them to move into temporary accommodation on 9 April 2022; on 12 April 2022, after the theft, the seller pulled out entirely. Mr Ferguson described those events as causing enormous stress and anxiety, compounding the impact of the bike theft and the ongoing criminal proceedings relating to his friend's murder.

13.18 The Tribunal was referred to the expert evidence from Dr Zimbron, who considered that the convergence of multiple acute stressors impaired Mr Ferguson's ethical judgment and decision-making during the period 10 April to 3 May 2022. Mr Smiley submitted that the evidence as to Mr Ferguson’s mental state at the time the claim was made assisted the Tribunal in assessing whether the belief described by Mr Ferguson was genuinely held at the time of the initial claim.

13.19 At the time of the claim, Mr Ferguson understood the Policy to provide cover for any bike to the value of £2,500. Mr Smiley submitted that this was not an unreasonable belief, drawing an analogy between Mr Ferguson’s belief regarding the Laka Policy and standard home insurance policies covering a non-specific selection of contents up to a set value. Mr Ferguson had not read the Policy, and there was no evidence that he had read the Policy prior to making the claim.

13.20 Mr Ferguson accepted that the Policy wording was clear; only items in the schedule were covered but maintained that he had not properly read it and did not know that was how the policy operated when he made the claim.

13.21 Accordingly, the claim was the result of a mistaken, careless, and incorrect understanding, but not a dishonest one. Mr Smiley submitted that many individuals take out personal insurance without reading the terms in detail, and that Mr Ferguson's failure to do so was careless rather than probative of dishonesty.

13.22 As to the amendment of the Policy subsequent to the submission of the claim, this did not evidence that Mr Ferguson knew that he was not entitled to make the claim. Mr Ferguson explained that he did so to assist in the administration and consideration of the claim, in the belief that the Topstone was covered, it being of a lesser value than the Systemsix. That genuine misunderstanding, it was submitted, was the proper lens through which to assess the addition of the Topstone to the Policy.

13.23 Mr Smiley submitted that Mr Ferguson genuinely believed that the Laka Policy covered a bike up to the insured value of £2,500, thus covering the Topstone. Given that was his genuine belief when making the claim, Mr Ferguson had not knowingly made a false insurance claim and had not attempted to claim for a bike that he knew was uninsured. It was accepted that his belief, whilst genuine, was mistaken and that Mr Ferguson should have checked the policy terms. His carelessness or misunderstanding, particularly in the acute circumstances described, was not dishonest. The fact that Mr Ferguson admitted dishonesty relating to the later 11 April and 3 May statements was separate from the initial claim and should not be used to reverse-engineer a dishonest state of mind on 10 April.

13.24 Mr Smiley submitted that given Mr Ferguson's genuine belief that the Topstone was covered under the Laka Policy when the claim was made, the act of making the claim was not conduct lacking integrity. It was a mistaken personal insurance claim made outside practice, under pressure, and based on an incorrect understanding of the policy rather than an intentional attempt to deceive.

13.25 Absent dishonesty or an intention to mislead in respect of the initial claim, the conduct alleged did not breach Principle 2. A genuine, albeit careless, misunderstanding in a private insurance context was not the type of conduct that undermined public trust in Mr Ferguson or the profession.

13.26 As to paragraph 1.4 of the Code, it followed that given Mr Ferguson's mistaken belief, he had not attempted to mislead his insurers.

13.27 Mr Smiley submitted that whilst Mr Ferguson admitted later dishonest or misleading statements under Allegation 1.2, those later admissions did not establish dishonesty, lack of integrity, a public trust breach, or an attempt to mislead at the point when the initial claim was made.

13.28 Given Mr Ferguson's genuinely, but mistakenly held belief when making the claim, Allegation 1.1 should be dismissed.

<u>The Tribunal's Findings</u>

13.29 The Tribunal considered carefully the submissions and evidence advanced by both parties. It accepted the Applicant's submission that the terms of the Policy were clear and that cover attached to the items identified in the Policy schedule. The Policy identified the Systemsix, and not the Topstone, as being insured. The Tribunal also took into account the details that Mr Ferguson was required to provide when insuring the Systemsix, the amendments he had made to the Policy to change his address and to add the bike lock as a separately insured item. Those matters demonstrated that he understood, or at least was aware of, the significance of the items identified on the Policy schedule.

13.30 The Tribunal did not accept Mr Ferguson's evidence that he had not read the Policy, or that, if he had read it, he had only done so at a high level. In his oral evidence, Mr Ferguson's position shifted between saying that he had not read the Policy and saying that he may have read it only at a high level. The Tribunal found that evidence unsatisfactory. Even if the Policy had only been read at a high level, the Tribunal did not accept that Mr Ferguson genuinely believed that it covered any bike up to a set value. The Policy was not ambiguous in that respect; it identified the insured bicycle and made clear that the items covered were those shown on the Policy schedule.

13.31 The Tribunal rejected Mr Ferguson's explanation that he amended the Policy after submitting the claim in order to assist with the administration of the claim. That explanation was not credible. If Mr Ferguson genuinely believed that the Policy covered any bike up to the insured value, there was no need for him to amend the Policy at all. The fact that he did so within approximately 10 minutes of submitting the claim was, the Tribunal's found, compelling evidence that he knew that the Topstone was not covered and that he was seeking to create the appearance of cover retrospectively.

13.32 The Tribunal considered the evidence that Mr Ferguson was operating under acute stress, including the impact of the criminal proceedings relating to the murder of his close friend, the uncertainty surrounding his accommodation, and the shock of witnessing the theft. The Tribunal also considered Dr Zimbron's evidence. Those matters provided important context, but they did not cause the Tribunal to accept Mr Ferguson's asserted belief as genuine. The Tribunal found that the contemporaneous evidence, in particular the sequence of the claim followed immediately by the amendment to the Policy, was inconsistent with a genuine misunderstanding and was instead consistent with an attempt to present an uninsured loss as insured.

13.33 Applying the test in *Ivey*, the Tribunal found that Mr Ferguson knew that the Topstone was not covered by the Policy at the time of the theft and that, by submitting the claim and then amending the Policy after the event, he attempted to make the claim appear valid. Ordinary decent people would regard that conduct as dishonest. Accordingly, the Tribunal was satisfied that Mr Ferguson's conduct was dishonest in breach of Principle 4.

13.34 The Tribunal further found that a solicitor acting with integrity would not knowingly make a claim for an item which was not covered by the relevant insurance policy, nor amend the policy after the event so as to give the appearance that the item was covered. Mr Ferguson's conduct fell below the ethical standards expected of the profession and breached Principle 5. It also undermined the trust the public placed in him and in the profession, in breach of Principle 2. In submitting the claim and then amending the Policy in the circumstances found, Mr Ferguson attempted to mislead his insurers, notwithstanding that the insurers were not in fact misled. The Tribunal therefore found a breach of paragraph 1.4 of the Code.

13.35 Accordingly, the Tribunal found allegation 1.1 proved on the balance of probabilities, including the alleged breaches of Principles 2, 4 and 5 and paragraph 1.4 of the Code.

14. **Allegation 1.2 - Between 11 April 2022 and 3 May 2022 deliberately made untrue/misleading statements to his insurers in support of his claim for the stolen bike. In doing so, he breached any or all of: Principles 2, 4 and 5 of the Principles and Paragraph 1.4 of the Code.**

<u>Factual Background</u>

14.1 Following receipt of the claim, Laka contacted Mr Ferguson asking him to confirm which bike was stolen. On 11 April 2022, in response, Mr Ferguson stated:

> *"I think there is some confusion on the system here as the bike stolen was the Canondale Topstone. For context, I'd recently submitted details on Laka to change the insurance details to cover the Topstone (valued at £1700) instead of the Sytemsix (valued at £2500) as I was moving flat on the weekend and wanted to ensure that the insurance covered the Topstone for the period of moving. Can you confirm that this has been recognised and can be pursued? I am slightly concerned that the coverage hasn't been updated accordingly to reflect the bike that was stolen".*

14.2 Due to the adding of the Topstone following the theft, the matter was referred to Zurich for further enquiries to be made. On 20 April 2022, an appointment was made for Mr Ferguson to discuss the case with Mr Johnston, a claims investigator.

14.3 On 29 April 2022, Mr Ferguson emailed Mr Johnston requesting that the claim be withdrawn as the bike was covered under a separate home insurance policy which was able to pay out quicker. Mr Johnston replied on the same day stating that Zurich was unable to accept a withdrawal of the claim at that time and confirming that the appointment would still take place.

14.4 On 3 May 2022, Mr Ferguson was interviewed by Mr Johnston. During the course of the interview, Mr Ferguson initially claimed he had added the Topstone to the Policy on 8 or 9 April 2022, prior to the theft on 10 April 2022, in order for it be insured during his house move. When confronted with a recording of his screen showing that he had made the amendment at 21.39 on 10 April 2022, Mr Ferguson conceded that he added the Topstone to the Policy after submitting the claim and therefore after the theft. He asserted that he thought the Policy was a multi-bike insurance policy:

> *"KF So that was me changing my gear details to the Cannondale Topstone.*
>
> *SJ OK. So, there's a time stamp on that which is 2139 on the 10th of April, which is the same day that you reported it.*
>
> *KF Yeah, yeah.*
>
> *SJ So is it right that you're changing the policy after you submit the claim?*
>
> *KF Uh that appears to be the case, yeah. I thought that changing the bike details would be fine if the policy well, sorry the, the actual bike value was the same was higher. Is that not the case?*
>
> *SJ So it's a, it's a different bike, they're different bikes. So, the Topstone wasn't covered at the time there's a theft. And then you've submitted the claim for a Topstone.*
>
> *KF Right.*
>
> *SJ And then you've changed it. I think you've you must have realised, though, that one's not covered. And then you've amended cover after it. Is there any sort of explanation as to why or anything you want to add at this point?*
>
> *KF It was just that yeah, I thought because I had this set value that I'd insured the bike at £2,800 for any bike that was under the same value that £1,700 was basically gonna be covered"*
>
> …
>
> *KF OK. So just so I'm clear the policy. OK, the policy, I mean, perhaps I should have read the wording properly, so if I've got an insurance policy*

> *that covers up to a certain amount, any claim on a bike that's under that amount won't be covered because it's not the same bike. Is that right?*
>
> *SJ It's a, it's a different bike. It is a different bike so… my understanding is it; it doesn't appear to be covered, it's changed. It's a completely different make model and bike. But again, it's just I'm just gathering all the evidence before any sort of decision or next steps decided".*

<u>The Applicant's Case</u>

14.5 Ms Hughes submitted that Mr Ferguson made a claim on his home insurance, as detailed in his email to Mr Johnston of 29 April 2022.

14.6 In his initial call with the home insurers (Urban Jungle), Mr Ferguson was asked whether he had made any other claims in the last 5 years, to which he replied 'no'. He was also asked whether he had any other insurance in place which may have covered the theft of the bike. Mr Ferguson replied: *"No, I don't think so".* Urban Jungle settled the claim. Mr Ferguson was asked about the Urban Jungle claim during his interview with Mr Johnston on 3 May 2022. Mr Johnston requested the details of the claim.

14.7 Following the interview with Mr Johnston, Mr Ferguson contacted Urban Jungle, as he realised that when making the Urban Jungle claim, he told them the theft had taken place on 9 April 2022 and returned the monies received. The home insurance policy with Urban Jungle expired on 9 April 2022.

14.8 Ms Hughes submitted that the Urban Jungle claim was important context to assist in the understanding of the allegation but was not a matter about which the Tribunal was being asked to make findings.

14.9 Ms Hughes submitted that on 11 April 2022 and 3 May 2022, when Mr Ferguson asserted that he had amended the Policy prior to the theft, he knew that this was untrue, as he knew that he had amended the Policy after the theft. This was admitted by Mr Ferguson.

14.10 Mr Ferguson denied that he knew the Policy only covered the Systemsix. This was not accepted. Ms Hughes submitted that it was only in the interview, following the production of the amendment to the Policy that Mr Ferguson claimed that he believed the Policy was a multi-bike policy and covered the Topstone. It was the SRA's case that this was not Mr Ferguson's genuinely held belief and was concocted by him to explain claiming for the uninsured Topstone. Adding the Topstone to the Policy after the theft was inconsistent with a belief that the Policy was a multi-bike policy.

14.11 Ms Hughes submitted that given Mr Ferguson's state of knowledge and belief, namely that he had amended the Policy after the theft and knew that only the Systemsix was insured, his conduct was dishonest by the standards of ordinary decent people, who would consider it dishonest to lie to an insurance company. In doing so, his conduct was dishonest in breach of Principle 4.

14.12 A solicitor acting with integrity would not knowingly make misleading statements to an insurer. In doing so, Mr Ferguson had failed to act with integrity in breach of

Principle 5. In making false and misleading statements to his insurer, Mr Ferguson had undermined the trust the public placed in him and in the profession in breach of Principle 2. He had also attempted to mislead his insurer in breach of Paragraph of the Code.

The Respondent's Case

14.13 Mr Ferguson admitted Allegation 1.2 save that it was denied that he had misled his insurer in breach of Paragraph 1.4 of the Code. Mr Ferguson also denied that he knew or believed that the Policy was not a multi-bike policy.

14.14 Mr Ferguson repeated his evidence detailed above. In summary, he genuinely believed that the Policy covered the Topstone. It was accepted that by 11 April (and thus 3 May) his understanding had changed. In interview Mr Ferguson was not saying that the Policy was, in fact, a multi-bike policy; rather, he was explaining his state of mind when he made the original claim.

14.15 Mr Smiley submitted that when Mr Johnston evidenced the post-theft amendment of the Policy, Mr Ferguson immediately accepted that the Policy had been changed after the claim. His response was not simply to deny or maintain the false timeline. He explained, in substance, that he had thought the policy operated by reference to the insured value and that a lower-value bike would be covered. That explanation was then repeated in his subsequent communications and in these proceedings.

14.16 The Applicant’s characterisation of the multi-bike explanation being invented only after Mr Ferguson was caught out should not be accepted. The explanation was given immediately when the issue was put to him, in circumstances where he was under obvious pressure, and it had remained materially consistent thereafter. Mr Ferguson’s response, rather than being concocted and a further lie, was a spontaneous explanation of his original belief.

14.17 The Applicant’s case, it was submitted, failed to distinguish between the admitted false chronology and the disputed explanation of Mr Ferguson’s original belief. Mr Ferguson accepted that it was untrue to suggest that he amended the policy before the theft and because of the house move. It did not follow that his explanation of his belief on 10 April 2022 — that he thought the policy was value-based and covered any bike up to the insured value — was also untrue.

14.18 The wider context included Mr Ferguson seeking to cancel the Laka/Zurich claim on 29 April after Urban Jungle had paid, and then repaying the Urban Jungle settlement on 3 May after realising his error. Those acts, it was submitted, were inconsistent with a desire to obtain a double or illegitimate recovery and were important when assessing motive and state of mind.

14.19 Mr Smiley submitted that the Urban Jungle claim must be treated with care; there was no allegation of misconduct in relation to that claim. Further, properly characterised, that claim supported Mr Ferguson’s case at it illustrated why Mr Ferguson believed insurance could operate by reference to a broad value-based cover model, and because he repaid the money once he realised the date/policy issue.

14.20 The medical and contextual evidence was central. The relevant period was a short window during which multiple stressors converged: the unresolved trauma of a close friend's murder and related proceedings, the collapse of his living arrangements, and the direct witnessing of the theft. That evidence made it more likely that the inaccurate statements were momentary lapses of judgment rather than proof that the underlying multi-bike explanation was fabricated.

14.21 For those reasons, the Applicant's case should not be accepted insofar as it invited the Tribunal to find that Mr Ferguson's multi-bike/value-based explanation was not genuinely held when the original claim was made.

The Tribunal's Findings

14.22 The Tribunal considered the Applicant's and the Respondent's cases in respect of allegation 1.2, together with the admissions made by Mr Ferguson. The Tribunal found Mr Ferguson's admissions to have been properly made on the facts and evidence. It was admitted that, on 11 April 2022, Mr Ferguson deliberately made an untrue and/or misleading statement when he stated that he had recently submitted details to change the Policy to cover the Topstone instead of the Systemsix because he was moving flat and wanted to ensure that the Topstone was covered during the move. It was further admitted that, on 3 May 2022, Mr Ferguson deliberately made untrue and/or misleading statements during the interview with the insurer when he stated that he had amended the Policy before the theft, including by suggesting that the amendment had been made on or around 8 or 9 April 2022.

14.23 The Tribunal had regard to its findings in respect of allegation 1.1. For the reasons already given, the Tribunal did not accept that Mr Ferguson honestly but mistakenly believed that the Policy was a multi-bike or value-based policy which covered any bike up to a set value. The Tribunal had found that the Policy was clear, that Mr Ferguson understood the significance of the items identified on the Policy schedule, and that the amendment of the Policy shortly after the claim was inconsistent with a genuine belief that the Topstone was already covered.

14.24 The Tribunal considered the submissions made in relation to Urban Jungle only insofar as they formed part of the background narrative relied upon by the parties. The Tribunal did not take the Urban Jungle matter into account when determining allegation 1.2. No allegations of misconduct had been brought in relation to Mr Ferguson's communications with, or claim to, Urban Jungle, and the Tribunal made no findings of misconduct in respect of that matter.

14.25 Applying the test in *Ivey*, the Tribunal was satisfied that Mr Ferguson knew that the statements he made on 11 April and 3 May 2022 as to the timing and reason for the amendment of the Policy were untrue and/or misleading. He also knew (both during the interview and at the time of making the claim) that the Policy related solely to the Systemsix. Ordinary decent people would regard deliberately making false statements to an insurer in support of an insurance claim as dishonest. The Tribunal therefore found that Mr Ferguson had acted dishonestly in breach of Principle 4.

14.26 The Tribunal further found that a solicitor acting with integrity would not deliberately make untrue and/or misleading statements to an insurer about when and why a policy had been amended, or his belief as to what the Policy covered. Such conduct fell below the ethical standards expected of the profession and breached Principle 5. It also undermined the trust the public placed in Mr Ferguson and in the profession, in breach of Principle 2.

14.27 The Tribunal was also satisfied that, by making those statements, Mr Ferguson attempted to mislead his insurers. The fact that the insurers were not in fact misled did not prevent a finding that there had been an attempt to mislead. The Tribunal therefore found a breach of paragraph 1.4 of the Code. Accordingly, allegation 1.2 was found proved on the balance of probabilities, including the alleged breaches of Principles 2, 4 and 5 and paragraph 1.4 of the Code.

Previous Disciplinary Matters

15. None

Mitigation

16. Mr Ferguson accepted that dishonesty was serious and that, ordinarily, a finding of dishonesty would lead to strike-off unless exceptional circumstances were established. The issue for the Tribunal was whether, having regard to the nature, scope and extent of the dishonesty and the regulatory objectives, including the need to maintain public confidence in the profession, the ultimate sanction was required or whether a lesser sanction would meet those objectives proportionately.

17. In *SRA v Sharma* [2010] EWHC 2022 Admin, the Court recognised a residual category of cases in which strike-off would be disproportionate notwithstanding dishonesty. Relevant considerations included the nature, scope, and extent of the dishonesty; whether it was momentary or prolonged; whether the solicitor obtained a benefit; and whether others were adversely affected. It was submitted that those factors assisted Mr Ferguson. The conduct arose from a short, closely connected sequence of events concerning a private insurance claim. It was not dishonesty in practice and did not involve clients, the court, opponents, or the regulator. Mr Ferguson made no financial gain, and the insurers suffered no financial loss.

18. In *SRA v Imran* [2015] EWHC 2572 (Admin), the Court emphasised the need to assess culpability and the extent of the dishonesty. Mr Smiley submitted, relying on the evidence of Dr Zimbron, that Mr Ferguson's culpability was materially reduced by the unusual convergence of stressors affecting him at the relevant time. The dishonesty was not sophisticated, planned, repeated for gain, or directed at the administration of justice; it was readily discoverable and was discovered by the insurer's own investigation.

19. In *Shaw v SRA* [2017] 4 WLR 143, the Court confirmed that in determining whether there were 'exceptional circumstances' in play required a fact-specific assessment. Mr Smiley submitted that the misconduct occurred outside practice, over a compressed period, against an unusual factual background, with strong evidence of otherwise good character and continuing professional confidence in Mr Ferguson.

20. In *Mohindru v BSB* [2026] 1604 (Admin), the Court emphasised that the 'exceptional circumstances' test should be applied by reference to what the regulatory objectives

required, including whether public confidence and protection of the public required removal from practice. Mr Smiley submitted that a sanction short of strike-off would adequately protect the public interest, given the limited nature of the dishonesty, absence of harm or repetition, personal circumstances, and evidence that the risk of recurrence was extremely low.

21. In *Mohindru*, Johnson J stated:

> *"It is, moreover, relevant to the impact on public confidence that a practising lawyer was dishonest many years ago, in a very particular context, at a completely different stage of their life, and that they have shown the highest integrity ever since, such that they cannot now be said to be a dishonest person. Although the nature and extent of the dishonesty is ordinarily the primary consideration, that does not require a tribunal to exclude from consideration other factors which may bear on the assessment of what sanction is now necessary to maintain public confidence, including, in an appropriate case, the antiquity of the misconduct and the practitioner's subsequent record. Thus, the passage of time is something that is capable of making a material difference. The point is not that delay by itself mitigates sanction, still less that the regulator is to be penalised for the delay. The point is that the antiquity of the dishonesty, and the subsequent professional record, is relevant to what sanction is now required to maintain public confidence".*

22. The Tribunal was referred to appraisal documents and a reference from the Firm attesting to the quality of Mr Ferguson's work. The conduct occurred in 2022; there had been no repetition and no further regulatory compliance concerns. The Firm, notwithstanding its own finding of dishonesty following its investigation, had retained him. Mr Smiley submitted that Mr Ferguson had since demonstrated the highest integrity.

23. The Tribunal was referred to other regulatory decisions in which exceptional circumstances had been found. While each was fact-specific, Mr Smiley submitted that the following themes emerged and were present in this case:

- the dishonesty was for a short period
- there was no planning
- the dishonesty was easily uncovered
- the conduct was out of character
- no harm caused to others
- the Respondent's inexperience at the time of the conduct
- a subsequent unblemished career
- contextual factors

24. Mr Smiley submitted that it was also relevant that the conduct occurred in Mr Ferguson's private life and that he was not acting as a solicitor at the time.

25. Mr Smiley submitted that the following factors, taken together, established exceptional circumstances:

- the nature and extent of the dishonesty was limited. The misconduct concerned a private insurance claim arising from the theft of Mr Ferguson's bike. It did not arise in legal practice, involve client funds, a client matter, court proceedings, an opponent, the regulator, or any misuse of his professional position. Although he remained subject to professional standards outside practice, the private context was relevant to seriousness and proportionality.

- the conduct was short-lived and closely connected. It arose from the theft on 10 April 2022, the email of 11 April 2022, and the interview on 3 May 2022. The events formed one compressed sequence arising from the same incident and were not a prolonged or sophisticated course of deception.

- there was no financial benefit and no loss. Mr Ferguson did not retain any insurance payment. He sought to withdraw the Laka/Zurich claim once Urban Jungle had paid and, when he appreciated the issue with the Urban Jungle claim, contacted the insurer, and repaid the monies received. There was no loss to either insurer, any client, or any wider financial harm.

- the dishonesty was unsophisticated and readily discoverable. The insurer identified the chronology from its own records, including the timing of the policy amendment. This was not a carefully concealed fraud, but a dishonest response in the context of personal crisis and not conduct of the most serious type within the spectrum of dishonesty cases.

- there were exceptional personal circumstances in that Mr Ferguson was dealing with the ongoing effects of the murder of a close childhood friend, including the trial, convictions, sentencing, and media coverage; serious uncertainty about his living arrangements; and the shock of witnessing masked individuals cutting the bike lock with an angle grinder. The evidence of Mr Ferguson, his partner and Dr Zimbron supported the submission that this unusual convergence of stressors materially affected his decision-making.

- Mr Ferguson was a junior solicitor with no insurance law experience, having been admitted for less than two years. He was not acting in a professional capacity, and the misconduct did not arise from any position of trust held on behalf of a client or the court. His inexperience did not excuse the misconduct but was relevant to the overall assessment of culpability.

- Mr Ferguson had an otherwise unblemished career and strong evidence of good character. His employer, aware of the allegations and having conducted its own investigation, continued to employ him. He had since progressed in his career, received positive appraisals, and contributed through pro bono and charitable work. That evidence was inconsistent with any ongoing risk to the public or fundamental unsuitability to remain in the profession.

- there was evidence of insight, remorse, and reflection. Mr Ferguson admitted significant aspects of Allegation 1.2, including dishonesty, lack of integrity and breach of public trust. Maintaining his case on Allegation 1.1, and disputing aspects of the SRA's characterisation of his state of mind, should not be treated as aggravating; he was entitled to contest issues of fact and state of mind while relying on proper mitigation.

- the risk of repetition was very low. Dr Zimbron's evidence was that Mr Ferguson did not present as someone with chronic or compulsive dishonesty, but as someone whose conduct reflected an isolated situational breach in unusual circumstances. The combination of stressors present in April and May 2022 was highly unusual and unlikely to recur in the same way. The Firm's continued confidence in him was also relevant to future risk.

- Mr Ferguson had already suffered serious consequences. His insurance was cancelled; he was placed on the Insurance Fraud Register; he faced internal, SRA and disciplinary proceedings; he endured adverse publicity and was personally affected by the process. Those matters did not replace the need for sanction but were relevant to whether strike-off was necessary and proportionate.

26. Mr Smiley submitted that applying the authorities and themes from recent disciplinary cases, Mr Ferguson's case fell within the exceptional circumstances category. Public confidence did not require the permanent removal from the Roll of a solicitor whose misconduct, though dishonest, was isolated, out of character, outside practice, caused no loss, and arose in an exceptional personal context unlikely to be repeated. To strike Mr Ferguson off the Roll would be disproportionate and was unnecessary to achieve regulatory objectives, maintaining public confidence in the reputation of the profession.

Sanction

27. The Tribunal had regard to the Guidance Note on Sanctions (11th Edition – February 2025). The Tribunal's overriding objective, when considering sanction, was the need to maintain public confidence in the integrity of the profession. In determining sanction, it was the Tribunal's role to assess the seriousness of the proven misconduct and to impose a sanction that was fair and proportionate in all the circumstances.

28. The Tribunal determined that Mr Ferguson was motivated by his desire to be reimbursed, following the theft of the Topstone. His initial actions were not planned with any degree of sophistication. That this was the case was plain from the amendment of the Policy after the claim was made. The Tribunal considered that Mr Ferguson had breached the trust placed in him by his insurer to make valid and legitimate claims. He was wholly and solely responsible for his conduct. Whilst he was not an experienced solicitor, either in terms of post-qualification experience, or in insurance law, his lack of experience was not related to his conduct; Mr Ferguson did not need to be an insurance lawyer or an experienced lawyer to know that he should not make a claim for an uninsured item and that an insurance contract is one of utmost good faith.

29. The Tribunal did not accept that the absence of financial loss to the insurer meant that no harm had been caused. Although the insurer was not ultimately induced to make a payment under the Laka/Zurich policy, Mr Ferguson's conduct required the insurer to identify the irregularity, refer the matter for further investigation, appoint a claims investigator, correspond with Mr Ferguson, conduct an interview, review the relevant policy records, and reach a formal decision on the claim. That process necessarily involved time, resources, and administrative burden. The harm was therefore not

confined to financial loss; it included the disruption, investigative steps and resource expenditure caused by the making and pursuit of a claim which the Tribunal had found to be dishonest.

30. There had also been harm caused to the reputation of the profession. Mr Ferguson's conduct was aggravated by his proven and (partially) admitted dishonesty, which was in material breach of his obligation to protect the public and maintain public confidence in the reputation of the profession, as per Coulson J in Sharma:

> *"34. There is harm to the public every time that a solicitor behaves dishonestly. It is in the public interest to ensure that, as it was put in Bolton, a solicitor can be "trusted to the ends of the earth"."*

31. Given the finding of dishonesty, the Tribunal did not consider the lesser sanctions within its sentencing powers were proportionate in this case. It was well-established principle that a strike off would invariably be the appropriate sanction in cases of dishonesty, save in exceptional circumstances. The Tribunal had regard to the case of Bolton v Law Society [1994] 2 All ER 486 in which Sir Thomas Bingham stated:

> *".... Lapses from the required standard (of complete integrity, probity, and trustworthiness) .... may....be of varying degrees. The most serious involves proven dishonesty.... In such cases the tribunal has almost invariably, no matter how strong the mitigation advanced by the solicitor, ordered that he be struck off the roll of solicitors".*

32. The Tribunal then considered, at considerable length, whether exceptional circumstances existed such that the usual sanction following a finding of dishonesty should not apply. It considered carefully the mitigation advanced on Mr Ferguson's behalf, including the submissions that the misconduct occurred outside practice, was limited in scope, caused no loss, resulted in no retained financial benefit, was readily discoverable, and arose against a background of a confluence of multiple significant personal stressors. The Tribunal also took into account Mr Ferguson's lack of previous disciplinary findings, his otherwise positive professional record, the evidence of good character and employer support, the absence of repetition since 2022, and the expert evidence relied upon as to his presentation and risk of recurrence. The Tribunal accepted that Mr Ferguson was not inherently dishonest and that there was evidence before it of otherwise good character and subsequent professional confidence in him.

33. The Tribunal distinguished this case from Mohindru. In Mohindru, misconduct had taken place 13½ years previously, with the complaint not being made until 8½ years after the conduct. In this case, the conduct occurred 4 years ago with a complaint being made proximately. In Mohindru the conduct did not relate to money whereas in this case it did. The initial lie in Mohindru was *"likely a panicked answer to an uncomfortable question. The subsequent lie merely bolstered the initial lie"*. The Tribunal did not consider that the initial claim was a panicked response to the theft. Mr Ferguson had made the claim and immediately thereafter amended the Policy. The following day, he had provided further misleading information in his email, when, on his own case, he knew the Topstone was not covered. He made further misleading statements during the course of his interview on 3 May.

34. Mr Mohindru had not sought to make any material gain. Mr Ferguson had sought to recover losses for a bike that was not insured.

35. In addition to the authorities cited by Mr Smiley, the Tribunal had regard to the findings in *SRA v James et al* [2018] EWHC 3058 (Admin) which required the circumstances relied upon as exceptional to relate to the dishonesty itself. The Tribunal was not satisfied that the circumstances described by Mr Ferguson did so. The personal stressors relied upon provided context for the period in question, but they did not explain, in a way capable of amounting to exceptional circumstances, why Mr Ferguson pursued a claim for a bike which he knew was not covered by the Policy.

36. The Tribunal rejected the submission that the dishonesty was momentary. Mr Ferguson knew that he was not entitled to claim for the theft of the Topstone, as he knew that the Topstone was not insured. Even on his own case, by 11 April 2022 he knew that the Policy was not a multi-bike policy. He did nothing to rectify the position with Laka or Zurich. Instead, he continued with the claim, making deliberately untrue and misleading statements about when and why the Policy had been amended. When he sought to withdraw the claim on 29 April 2022, this was not on the basis that he was not entitled to make the claim (as he knew) but because he had reached a settlement with Urban Jungle. At the interview, Mr Ferguson made further untrue and misleading statements.

37. In those circumstances, the Tribunal found that the dishonesty was not confined to an immediate reaction to the theft, nor was it a fleeting lapse. It continued over a period during which Mr Ferguson had opportunities to reflect, correct the position, and tell the truth. The fact that the dishonesty was not sophisticated and was capable of being discovered from the insurer's records, did not materially reduce its seriousness for the purposes of the exceptional circumstances assessment.

38. The Tribunal gave weight to the matters relied upon in mitigation, but concluded that, whether considered individually or cumulatively, they did not amount to exceptional circumstances. They did not sufficiently relate to, or explain, the dishonest conduct found proved. Nor did they justify departing from the ordinary consequence of serious dishonesty by a solicitor. The Tribunal therefore found that exceptional circumstances did not exist. The Tribunal was satisfied that the only appropriate and proportionate sanction, in order to protect the public, and maintain public confidence in the integrity of the profession and the provision of legal services, was to order that Mr Ferguson be struck off the Roll.

Costs

39. Ms Hughes applied for costs in the sum of £20,757.00, which, it was submitted, was reasonable and proportionate given the nature of the case and the issues to be determined.

40. Mr Smiley confirmed that there was no issue on the principle of liability. As to quantum, this should be reduced to reflect the lessened hearing time.

41. The Tribunal noted that the initial hearing was listed for 4 days. This had been reduced to 3 days by the agreement of the parties. The Tribunal scrutinised the costs schedule. It was satisfied that the costs claimed were reasonable and proportionate. It noted that

no refresher fees had been claimed by counsel and considered the fixed fee agreed to be proportionate for a 3 day hearing. The Tribunal did not find that there should be any reduction in the costs claimed due to the shortened hearing. The fees claimed were reasonable and proportionate.

42. The Tribunal considered whether there should be a reduction in costs due to Mr Ferguson's means. No submissions had been made in relation to affordability, and the Tribunal was satisfied that Mr Ferguson would be able to meet the costs obligation. Accordingly, the Tribunal ordered that Mr Ferguson pay costs in full.

Statement of Full Order

43. The Tribunal ORDERED that the Respondent, KIERAN FERGUSON solicitor, be STRUCK OFF the Roll of Solicitors and it further Ordered that he do pay the costs of and incidental to this application and enquiry fixed in the sum of £20,757.00.

Dated this 30th day of July 2026
On behalf of the Tribunal

F Kyriacou

F Kyriacou
Chair