

SOLICITORS DISCIPLINARY TRIBUNAL

SOLICITORS ACT 1974

IN THE MATTER OF AHMAR HUSSAIN and  
RUKHSANA JABEEN KIANI, solicitors (The Respondents)

Upon the application of Robin Havard  
on behalf of the Solicitors Regulation Authority

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Mr D J Leverton (in the chair)  
Mr M Fanning  
Mr M C Baughan

Date of Hearing: 21 October 2010

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**FINDINGS & DECISION**

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**Appearances**

Michael Robin Havard, Solicitor and Partner in the firm of Morgan Cole Solicitors, was the Applicant.

The First Respondent, who was present, was represented by Andrew Lockley of Irwin Mitchell Solicitors and the Second Respondent, who was also present, was represented by Mohammed Afzal of HMA Law.

The Application to the Tribunal, on behalf of the SRA, was made on 15<sup>th</sup> February 2010.

**Allegations**

The allegations against the Respondents were that they had -

1. [Allegation withdrawn]
2. Failed to act in the best interests of their clients contrary to Rule 1.04 of the Solicitors' Code of Conduct 2007.

3. Behaved in a way that was likely to diminish the trust the public places in them and the legal profession contrary to Rule 1.06 of the Solicitors' Code of Conduct 2007.f
4. Misled clients and/or the SRA as to the nature of their partnership.
5. Failed to produce records, papers, client and trust matter files, financial accounts and other documents in breach of Rule 34(1) of the Solicitors' Accounts Rules 1998.  
[Withdrawn as against the Second Respondent]
6. Failed to supervise adequately or at all the activities and work of members of staff within the firm contrary to Rule 5 of the Solicitors' Code of Conduct 2007.
7. Acted recklessly.
8. Failed to fulfil an undertaking in breach of Rule 10.05 of the Solicitors' Code of Conduct 2007. [Withdrawn as against the Second Respondent]

As against the First Respondent alone that he had –

9. Failed to co-operate with the Solicitors' Regulation Authority in the course of its investigation in relation to his practice contrary to Rules 20.05 and 20.08 of the Solicitors' Code of Conduct 2007.
10. [Allegation withdrawn.]

### **Preliminary Matter**

Following discussions between the parties, during additional time allowed by the Tribunal, before the commencement of the hearing, the Applicant sought the leave of the Tribunal to withdraw allegation one as against both Respondents, allegations five and eight as against the Second Respondent only and allegation 10 against the First Respondent. The Tribunal allowed the withdrawals.

The parties informed the Tribunal that both Respondents admitted allegations two, three, four, six and seven, and that the First Respondent admitted allegations five and eight (both of which had been withdrawn as against the Second Respondent) and allegation nine, leaving no contested allegations before the Tribunal.

### **Factual Background**

1. The First Respondent, born in 1972, was admitted to the Roll of Solicitors on 15<sup>th</sup> May 2000. As at the date of the hearing, his name remained on the Roll.
2. The Second Respondent, born in 1959, was admitted to the Roll of Solicitors on 15<sup>th</sup> January 1985. Her name remains on the Roll.
3. At all material times, up to and including 22<sup>nd</sup> April 2009, the First and Second Respondents had purported to act in partnership under the style of Aamir Zane, Solicitors, of 874 – 880 Eastern Avenue, Newbury Park, Ilford, Essex IG2 7HY (the

firm). As from 23<sup>rd</sup> April 2009, the First Respondent had been the sole principal of Aamir Zane, Solicitors.

4. A Senior Investigation Officer of the SRA (Mr Shaw) had commenced an inspection of the books of account and other documents held at the firm on 22<sup>nd</sup> July 2009. He had prepared a Report dated 14<sup>th</sup> August 2009.
5. The Respondents' firm had occupied serviced offices of which Mr James Hastings was understood to be Office Manager. When Mr Shaw had attended the office on 22 July 2009, he had met Mr Hastings who had confirmed that he had authority to open the mail of Aamir Zane, Solicitors, and therefore had been aware of the letter from the SRA dated 15 July 2009 which had arrived on 21 July 2009 informing the Respondent of the proposed meeting on 22 July 2009. Mr Hastings had couriered this letter to the First Respondent's home address.
6. Mr Hastings had also informed Mr Shaw of the existence of an assistant to the First Respondent named "Raj" who had also not been at the office on 22 July 2009 but Mr Hastings had said that he would make contact with him. However, neither the First Respondent nor "Raj" had made contact with Mr Shaw on 22 or 23 July 2009.
7. On 24 July 2009, Mr Shaw had received a telephone call from the First Respondent indicating that he was unwell but he had also told Mr Shaw of his intention to sell the firm and that he was not currently practising. Despite a number of requests from Mr Shaw, the First Respondent had not been prepared to tell him to whom he had sold the firm although he had indicated that he had notified the SRA. Mr Shaw had pressed the First Respondent to inform him of the whereabouts of the books of account and he had indicated that he had given everything to the new firm.
8. Mr Shaw had informed the First Respondent that he wished to inspect the books of account and also a number of client matter files, a list of which he would send to the First Respondent by email.
9. By email of 27 July 2009, Mr Shaw had sent to the First Respondent the information he required and the documents he wished to inspect.
10. By email of 28 July 2009 Mr Shaw had chased the First Respondent for the information requested in his letter of the previous day which had also been sent by email.
11. By email of 29 July 2009 the First Respondent had replied but without providing any positive indication of when the information would be forthcoming. That had been the last contact Mr Shaw had with the First Respondent.

#### Property transactions

12. During the course of the investigation it had been ascertained that the First Respondent had been the only person with authority to operate the firm's client account. Six property transactions had caused concern as follows:-

<u>Item</u>	<u>Client</u>	<u>Property</u>	<u>Selling Price or Mortgage Advance</u> £
1	Ms WJR	26 C Crescent, D, London (sale)	700,000.00
2	Mr & Mrs WB	2 A Grove, London (sale)	575,000.00
3	Mr SMB	36 S Road, London (sale)	299,250.00
4	Mr LA	53 S Gardens, Ilford (purchase)	281,704.00
5.	Mr RMJ & Ms VM	33 C Road, Dagenham	200,000.00
6.	Ms NR	5 D Gardens, Ilford (sale)	180,000.00
			<b>£2,235,954.00</b>

Sale of 26 C Crescent, London - £700,000.00

13. Documents relating to the matter had come in to the possession of the SRA via Humphreys & Co, Solicitors of Bristol, who had been representing Kaihiva & Co, Solicitors, of Ilford who had acted on behalf of the purchaser of the property with Aamir Zane, Solicitors, acting for the vendor.
14. The contract for sale, dated 6 January 2009, showed that exchange and completion on the transaction had taken place on the same day and that someone called "Patel" at Aamir Zane, Solicitors, had conduct of the matter. The vendor, and purportedly the client of Aamir Zane, Solicitors, was Mrs SJR and the purchaser was Mr JO'D, the sale price being £700,000.00.
15. Kaihiva & Co, Solicitors, had acted for both the purchaser and the Royal Bank of Scotland ("RBS") which had been providing the purchaser with a mortgage and advance of £490,000.00.
16. Whilst Mr Shaw had not possessed any accounting information from the Respondents, it had been possible from the documents handed to the SRA by Humphreys & Co, Solicitors, to indentify certain movements of the monies involved in the transaction.
17. The Barclays Bank Plc "same day domestic payment" form dated 6 January 2009 showed that the sum of £700,000.00 had been transmitted from Kaihiva & Co, Solicitors, account to the account of Aamir Zane, Solicitors, held at Lloyds TSB, Walthamstow, London.
18. A fax dated 7 January 2009 from Lloyds TSB (formerly the bankers for Aamir Zane, Solicitors) to the First Respondent had confirmed that the bank account had not been credited with £700,000.00 as it had been closed and that the funds had been returned to Kaihiva & Co, Solicitors, as shown on their client ledger. On 6 January 2009, the First Respondent had written to Kaihiva & Co, Solicitors, informing them of the fact

that the account held with Lloyds TSB at Walthamstow had “temporarily become inactive” and had requested Kaihiva & Co, Solicitors, to transfer the purchase monies of £700,000.00 to the firm’s account at the Whitechapel Road branch of NatWest.

19. Whilst there was reference to Kaihiva & Co, Solicitors, having had contact with Mr Patel of Aamir Zane, Solicitors, the fax from Lloyds TSB dated 7 January 2009 was directed to the First Respondent personally.
20. A Barclays Bank Plc “same day domestic payment” form dated 12 January 2009, ie six days later, showed a payment of £700,000.00 from Kaihiva & Co, Solicitors, to Aamir Zane, Solicitors, at the Whitechapel branch of NatWest.
21. Humphreys & Co’s letter to the SRA of 18 March 2009 had referred to a letter received by them from DLA Piper UK LLP, Solicitors, dated 26 February 2009 who had been instructed to act on behalf of the mortgagees, RBS. In that letter it was stated that the vendor, Ms WJR, who the purchaser’s solicitors had been led to believe was represented by Aamir Zane, Solicitors, had in fact been represented by another firm and that neither contracts, nor purchase monies, had been exchanged with the solicitors acting on behalf of Ms WJR
22. In the letter from Humphreys & Co, dated 18 March 2009, it was alleged that Aamir Zane, Solicitors, had held themselves out as acting for the vendor, exchanged contracts and received payment of £700,000.00 for the purchase of the property.
23. On exchange of correspondence with Humphreys & Co it had been confirmed that the sum of £700,000.00 had not been returned by Aamir Zane, Solicitors, nor had it been possible to register the purchaser’s Title and/or the lender’s charge.
24. At the time of the preparation of his Report, Mr Shaw had not known if Aamir Zane, Solicitors, was holding the sum of £700,000.00 or what had become of those funds.

#### Sale of 2 A Grove, London - £575,000.00

25. In the transaction, Aamir Zane, Solicitors, had purported to act on behalf of the vendors, Mr SWB and a Mrs KW. The purchaser, Mr SA had been represented by Alexander JLO and the purchase price was £575,000.00. Alexander JLO had also acted for Abbey National, who had provided a mortgage advance to Mr Ahmed in the sum of £380,000.00
26. By reference to the client ledger of Alexander JLO it could be seen that on 5 June 2009, an amount of £575,000.00 had been paid to Aamir Zane, Solicitors, the same date on which contracts had been exchanged.
27. A document dated 5 June 2009 entitled TT showed that the sum of £575,000.00 had been paid to Aamir Zane’s NatWest account but, due to the complete absence of documentation from the First Respondent, at the time of preparing his Report, Mr Shaw had not known whether the First Respondent’s firm had still been holding that amount or, if not, what had become of it.

Sale of 35 S Road, London - £299,250.00

28. In the transaction again Aamir Zane, Solicitors, had acted on behalf of the vendor and Kaihiva and Co, Solicitors, had acted on behalf of the purchaser. As a result of concerns in relation to the transaction, Humphreys & Co of Bristol had been acting on behalf of Kaihiva & Co, Solicitors, and had supplied to the SRA documents relevant to the transaction, together with a letter dated 16 April 2009, in which they had set out the background to their involvement and their understanding of the sequence of events relating to the transaction.
29. The contract for sale was dated 22 December 2008. It indicated that exchange of contracts and completion had been due to take place on the same day. The contract named "Patricia Nulu" as the person who purported to exchange contracts on behalf of Aamir Zane, Solicitors, and thereby its clients although throughout his enquiries, Mr Shaw had not been aware that anyone of that name had been involved with the Respondents' firm.
30. The contract showed Mr SMB as the vendor and the First Respondent's client. The purchaser had been Mr D'S, represented by Kaihiva & Co, Solicitors. The purchase price had been £299,250.00 which was to have been part-funded by a mortgage advance from the Abbey National in the sum of £195,000.00.
31. As in all the six cases, no documentation had been produced by the First Respondent but the client ledger account of Kaihiva & Co, Solicitors, showed that on 22 December 2008, a payment had been made to Aamir Zane, Solicitors, in respect of completion monies in the sum of £299,250.00.
32. By letter of 6 March 2009 solicitors acting on behalf of the Abbey National Plc, DLA Piper UK LLP, Solicitors, had written to the purchaser's solicitors, Kaihiva & Co, Solicitors, indicating that they had been informed that the First Respondent's client, Mr B, was claiming never to have sold the property.
33. Following an exchange of correspondence with the SRA, Humphreys & Co had confirmed by an email of 31 July 2009 that the sum of £299,250.00 had not been returned to Kaihiva & Co, Solicitors, by the First Respondent nor had the purchaser's Title or the lender's charge been capable of registration.
34. As at the time of the Report, Mr Shaw had not known whether the Respondent's firm had still held the sum of £299,250.00 on account or, if not, what had become of those funds.

Purchase of 53 S Gardens, Ilford - £288,782.00

35. By letter of 20 November 2007, Birmingham Midshires Building Society had instructed the Respondents' firm to act on its behalf in connection with Mr LA's purchase of 53 S Gardens for £450,000.00 with the assistance of a mortgage advance of £288,782.00.

36. By an application form dated 24 April 2009, Cobbetts LLP, acting on behalf of the Bank of Scotland Plc had applied for a grant from the Solicitors' Compensation Fund on the basis that on 20 November 2007, the First Respondent had submitted a clear Certificate of Title and completion had taken place on 22<sup>nd</sup> November 2007. However, the First Respondent had failed to register the borrower's Title and the legal charge in favour of the Birmingham Midshires Building Society.
37. It had not been until 1 July 2008 that Birmingham Midshires Building Society had instructed Cobbetts LLP to try and restore the issue of the outstanding registration. The difficulty had been caused as a consequence of the First Respondent failing to supply to Cobbetts LLP their file of papers. An Order of the Ilford County Court dated 28 February 2009 for delivery of a file was but one of a number of files the First Respondent had been ordered to deliver up and had failed to do.
38. Office Copy Entries obtained by Cobbetts LLP had subsequently established that the Respondent's client, Mr LA, had never acquired any Title to the property nor had the charge ever been registered in favour of Birmingham Midshires Building Society. The Office Copies had actually revealed that the property had been sold to AN on 23 January 2008, which was after the purported date of completion of the supposed purchase of the property by Mr LA and the mortgage of the property to Birmingham Midshires Building Society.
39. As at the time the Report had been submitted to the Compensation Fund, the whereabouts of the advance monies of £288,782.00 had been unknown. It had not been known whether the First Respondent's firm had still held that money or whether it had been distributed to unknown third parties.
40. The Certificate of Title relating to the property had been signed by the First Respondent.

Sale of 33 C Road, Dagenham - £200,000.00

41. The matter had been brought to the attention of the SRA by Arch Solicitors LLP who, in a letter dated 2 April 2009 had confirmed that:
- (i) the Respondent's firm, and in particular a person called Mr Patel of the Respondent's firm, had purported to act for the vendors, Mr RMJ and Ms VM with Arch Solicitors LLP acting for the purchaser. The purchase price had been £200,000.00 and was to have been part-funded by a mortgage advance from the Halifax of £150,000.00 for whom Arch Solicitors LLP had also acted.
  - (ii) Completion had purported to take place on 30 March 2009 when Arch Solicitors LLP had telegraphically transferred £200,000.00 to the client account of the Respondents' firm.
  - (iii) However, one of the vendors, Ms M, purportedly a client of the Respondents' firm, had contacted the purchaser's solicitors, Arch Solicitors LLP, and informed them that neither she nor Mr J had signed a contract with the

Respondents' firm nor could they understand whose signature was on the contract.

- (iv) Despite a request from Arch Solicitors LLP for them to do so, the First Respondent had refused to return the monies to them.
- 42. As in all the other transactions, Mr Shaw had been unable to obtain any documentation, to include a client ledger account, from the Respondents' firm in respect of this transaction.
- 43. Arch Solicitors LLP had confirmed that the Halifax had informed them by fax of 9 April 2009 that the advance monies of £150,000.00 had been returned by the Respondents' firm. However, the position regarding the balance of £50,000.00 was unknown.
- 44. By letter of 31 March 2009, the First Respondent had written to Arch Solicitors LLP confirming that "the Senior Partner is himself reviewing the matter". In the final paragraph of that letter of 31 March 2009, it was stated that the purchaser had attended the First Respondent's offices demanding return of the deposit. It was stated that once proof of identity had been provided, they would send the deposit monies to her but, as stated, at the time of the preparation of his Report, Mr Shaw had not known of the whereabouts of the balance of £50,000.00.
- 45. Arch Solicitors LLP had written to the First Respondent personally, the Second Respondent and Mr Patel, on 1 April 2009 expressing concern at the failure to return the completion funds of £200,000.00.
- 46. In the letter of 2 April 2009 from Arch Solicitors LLP to the SRA it was clear that they had attempted to speak with the First Respondent who had refused to take their calls.

Sale of 5 D Gardens, Ilford - £180,000.00

- 47. In this transaction, the First Respondent had acted on behalf of the vendor, Mrs NMR and the purchasers, Mr JJ and Mrs SA, had been represented by Philip Ross, Solicitors. The purchase price had been £180,000.00.
- 48. By letter of 19 June 2009, Philip Ross, solicitors, had complained to the SRA regarding the conduct of the First Respondent's firm. It was stated that, whilst completion had taken place on 9 January 2009, the First Respondent's firm had not discharged the outstanding mortgage in respect of the vendor's mortgagee, Alliance & Leicester, in the sum of £164,770.82 notwithstanding that the purchasers had purchased the property for £180,000.00.
- 49. Mr Shaw had not been able to obtain any documentation, to include a client ledger account, in respect of the transaction. By letter of 3 August 2009 Philip Ross, Solicitors, had confirmed that the sum of £180,000.00 had not been returned by the First Respondent's firm having obtained, prior to completion on 12 January 2009, the usual undertaking from the First Respondent's firm to discharge the legal charge in

favour of Alliance & Leicester and to forward the executed Form of Discharge to them.

50. Philip Ross, Solicitors, had confirmed that they had not received the Form of Discharge and their enquiries of Alliance & Leicester had confirmed that the mortgage with them had not been repaid. Consequently, the purchasers had not been able to register Title nor had the mortgagees, National Westminster Home Loans Limited, been able to register their charge at HM Land Registry.
51. As at the date of the FIR, Mr Shaw had not known whether the Respondent's firm still held the sum of £180,000.00 or, if not, what had become of it.
52. From correspondence between the Respondent's firm and Philip Ross, Solicitors, it appeared that it had been the First Respondent who had conduct of the matter.
53. As a consequence of the total lack of co-operation on the part of the First Respondent in the course of the investigation by Mr Shaw, the complete lack of documents of any description produced, and the substantial irregularities discovered in the property transactions highlighted in the FIR, the SRA had been satisfied that grounds for intervention existed and a Decision to intervene into the firm of Aamir Zane, Solicitors, had been made on 21 August 2009. In the same Decision, the Respondent had been referred to the Tribunal.
54. By a Decision of 19 November 2009, the Second Respondent had been referred to the Tribunal.

### **Documentary Evidence before the Tribunal**

55. Inter alia, the Tribunal reviewed the Rule 5 Statement and the documentary exhibits attached to that Statement, together with a bundle of documents, submitted on behalf of the First Respondent and a further bundle of documents submitted on behalf of the Second Respondent. The Tribunal also had the benefit of witness statement from both Respondents and a statement made by the First Respondent to the Hertfordshire Police in 2009.

### **Findings as to Fact and Law**

#### Failure to co-operate with the SRA's investigations and to produce any proper books of account, as against the First Respondent only and relating to allegations three, five and nine

56. Despite repeated requests from the Forensic Investigation officer, the First Respondent had failed to provide the SRA with any information or documentation, to include books of account. That failure had prevented the SRA from being able to carry out any investigation as to the financial status of the firm including any comparison of client liabilities and client cash available.
57. The First Respondent admitted the allegations relevant to his failure to co-operate and the Tribunal found those allegations to have been substantiated on the facts.

Misleading clients and the SRA as to the nature of the partnership, as against both Respondents and relating to allegations two, three, four, six and seven

58. From their records the SRA had believed that the Respondents had practised in partnership as Aamir Zane Solicitors. The names of both Respondents had appeared on the firm's letterhead. SRA records had shown that the partnership had ended on 22<sup>nd</sup> April 2009 which had been confirmed by the Second Respondent. Although the Respondents had entered into an agreement signed and dated on 24<sup>th</sup> September 2007 and headed "Partnership Agreement", the second paragraph of the Recitals had stated "*The purpose and spirit of the Agreement is intended to be a varied partnership for an initial trial period leading up-to partnership at which time both firms would be joined as one practice upon revised terms of agreement.*"
59. The Tribunal found and indeed both Respondents admitted that there had been a complete lack of involvement on the part of the Second Respondent with the firm. The Second Respondent had failed to carry out any of the regulatory responsibilities expected of her as a partner. Moreover, the Second Respondent had held the First Respondent out as a partner in R. Kiani, Solicitors and again there had been a complete lack of involvement of the First Respondent in the Second Respondent's firm.
60. Both Respondents admitted the allegations relevant to misleading clients and the SRA as to the nature of their partnership and the Tribunal found those allegations to have been substantiated on the facts.

Issues arising out of a series of property transactions, as against both Respondents relating to allegations two, three, six and seven and as against the First Respondent only relation to allegation five

61. Six property transactions of concern to the SRA, some of them involving mortgage fraud and resulting in claims against the Compensation Fund, had been carried out at Aamir Zane, Solicitors. Both Respondents explained that for various reasons they had been unaware of what had been happening. While the Tribunal accepted that the Respondents had not been personally involved in the fraudulent transactions, it found that by their recklessness they had facilitated those transactions.
62. The First Respondent had been the partner present at the firm's offices. It had been his failure to implement effective supervision both of staff and of office procedures and accounts that had created an environment in which fraudulent transactions could be carried out.
63. Throughout the material time, during which five of the six property transactions of concern to the SRA had taken place, up to and including 22<sup>nd</sup> April 2009, the Second Respondent had been holding herself out as a partner in Aamir Zane Solicitors. In that capacity she had also been responsible to ensure that there had been effective supervision and that Aamir Zane Solicitors had been run in accordance with the relevant rules. Her complete abrogation of responsibility had been reckless.
64. Both Respondents admitted that in relation to the property transactions they had failed to act in the best interests of their clients, they had behaved in a way likely to diminish

the trust the public places in them and in the legal profession, they had failed to supervise adequately or at all and they had acted recklessly. In addition, the First Respondent admitted that he had failed to produce any documents when required to do so. The Tribunal found all those allegations to have been substantiated on the facts.

### **Mitigation on behalf of the First Respondent**

65. Mr Lockley referred the Tribunal to the First Respondent's statement in which inter alia, he had explained that sometime in July 2009 he had sold his practice to Sovereign Chambers LLP and had handed over to them all his books and accounting records. Moreover, during the period of the investigation, he had been unwell.
66. Mr Lockley confirmed that the First Respondent agreed with the Second Respondent's statement that neither had played a part in the other's firm but that they had had an agreement to co-operate and to work towards a full merger of their firms in the future. The purpose behind their agreement had not been to achieve status on lender panels as the First Respondent had had other solicitors in his firm who he could have approached with a view to partnership.
67. In relation to the six property transactions, in some of which fraud might have been perpetrated, Mr Lockley stressed that the First Respondent had not been aware of what had been happening at the time and had not benefited from those transactions. Moreover, he explained that both Peter Patel and Peter Hastings, who had joined the firm on a freelance basis, paid by commission, towards the end of 2008, had been introduced to the First Respondent by friends and that the First Respondent had taken up their references.
68. Mr Lockley explained that the First Respondent had been out of the country in December 2008 when transactions had taken place on his firm's client account with Lloyds TSB which account he had believed had been closed and when letters and other documents had been signed in his name.
69. Looking to the future, Mr Lockley referred the Tribunal to the various testimonials in support of the First Respondent and told the Tribunal that the First Respondent had not worked as a solicitor since the middle of 2009 although he did have a practising certificate subject to stringent conditions. Mr Lockley submitted that although the First Respondent's failure to supervise had been very serious, it was not a case where it was necessary to restrict his right to practice other than by some supervisory requirements.

### **Mitigation on behalf of the Second Respondent**

70. Mr Afzal referred the Tribunal to the Second Respondent's statement in which, inter alia, she had detailed her professional history and explained that in good faith she had entered into what she had considered to be a provisional agreement that had excluded the usual partnership responsibilities. However, he confirmed that the Second Respondent now accepted that such arrangements had not been acceptable on a regulatory basis. Mr Afzal reminded the Tribunal that all of the relevant property transactions had taken place at the offices of the First Respondent and had not

involved the Second Respondent in any way. Moreover, she had co-operated fully with the SRA's investigations.

71. Mr Afzal referred the Tribunal to the various testimonials in support of the Second Respondent and told the Tribunal that she had been in practice for 25 years with an unblemished record. Mr Afzal also provided the Tribunal with copies of the Second Respondent's firm's accounts for the year ending 31<sup>st</sup> March 2010 and details of her financial and personal circumstances.

### **Application for Costs**

72. The Applicant handed a schedule to the Tribunal and applied for fixed costs in the sum of £15,835.19. The Respondents' representatives addressed the Tribunal on the issue of apportionment.

### **The Decision of the Tribunal as to Sanction**

73. The Tribunal explained that it had considered most carefully the helpful submissions on behalf of the Respondents, the statements and the testimonials. In relation to the First Respondent, he had admitted serious matters which had been found proved, including recklessness. It was the Tribunal's view that those serious matters reflected on the reputation of the solicitors' profession as a whole.
74. The Tribunal had seen evidence of the abrogation, on the part of the First Respondent, of his supervisory duties in respect of his practice with extremely serious consequences in terms of fraudulent activity. There had been no evidence of the usual office systems for checking and reconciling accounts found in well run firms of solicitors.
75. The Tribunal had noted the requirements for solicitors as referred to in Bolton v The Law Society [1994] 1 WLR 512 in which the Court had said that "*if a solicitor is not shown to have acted dishonestly, but is shown to have fallen below the required standards of integrity, probity and trustworthiness his lapse is less serious but it remains very serious indeed in a member of a profession whose reputation depends on trust. A striking off order will not necessarily follow in such a case, but it may well.*"
76. The Tribunal found that the First Respondent had run his practice in a wholly improper and reckless manner resulting in a catalogue of errors that had left the door wide open for fraudulent activity. Such activity had included the forging of signatures that had occurred not only when the First Respondent had been on holiday in December 2008 but also at other times. There had been no evidence of supervision of fee-earners, of monthly reconciliations or of any other stewardship of clients' monies. In those circumstances the Tribunal considered that the appropriate penalty was that the First Respondent be struck off the Roll of Solicitors and it so ordered.
77. In relation to the Second Respondent, the Tribunal was prepared to accept that she had played a minor part in the proceedings in that she had allowed herself to be put on the firm's notepaper and held out as a partner, while unsuccessfully seeking to limit her regulatory and other liabilities by way of an agreement with the First Respondent.

The Tribunal considered that her actions had been stupid and had placed her in a position in which she had had no choice but to admit offences.

78. However, given those offences and that the Second Respondent had been reckless, albeit at the lower end of the scale, the Tribunal considered that the appropriate penalty was a fine of £10,000 and it so ordered.

#### **The Decision of the Tribunal as to Costs**

79. The Tribunal considered that the proceedings had been properly brought and that the costs, including those of the SRA, were reasonable and accordingly fixed costs, as claimed, in the sum of £15,835.19.
80. Given the relative involvement and the relative culpability of both parties, the Tribunal ordered the Second Respondent to pay a contribution to the total costs of £3,000.00 with the balance of £12,835.19 to be paid by the First Respondent.

#### **The Orders of the Tribunal**

81. The Tribunal Ordered that the respondent, Ahmar Hussain of 8 Vicarage Road, Leyton, London, E10 5EA, solicitor, be Struck Off the Roll of Solicitors and it further Orders that he do pay a contribution towards the costs of and incidental to this application and enquiry fixed in the sum of £12,835.19.
82. The Tribunal ORDER that the respondent, Rukhsana Jabeen Kiani of 736 High Road, Leyton, London, E10 6AA, solicitor, do pay a fine of £10,000.00, such penalty to be forfeit to Her Majesty the Queen, and it further Orders that she do pay a contribution towards the costs of and incidental to this application and enquiry fixed in the sum of £3,000.00.

Dated this 2<sup>nd</sup> day of December 2010  
On behalf of the Tribunal

D J Leverton  
Chairman