

IN THE MATTER OF SIMON SERGEI ARONSOHN, solicitor

- AND -

IN THE MATTER OF THE SOLICITORS ACT 1974

Mr. J. P. Davies (in the chair)
Mr. D. Potts
Mr. D. E. Marlow

Date of Hearing: 20th December 2007

FINDINGS

of the Solicitors Disciplinary Tribunal
Constituted under the Solicitors Act 1974

An application was duly made on behalf of The Law Society by Katrina Elizabeth Wingfield, solicitor and member in the firm of Penningtons solicitors LLP, Bucklersbury House, 83 Cannon Street, London EC4N 8PE on 13th June 2007 that Simon Sergei Aronsohn of S Aronsohn and Co, Suite 12, 3rd Floor, Queens House, 180 Tottenham Court Road, London W1T 7PD, solicitor, might be required to answer the allegations contained in the statement which accompanied the application and that such Order might be made as the Tribunal should think fit.

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

- (i) that he acted in breach of Section 34 of the Solicitors Act 1974 (as amended), in that he failed to deliver his "cease to hold" Accountant's Report for S Aronsohn & Co for the period ending 14 December 2005.
- (ii) that he acted in breach of Principle 30.04 of the Guide to the Professional Conduct of Solicitors 1999 in that he failed to respond to correspondence from the Solicitors Regulation Authority concerning his failure to deliver the said Accountant's Report.

The application was heard at The Court Room, Third Floor, Gate House, 1 Farringdon Street, London EC4M 7NS on 20th December 2007 when Katrina Elizabeth Wingfield appeared as the Applicant and the Respondent did not appear and was not represented.

The evidence before the Tribunal included an email addressed by the Respondent to the Applicant dated 19th December 2007 (set out in full below) under the heading "The Submissions of the Respondent". The Respondent having sent an email to the Tribunal of 6th September 2007 in which he had admitted the facts and the allegations and set out his mitigating circumstances. This email is also set out in full under the heading "The Submissions of the Respondent".

At the conclusion of the hearing the Tribunal made the following Order:

The Tribunal Orders that the Respondent, Simon Sergei Aronsohn of 15 Audley Road, London, W5 3ES, solicitor, do pay a fine of £4,000.00, such penalty to be forfeit to Her Majesty the Queen, and that the Respondent be suspended from practice as a solicitor for an indefinite period to commence on 2nd April 2008 unless the Respondent files the outstanding Accountant's Reports with the Law Society by that date. The Tribunal further Orders that he do pay the costs of and incidental to this application and enquiry fixed in the sum of £2,143.58.

The facts are set out in paragraphs 1 to 10 hereunder:

1. The Respondent, born in 1961, was admitted as a solicitor in 1996. At the date of the hearing the Respondent was not practising and did not hold a current practising certificate. His name remained on the Roll.
2. Until 18th March 2005, the Respondent practised on his own account under the style of S Aronsohn & Co at Tottenham Court Road, London.
3. By a letter dated 21st February 2006 The Law Society informed Mr Aronsohn that his Accountant's Report for the period ending 5 April 2005 was, having been received by The Law Society on 19 January 2006, outside the period allowed by Section 34(2) of the Solicitors Act 1974. Mr Aronsohn was informed that the provisions of Section 12(1)(ee) of the Solicitors Act 1974 applied. Mr Aronsohn was also informed that he was required to provide to The Law Society by 15th June 2006 a final Accountant's Report for the period 6th April 2005 to 14 December 2005, the date notified as that when all client monies ceased to be held. Mr Aronsohn was asked to inform The Law Society if this "cease to hold" date was incorrect. No reply was received.
4. The Law Society wrote again to Mr Aronsohn on 7th July 2006 requesting that he forward to them the required Accountant's Report (due on 15th June 2006) "without delay". Mr Aronsohn was again informed that the provisions of Section 12(1)(ee) of the Solicitors Act 1974 applied to him as the Report had not been received by the due date. Mr Aronsohn was again asked to inform The Law Society if he did not cease to hold client money on 14th December 2005. He was informed that if he was still holding client money his next Accountant's Report should cover 6th April 2005 to 5th April 2006 and would be due by 5th October 2006. No reply was received.

5. In a letter dated 11th October 2006 The Law Society asked Mr Aronsohn again whether it was correct that he last held clients' monies on 14th December 2005. Mr Aronsohn was informed that The Law Society required from him an explanation as to why his Accountant's Report, due on 14th June 2006, was outstanding.
6. In a telephone conversation on 20th October 2006 Mr Aronsohn told The Law Society that he had now agreed a fee for his Accountant's Report. He informed The Law Society that although the bulk of the client money was paid out in August/September, the client account was not closed until December 2005 as there were some small amounts left. Mr Aronsohn also informed The Law Society that he had not practised since March 2005, when he had suffered a breakdown. An extension of four weeks was agreed.
7. In a letter dated 20th November 2006 The Law Society asked Mr Aronsohn for details of any progress made on his Accountant's Report. No reply was received.
8. In a letter dated 6th December 2006 The Law Society informed Mr Aronsohn that The Law Society could now recover the costs of its investigation from solicitors.
9. By a letter dated 4th January 2007 The Law Society explained to Mr Aronsohn that his failure to provide a formal response to their earlier letters might be regarded as unprofessional conduct and that, unless they received a reply from him within the next 8 days, he would run the risk of disciplinary proceedings. Mr Aronsohn was referred to Principle 30.04 of the Guide to Professional Conduct of Solicitors. No reply was received.
10. The Respondent did not take the opportunity of making representations and the matter was considered by an Adjudicator of The Law Society on 15th February 2007. In a letter dated 21st February 2007 the Solicitors Regulation Authority supplied Mr Aronsohn with a copy of the Adjudicator's decision and pointed out that his Accountant's Report should be delivered to the Authority by 21st March 2007, otherwise the decision to refer the matter to the Tribunal would be effective.

The Submissions of the Applicant

11. The Respondent had not replied to communications from The Law Society and/or The Solicitors Regulation Authority, nor had he supplied the required "cease to hold" Accountant's Report.
12. No indication had been given when the Respondent anticipated filing his final Accountant's Report. He had indicated that he was in touch with accountants but it was also to be noted that he was suffering from illness and remained on medication.

The Submissions of the Respondent

13. The Respondent's email addressed to the Tribunal dated 6th September 2007:-

"I am the Respondent in this case and have been in contact with the Applicant.

I admit the breach of the solicitors regulations complained of and do not dispute the evidence in any material particular. I further confirm that I do not propose to attend the directions Hearing.

By way of history, I was in practice until the middle of March 2005, when I had a breakdown and was hospitalised for a period of three weeks. I still take a high dose of anti-depressant and occasional pills for panic. I have found it very difficult to put matters to bed and still find I get nervous walking past my old offices. It will also be noted that at approximately the same time my firm was chosen to be randomly inspected and no problems were found. No further monies were received from clients after that date and, apart from handing over outstanding matters to other firms, I ceased to go to the office.

I fully accept that I have been dilatory in failing to submit the solicitors accounts and apologise for the inconvenience this has caused. I will do my best to ensure they are completed by the end of this month.

I am beginning to work part time as a mediator but am not practicing [sic] as a solicitor nor do I have any intention of doing so. If I did, it would have to be in a controlled environment with other partners supervising the administrative side of any work I was doing.

I hope that this is sufficient for the purposes of the Tribunal at the current time. I would ask that the information contained herein be kept "in camera" for the moment particularly with regard to medication.

I thank you in advance"

14. The email of 19th December 2007:-

"I confirm that I intended to write "now".

I have not yet received a schedule of costs and believe I would wish to address the issue together with addressing the tribunal at a later date, once I work out why no accountants report had been sent.

By way of statement to the tribunal, I would ask them to take the following into account:-

- 1) At the time of the breakdown, S. Aronsohn and Co. was subject to a random investigation. I assume the report is part of my file and nothing untoward was found. From memory the total funds were less than £20,000 including capital, income and client funds.
- 2) I have not practiced [sic] since my breakdown. All existing work was passed on to Protopapas and completed satisfactorily.
- 3) Save for the occasional mediation, I have not worked since my breakdown and do not have a current practicing [sic] certificate.
- 4) I have earned little since 3-4 months before my breakdown.
- 5) I get panicky looking at paperwork and often store things away without opening them.

- 6) If I was to go back to work, I would never be a sole principal and would work with other practitioners in an advisory or support role who could ensure that my administrative and professional obligations were up to date. I have no immediate plans to do so.

Finally I am sorry that my omission has necessitated this hearing.

I wish you and the panel the best of seasons greetings and a healthy happy and prosperous New Year."

15. **The Findings of the Tribunal**

The Tribunal found the allegations to have been substantiated, indeed they were not contested. It is of fundamental importance that solicitors comply with the requirement of Section 34 of the Solicitors Act 1974 and file Accountant's Reports with The Law Society in due time. This enables The Law Society as regulator to be satisfied that a solicitor has properly handled clients' money in his charge and enables it to assure clients that placing large sums of money with a solicitor will not mean that they are placing such large sums in jeopardy.

16. It is a serious matter for a solicitor not to respond promptly and fully to letters addressed to him by his own professional regulatory body. Indeed such a failure has the effect of preventing the regulator from fulfilling its own particular duties.
17. In all of the circumstances the Tribunal considered that the Respondent's failures merited the imposition of a financial sanction. However, the Tribunal was concerned that the Respondent should not remain in continuing breach of his obligation to file Accountant's Reports. In addition to the fine imposed by the Tribunal it also ordered that the Respondent was to be suspended from practice as a solicitor for an indefinite period if he had not by 2nd April 2008 filed all outstanding Accountant's Reports with The Law Society.
18. It was right that the Respondent should bear the costs of and incidental to the application and enquiry. The Tribunal considered that the costs sought by the Applicant were entirely reasonable and ordered the Respondent to pay those costs in the fixed sum sought.

Dated this 5th day of February 2008

On behalf of the Tribunal

J. P. Davies
Chairman