



Current issues in claims against solicitors

Views from the claims team and the panel firm

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Jim Simpson	QBE



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“Let’s have a moment’s silence to remember the profits we used to make.”





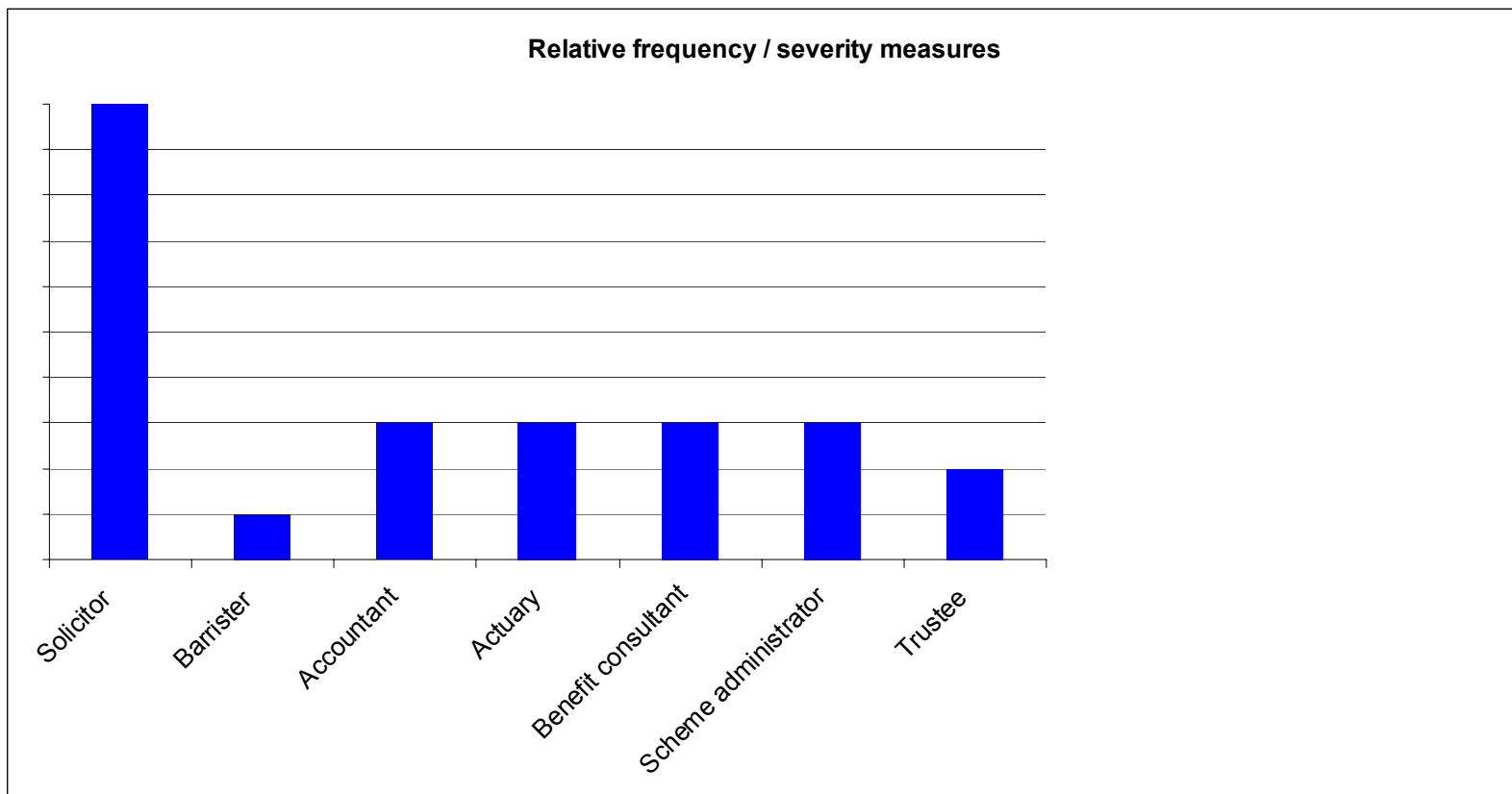
Top 3 themes in the last year

- Pension related claims



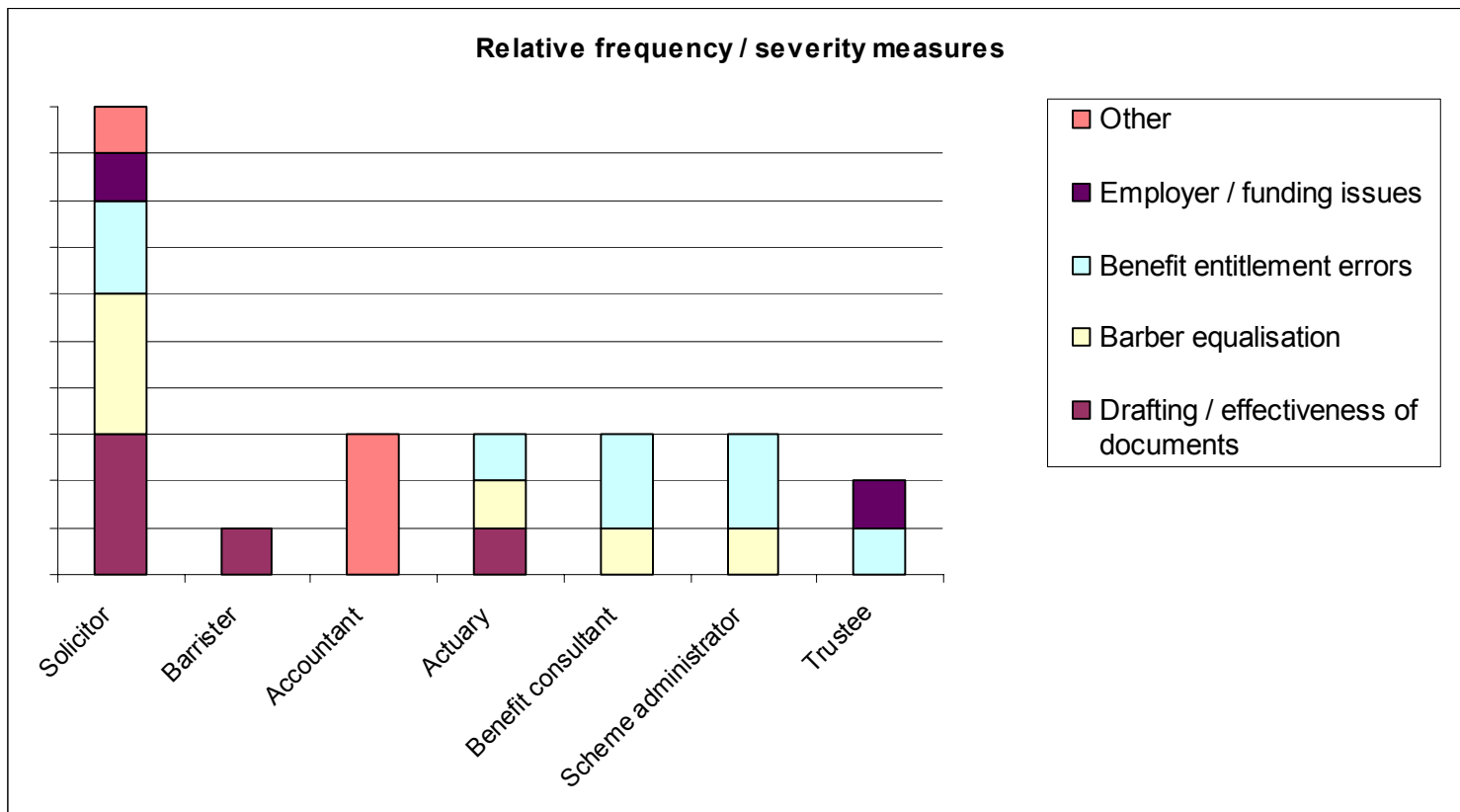
Typical Pensions Claims

An (un)representative sample of recent BLG cases



Typical Pensions Claims

An (un)representative sample of recent BLG cases



Top 3 themes in the last year

- Claims relating to property development



"On the plus side there's no evidence of asbestos."

Top 3 themes in the last year

Private client claims



Other Themes

Partner dishonesty





Other Themes

Partner dishonesty

- **The Guardian (10 June 2011):**

“Scandal in the City as string of top lawyers face financial investigation”

- **Daily Mail (27 May 2011):**

“City Lawyer who used to date Michael Caine’s daughter in £3M fraud”

- **Daily Mirror (19 May 2011):**

“Bernie Madoff lawyer sacked for faking £1million in expenses”





Other Themes

Partner dishonesty

Legal Week Survey

Quality of financial institutions and governance in large law firms

Good/excellent

56%

OK

25%

Poor

18%

Ethical Standards

Good/excellent

84%

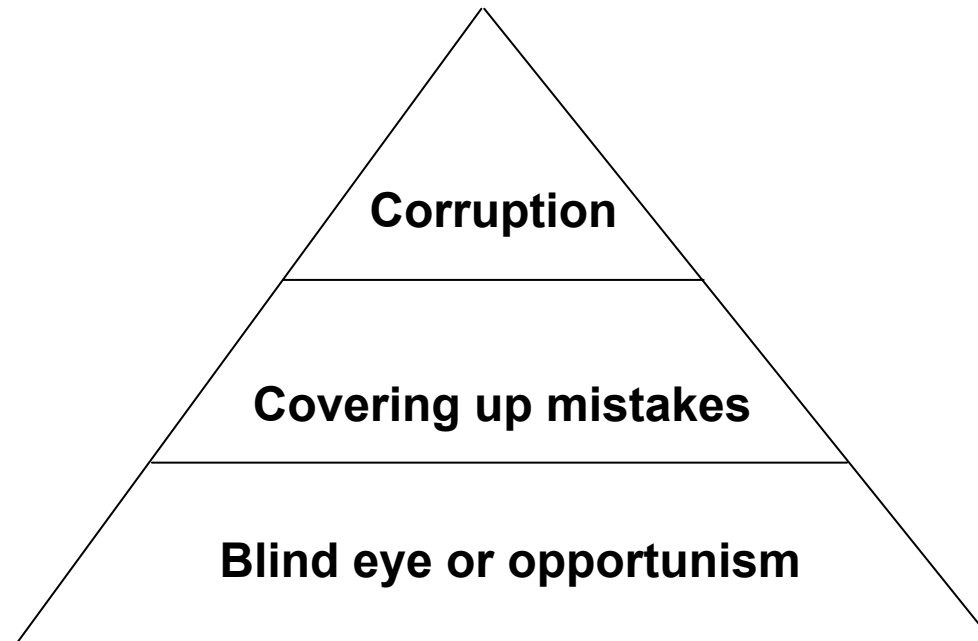
Poor/very poor

4%



Other Themes

Partner dishonesty





Other Themes

Partner dishonesty

The Entrepreneurial Partner



- ABC SA is a foreign based venture capital group. ABC's representative in the UK is an unusual individual in that he has been the subject of investigation by the FSA and City of London Police. He is also a former bankrupt.
- Portuguese company that specialised in constructing luxury golf courses in sub Saharan Africa. ABC purported to arrange a loan of \$20 million from a consortium of Swiss banks who in return required a \$1 million fee.
- The Portuguese company paid the fee to Lovecrafts.
- The Portuguese Company have written to Lovecraft & Co asserting that the banking documentation is forged and demanding the return of the money for the fee, \$1 million. The client account contains \$210,000.

Other Themes

New regulatory regime

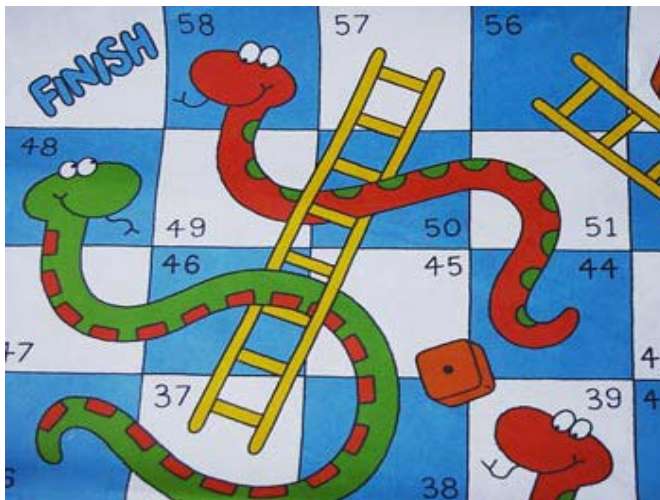




A good year for legal precedent?

- Duty of care

Swain Mason v Mills & Reeve





A good year for legal precedent?

- Duty of care

Friend v Leathes Prior



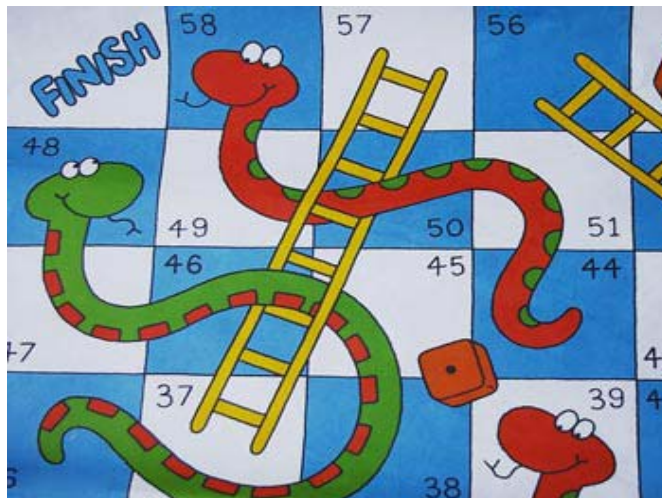


A good year for legal precedent?

- Duty of care

D Morgan v Mace & Jones

Langsam v Beachcrofts



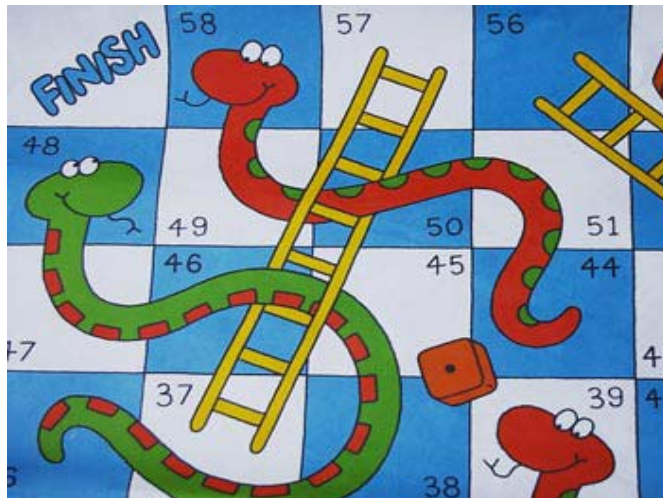


A good year for legal precedent?

- Loss of a chance and damages

Paul Joyce v Bowman

Tom Hoskins v EMW Law





A good year for legal precedent?

- Limitation

Axa v Akther & Darby

Pegasus v Ernst & Young

Lane v Cullens

