

Sensitivity: General

**BEFORE THE SOLICITORS DISCIPLINARY TRIBUNAL**

**Case No:**

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

**AND IN THE MATTER OF:**

**SOLICITORS REGULATION AUTHORITY LIMITED**

Applicant

and

**ROBERT MANNERING SEDGWICK**

Respondent

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**STATEMENT PURSUANT TO RULE 12 (2) OF THE SOLICITORS (DISCIPLINARY  
PROCEEDINGS) RULES 2019**

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I, Jonathan White, am a Solicitor of Blake Morgan LLP, 6 New Street Square, London EC4A 3DJ and I make this Statement on behalf of the Applicant, the Solicitors Regulation Authority Limited ("SRA").

**The Allegations**

1. The allegations against the Respondent, Robert Mannering Sedgwick, made by the SRA are that while a consultant employed at Buss Murton Law LLP ("the Firm") and subsequently as an independent consultant:
  - 1.1 In March 2016, while acting as a consultant employed by the Firm, he facilitated the preparation and execution of a back-dated document, being a facility agreement between Leisure and Tourism Developments PLC ("L&TD") and London Capital & Finance PLC ("LCF"), and in so doing he breached any or all of Principles 2 and 6 of the SRA Principles 2011 ("the Principles").

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The facts and matters relied upon in support of this allegation are set out in paragraphs 10 to 16 below.

- 1.2 In August 2017, while acting as an independent consultant, he facilitated the preparation, execution and circulation of a back-dated document purporting to be an assignment of loan between London Oil & Gas Limited (“LOG”) and Atlantic Petroleum Support Limited (“APS”), and in so doing he breached any or all of Principles 2 and 6 of the Principles.

The facts and matters relied upon in support of this allegation are set out in paragraphs 19 to 23 below.

- 1.3 In the period January – March 2019, while acting as an independent consultant, he facilitated the preparation, execution and circulation of back-dated documents, being a call option agreement between LOG and TW Private LLP (“TWP”) and a facility agreement between LOG and LPE Enterprises Limited (“LPE”), and in so doing he breached any or all of Principles 2 and 6 of the Principles.

The facts and matters relied upon in support of this allegation are set out in paragraphs 26 to 32 below.

- 1.4 In the period 30 December 2015 to 31 March 2018, he owned, controlled and was sole director of Global Security Trustees Limited (“GST”), whose role was to act as security trustee protecting the interests of bondholders, notwithstanding an obvious conflict in doing so (or significant risk thereof) given his previous and ongoing instructions (as consultant employed by the firm and thereafter as an independent consultant) for borrowers and/or persons with an interest in these borrowers (namely Mr Simon Hume-Kendall (“SHK”) and/or Mr Elten Barker (“EB”)). In so doing, the Respondent breached any or all of O3.4 of the Code of Conduct 2011 and Principles 2 and 6 of the Principles.

The facts and matters relied upon in support of this allegation are set out in paragraphs 35 to 42 below.

### **Appendices and Documents**

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2. I attach to this Statement the following appendices:

Appendix 1: Relevant Rules and Regulations

3. I attach to this Statement a bundle of documents, marked [JW1] to which I refer in this Statement. Unless otherwise stated, the page references (“[JW1, p []]”) in this Statement relate to documents contained in that bundle.

4. The bundle is divided into the following sections:

Section A: Investigation documents

Section B: Notice recommending referral of conduct to the Tribunal

Section C: Representations on the Notice recommending referral.

Section D: Referral Decision.

### **Professional Details**

5. The Respondent, who was born on [REDACTED] 1948, is a solicitor having been admitted to the Roll on 1 June 1973. From the date of qualification in 1973 to January 2017, the Respondent worked as a solicitor at the firm (which was originally called Buss Stone & Co). He was an assistant solicitor to June 1974, then a partner to June 2009, and thereafter to January 2017 a consultant employed by the firm. Accordingly, the Respondent had over 40 years post-qualification experience at the time of the material events.
6. The Respondent does not currently hold a practising certificate and has not done so since the end of September 2017.

### **The facts and matters relied upon in support of the allegations**

#### **Background**

7. Between 2013 and December 2018, LCF raised over £237,000,000 from retail investors by selling “mini-bonds”. There were about 11,600 bondholders. LCF presented itself to investors as a commercial lender to the small and medium-sized (“SME”) sector in the UK, but in fact advanced the money it raised to a small

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number of connected companies associated with four individuals, two of whom were SHK and EB. Much of the monies lent proved irrecoverable. As at 22 May 2024, the net deficit in LCF's administration estate stood at over £379,000,000 [JW1, p350 at [2237]].

8. LCF went into administration in January 2019. Its administrators brought proceedings against a number of individuals, including the Respondent. By a judgment handed down on 14 November 2024 ("the Miles J judgment") [JW1, p12-352], Miles J upheld allegations that (inter alia) LCF's business amounted to fraudulent trading and was in effect a Ponzi scheme. The Respondent was the Eighth Defendant in those proceedings. He represented himself at trial but declined to give evidence.
9. The SRA relies on the Miles J judgment in accordance with Rule 32(2) of the SDT Rules. However, the facts and matters which are central to the Allegations here advanced have been the subject of independent investigation by the SRA, with relevant supporting documentary evidence exhibited at [JW1].

**Allegation 1.1 – [In March 2016, while acting as a consultant employed by the firm, the Respondent facilitated the preparation and execution of a back-dated document, being a facility agreement between L&TD and LCF]**

10. Acting for L&TD and/or SHK and/or EB, in March 2016, the Respondent facilitated the preparation and execution of a back-dated facility agreement between L&TD and LCF. As executed, the facility agreement [JW1, p413-436]:
  - 10.1 Provided on its front page and first operative page [JW1, p413, p415] that it was dated "27th August 2015", this date having been handwritten in.
  - 10.2 Did not contain a clause 2.4 [JW1, p420].
  - 10.3 Contained no indication that it had been executed in March 2016 and backdated.
11. On 4 March 2016, Mr Lee emailed the Respondent [JW1, p437] attaching (inter alia) a draft facility agreement between L&TD and LCF, and noting: "*I gather some drawdown has already taken place and they should be treated as being so drawn*

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down pursuant to the terms of the documents attached". The draft facility agreement which Mr Lee attached [JW1, p441-464] indicated on the front and first main pages that the facility would be dated on a date in 2016 [JW1, p441, p443], with text on [JW1, p461] providing the document was "AGREED by the Parties on the date set out at the head of this Agreement". In addition, clause 2.4 of this draft provided as follows [JW1, p448]: "It is agreed and acknowledged that the sum of £[ ] has already been drawn down by the Borrower. For such purpose it is agreed that the Loan comprising such drawdown shall be deemed £[ ] (so as to to [sic] include the Cost of Borrowing thereof). Such prior sums so Drawn down shall be subject to the conditions of this Facility and to the Finance Documents". Draft clause 2.4 was the way in which Mr Lee initially suggested that the matter he drew attention to in his cover email should be addressed.

12. On 24 March 2016, the Respondent emailed Mr Lee [JW1, p499] indicating that the directors of L&TD had undertaken to execute the facility agreement "in substantially its current form subject to you and I filling in the blanks in the draft".
13. On 30 March 2016, Mr Lee provided to the Respondent [JW1, p501] a copy of the facility agreement (version 4) "for signature". The relevant draft removed "2016" from the front and first main pages [JW1, p537, p539]; deleted clause 2.4 [JW1, p544]; but retained the text [JW1, p557] "AGREED by the Parties on the date set out at the head of this Agreement".
14. The facility agreement was executed in the form emailed by Mr Lee on 30 March 2016, with the Respondent on that date arranging for SHK to sign on behalf of L&TD [JW1, p578]. The final facility agreement (as noted above) has 27 August 2015 handwritten on the front and first operative pages [JW1, p413, p415].

#### Respondent's Position

15. In his Response to the Notice, the Respondent claims [JW1, p934] that he was unaware of any backdating, which he says was carried out by someone at LCF. The Respondent fails to engage with the evidence summarised above as to his appreciation that the document had been prepared in such a way as to facilitate it being backdated.
16. The obvious inference is that the Respondent knew in March 2016 (alternatively, should have done so) that the document would or might well be backdated. There is no other explanation for (i) the changes made from Mr Lee's original draft as summarised above at Paragraph 10, and (ii) the lack of inclusion within the final version of any language or text acknowledging that monies had been advanced from LCF to L&TD prior to execution. The purpose and effect of the foregoing, as

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the Respondent appreciated (alternatively, should have appreciated) at the time, was that a backdated facility agreement would give a misleading impression to third parties (including auditors and regulators) as to whether it had been executed prior to advances from LCF to L&TD.

**Breaches of Principles and Code**Principle 2 SRA Principles 2011 (integrity)

17. The Respondent failed to act with integrity, i.e. with moral soundness, rectitude and steady adherence to an ethical code. In *Wingate v Solicitors Regulation Authority v Malins [2018] EWCA Civ 366*, it was said that integrity connotes adherence to the ethical standards of one's own profession. Facilitating the execution of documents which are known by the solicitor to be misleading on their face is a demonstrable failure to live up to the higher standards expected of the solicitors' profession. The Respondent therefore breached Principle 2 of the SRA Principles 2011.

Principle 6 SRA Principles 2011 (maintaining trust)

18. Facilitating the execution of a misleading document (here, in relation to the date of execution), where the solicitor knew (alternatively should have known) that the document was misleading, fundamentally undermines public trust in the profession. The solicitor inevitably loses control over the document, and how it is used or presented to third parties (ie, auditors, regulators etc) thereafter. The Respondent therefore breached Principle 6 of the SRA Principles 2011.

**Allegation 1.2 – [In August 2017, while acting as an independent consultant, the Respondent facilitated the preparation, execution and circulation of a backdated document purporting to be an assignment of loan between LOG and APS]**

19. Acting for LOG and/or APS and/or SHK and/or EB, the Respondent facilitated the execution of a purported assignment of loan between LOG and APS dated 28 April 2017 [JW1, p687-C698]. The executed document recorded on its front page [JW1, p687] the date "28<sup>th</sup> April 2017", and on page 1 recorded "This Deed is dated 28<sup>th</sup> April 2017" [JW1, p689]. Similarly, on page 8 [JW1, p696] the form of notice of assignment recorded that the assignment was "On and with effect from 28<sup>th</sup> April 2017". The Respondent witnessed the signatures of EB for LOG and SHK for APS [JW1, p698]. Nothing in the document stated or indicated that (as was the case) it had been executed in early August 2017 and backdated to 28 April 2017.

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20. On 4 August 2017 [**JW1, p699**], the Respondent emailed SHK and EB. He stated: “You will recall that in April we agreed with LCF to assign the benefit of the loan by LOG to Atlantic Petroleum to a subsidiary of London Power Corporation PLC Atlantic Petroleum Support Limited and I prepared a form of assignment. Alex Lee has been chasing me to let him [have] a copy of the executed assignment. I attach the document and would be grateful if you and Elten could execute this on behalf of LOG and Atlantic Petroleum Support respectively. I have left a copy on your desk for signature”. Attached to the Respondent’s said email was a draft of the purported assignment which was in material respects in the same terms as the executed version [**JW1, p700**].
21. The purported assignment was thereafter executed by SHK and EB, whose signatures were witnessed by the Respondent. Subsequently [**JW1, p714**]:
- 21.1 On 9 August 2017, the Respondent emailed the “completed assignment” to Mr Alex Lee “for your records”. Mr Lee was at the material time a partner in the firm. The Respondent’s email did not state that the purported assignment had been executed in early August 2017 and not on 28 April 2017.
- 21.2 On 22 August 2017, the Respondent emailed the same executed version to Mr Andrew Thomson (CEO of LCF). Again, the Respondent’s email did not state that the purported assignment had been executed in early August 2017 and not on 28 April 2017.
22. In light of the matters at paragraphs 10 to 12 above, the Respondent knew (alternatively, should have known) that the executed version of the purported assignment (the execution and circulation of which he had facilitated) was misleading in that it gave the clear appearance and impression of having been executed on 28 April 2017, whereas it had been executed in early August 2017 and backdated.
23. In his Response to the Notice [**JW1, p934-935**], the Respondent fails to address or comment on the purported loan assignment between LOG and APS.

## Breaches of Principles and Code

### Principle 2 SRA Principles 2011 (integrity)

24. The SRA relies on the test in *Wingate* set out at paragraph 17 above. Facilitating the execution and circulation of documents which included misleading information on their face is a demonstrable failure to live up to the higher standards expected of the solicitors' profession. The Respondent therefore breached Principle 2 of the SRA Principles 2011.

### Principle 6 SRA Principles 2011 (maintaining trust)

25. Principle 6 of the SRA Principles 2011 required a solicitor to "*behave in a way that maintains the trust the public places in you and in the provision of legal services*". Facilitating the execution and circulation of a misleading document (here, in relation to the date of execution), fundamentally undermines public trust in the profession. The solicitor inevitably loses control over the document, and how it is used or presented to third parties (ie, auditors, regulators etc) thereafter. The Respondent therefore breached Principle 6 of the SRA Principles 2011.

### **Allegation 1.3 – [In the period January – March 2019, while acting as an independent consultant, the Respondent facilitated the preparation, execution and circulation of back-dated documents, being a call option agreement between LOG and TWP and a facility agreement between LOG and LPE]**

26. In about January 2019, and acting for LOG and/or TWP and/or LPE and/or SHK and/or EB, the Respondent facilitated the preparation and execution of back-dated documents, being a call option agreement between LOG and TWP, and a facility agreement between LOG and LPE. The call option agreement [JW1, p728-737] was dated 21 June 2018 on its front page and first operative page, and it provided that "*This agreement has been entered into on the date stated at the beginning of it*". The facility agreement [JW1, p738-751] was similarly dated 21 June 2018 on its front page and first operative page, and it similarly provided that "*This agreement has been entered into on the date stated at the beginning of it*". Further, the facility agreement included a definition of "*Availability Period*", defined as "*the period from and including the date of this agreement to and including 31 August 2018*", with clause 5 providing that loan drawdown was only available during the "*Availability Period*".

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27. Neither document was executed on 21 June 2018. Both were executed in around January 2019, following the Respondent circulating by email dated 8 January 2019 drafts of the same [**JW1, p752-778**].

Respondent's Position

28. In his Defence to the proceedings brought against him by LCF's administrators, the Respondent admitted that both documents were backdated "*to reflect the date when the loans were made*": see paragraphs 24 and 53(d) [**JW1, p357, p362**].

29. At paragraph 41 of a 31 January 2020 witness statement, the Respondent stated in material part [**JW1, p406**]:

*"I therefore agreed with David Elliott [then CFO of LOG] to prepare Facility Agreements for each loan. I believe these agreements were executed by the relevant companies in January 2019, although they were dated on the dates when the agreements were signed which was the effective date for those transactions. On reflection, it would have been better to date the facility agreements when they were signed and to have included a provision that the effective date was the date of each of the transactions, but this did not occur to me at the time".*

30. The Respondent admits his role in the creation of back-dated documents, which are demonstrably misleading on their face. He appreciated this at the time (alternatively, should have done so), as it is obvious from the documents. Such backdated documents would be capable of being used to give a false impression to third parties (ie auditors, regulators, or other relevant persons from whom the true position was withheld).

31. The Respondent's response to the Notice also states that the documents "*were ratified by the members of the board of LOG in February 2019*". While that is strictly correct, the ratifications were set aside as void by ICC Judge Mullen on 25 August 2020 [**JW1, p365**], in part because the board of LOG was found to have been misled as to the date of the facility agreement due to the backdating: see paragraph 72 at [**JW1, p391**].

32. Further, on 8 March 2019, the Respondent forwarded the LOG-TWP call option [**JW1, p793-p803**] to (inter alia) Martin Orrell, who was then a director of LOG (newly appointed at the request or instruction of the administrators of LCF [**JW1, p779**]). The Respondent failed to point out to Mr Orrell in his email that the document had been executed in January 2019, and not on 21 June 2018 as would be the clear impression from the document itself.

**Breaches of Principles and Code**Principle 2 SRA Principles 2011 (integrity)

33. The SRA relies on the test in Wingate set out at paragraph 17 above. Facilitating the execution of documents which are known by the solicitor to be misleading on their face is a demonstrable failure to live up to the higher standards expected of the solicitors' profession. Matters are aggravated by the Respondent further circulating backdated documents without making the true position clear. The Respondent therefore breached Principle 2 of the SRA Principles 2011.

Principle 6 SRA Principles 2011 (maintaining trust)

34. Facilitating the execution of a misleading document (here, in relation to the date of execution), where the solicitor knew (alternatively should have known) that the document was misleading, fundamentally undermines public trust in the profession. The solicitor inevitably loses control over the document, and how it is used or presented to third parties (ie, auditors, regulators etc) thereafter. Matters are aggravated by the Respondent further circulating backdated documents without make the true position clear. The Respondent therefore breached Principle 6 of the SRA Principles 2011.

**Allegation 1.4 – [In the period 30 December 2015 to 31 March 2018, he owned, controlled and was sole director of GST, whose role was to act as security trustee protecting the interests of bondholders, notwithstanding an obvious conflict in doing so (or significant risk thereof) given his previous and ongoing instructions (as consultant employed by the firm and thereafter as an independent consultant) for borrowers and/or persons with an interest in these borrowers (namely SHK and/or EB)]**

35. GST was incorporated on 28 October 2015. Its sole director between 28 October 2015 and 31 March 2018 was the Respondent [JW1, p840]. In the same period, and until he agreed to sell his shares to Oracle Ltd (a corporate nominee of Mr Thomson), the Respondent was also the sole shareholder in GST. The Respondent controlled GST between its incorporation and 31 March 2018 [JW1, p934].

36. GST was created to operate as the security trustee of LCF, for the benefit of bondholders who had lent money to LCF. The information memorandum explained the role of GST in this way [JW1, p804 and p812]: *"The Bonds will be secured by debenture over the assets of [LCF]. The security granted by [LCF] in respect of the Bonds will be granted to the Trustee and the trustee will hold the benefit of the*

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*security on trust, and enforce it, for Bond Holders. ...[L]oans made by [LCF] will have a maximum value of 75% of the value of the assets over which security is granted in respect of the relevant loan (a 75% loan to value, or LTV). As an example, if [LCF] makes a loan of £750,000, the Borrowing Company will have to grant security over £1,000,000 of assets in respect of the loan”.*

37. GST was granted a Debenture over the assets of LCF by deed dated 30 December 2015 [JW1, p843], incorporating first legal mortgages, fixed and floating charges. Clause 6.13 of the Debenture provided that LCF would give GST “*such information concerning the location, condition, use and operation of the Secured Assets as [GST] may require*” [JW1, p855]. Such a provision reflects and confirms the overriding obligation of a trustee, namely to preserve and safeguard trust assets properly, and to take “*all those precautions which an ordinary prudent man of business would take in managing similar affairs of his own*” – Lewin on Trusts [20<sup>th</sup> Ed] at §§34-001 – 34-002 [JW1, p940-942]. Discharge of these fundamental trustee responsibilities required relevant, up to date information. The Debenture was filed at Companies House on 13 January 2016. In addition, on 29 and 30 December 2015, LCF and GST entered into Security Trust Deeds [JW1, p879-883 and p884-891] (relating to different bond issues) whereby GST agreed to hold the Trust Property (which included all security interests embraced by the Debenture) “*on trust for the Beneficiaries*” (ie, the bondholders).
38. The Respondent acted, in the period 30 December 2015 to 31 March 2018 (as well as beforehand), for many companies (in which SHK and/or EB had interests) which borrowed money from LCF (including LOG, L&TD, APS, LPE and other entities owned or controlled by London Group LLP), and indeed was company secretary for some of them. This is in effect admitted by the Respondent in his response to the Notice, where he states “*I accept that once those companies [ie the ones “for whom I provided consultancy services”] commenced borrowing from LCF I should have considered my position*” [JW1, p934].
39. The SRA’s contention is that the Respondent should have “*considered [his] position*” from 30 December 2015 (when the Debenture was executed), because there was at all material times thereafter (at the very least) a significant risk that the Respondent’s interests and responsibilities as security trustee would conflict with his duties to his relevant clients who borrowed or sought to borrow money from LCF.
40. Miles J concluded in his judgment:

40.1 At [1067]: “... *Mr Sedgwick was working for the London Group companies, ie the borrowers, and that a key function of any security*

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*trustee would be to enforce security against the borrowers. There was an obvious conflict and GST could not independently represent the investors against the borrowers”. [JW1, C173]*

40.2 At [1596]: *“GST, which was presented as an independent security trustee for bondholders, was set up by Mr Sedgwick. Mr Sedgwick was closely connected with LCF and the borrowers. He worked for the London Group under the instructions of [SHK] and was the company secretary of several of the borrowers. He therefore had a duty and interest to promote the borrowers’ interests. This created an obvious potential conflict as any security trustee would have to enforce the security against those borrowers. ... In any event, GST did nothing to monitor LCF’s security.” [JW1, C254]*

40.3 At [1900]: *“... I find that Mr Sedgwick knew that LCF’s representations about there being an independent security trustee were false. As explained above, Mr Sedgwick owned and controlled GST. Mr Sedgwick had set it up. Mr Sedgwick knew that GST was not independent of LCF’s borrowers: (i) Mr Sedgwick knew that he was the solicitor instructed to act on behalf of many of LCF’s connected borrowers, ie companies in the London Group; and (ii) Mr Sedgwick was also the company secretary of many connected borrowers. Mr Sedgwick was clearly not independent of the borrowers”. [JW1, C304]*

41. In *Bristol and West Building Society v Mothew* [1998] Ch 1 at 18 [JW1, p960], Millett LJ said this:

*“A fiduciary is someone who has undertaken to act for or on behalf of another in a particular matter in circumstances which give rise to a relationship of trust and confidence. The distinguishing obligation of a fiduciary is the obligation of loyalty. The principal is entitled to the single-minded loyalty of his fiduciary. This core liability has several facets. A fiduciary must act in good faith; he must not make a profit out of his trust; he must not place himself in a position where his duty and his interest may conflict; he may not act for his own benefit or the benefit of a third person without the informed consent of his principal”.*

42. The Respondent demonstrably and at all material times (and whether acting for borrowers on new instructions between 30 December 2015 and 31 March 2018, or not) lacked the independence from the borrower companies which was an obvious requirement for acting as security trustee representing the interests of bondholders. In particular:

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- 42.1 The interests of bondholders and the borrowers were by definition in opposition. There was at all times a significant risk of disputes and disagreements as to what (if any) steps should be taken by GST as regards secured assets, should an insolvency scenario present in relation to a particular borrower (or LCF) or in the event of a disagreement regarding the sufficiency of security or attempted renegotiation of facility amounts and/or repayment dates.
- 42.2 Further, while it would be in the interests of GST and bondholders to maximise the security put forward by borrowers, it would be in the interests of borrowers to minimise the same. Notwithstanding, the Respondent continued to act for borrowing entities and/or SHK and/or EB in the material period while he controlled GST.
- 42.3 In any event, the Respondent had acted for various borrowing entities since December 2012 [JW1, p395], and was closely associated with SHK and EB in consequence of that work. This alone should have been regarded by the Respondent as a disqualifying ground as at 30 December 2015, all the more so with each subsequent instruction from the borrowers and/or SHK and/or EB. The Respondent should have recognised that, in those circumstances, he would be and would be seen to be acting at the behest of those parties in the event of a relevant dispute.
- 42.4 Further, the Respondent's duties to protect the confidential information (including material covered by LPP) of the borrowing entities and/or SHK and/or EB conflicted at all material times (at the very least, there was a significant risk it would do so) with his interest in disclosing the same to GST and the bondholders.

**Breaches of Principles and Code**Principle 2 SRA Principles 2011 (integrity)

43. The SRA relies on the test in Wingate set out at Paragraph 17 above. Being in an "obvious" conflict for a number of years is a demonstrable failure to live up to the higher standards expected of the solicitors' profession. Matters are aggravated further by:

- 43.1 The fact that the Respondent must have appreciated (and did appreciate) that he had an "obvious" conflict to deal with, but which he failed to deal with.

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43.2 The Respondent not taking steps to monitor the sufficiency of the bondholders' security interests (as Miles J concluded), for example seeking relevant information pursuant to his overriding obligation to preserve and safeguard trust assets and/or clause 6.13 of the Debenture, and then assessing the same. In consequence of not recognizing the obvious conflict he was operating under, the Respondent prevented GST and the bondholders from receiving the direction and leadership they were entitled to expect. Bondholders' significant losses are due in part to such lack of action and inattention by the Respondent in the relevant period. In the relevant period (30 December 2015 to 31 March 2018), bondholders advanced in the region of £125,000,000 to LCF: see the graph set out by Miles J at [66] [JW1, C30].

44. The Respondent therefore breached Principle 2 of the SRA Principles 2011.

Principle 6 SRA Principles 2011 (maintaining trust)

45. The Respondent was in an "obvious" conflict for a number of years. He should have severed all connection with and control of GST from 30 December 2015. He was obviously not in a position thereafter to provide "single-minded loyalty" to GST / the bondholders. Any solicitor should have recognised the "obvious" conflict, and acted accordingly. The Respondent has not suggested that he took appropriate professional advice on this matter at any material time. Failure to recognise the "obvious" conflict and act accordingly fundamentally undermines public trust in the profession. The Respondent therefore breached Principle 6 of the SRA Principles 2011.

Outcome 3.4

46. Outcome 3.4 provides that "*you do not act if there is an own interest conflict or a significant risk of an own interest conflict*". An "own interest conflict" was defined as "*any situation where your duty to act in the best interests of any client in relation to a matter conflicts, or there is a significant risk that it may conflict, with your own interest in relation to that or a related matter*". The Respondent had an own interest conflict (or there was a significant risk of the same) throughout the period 30 December 2015 to 31 March 2018. His duty to his borrower clients conflicted with his interests in GST, and he was prohibited from acting for them in the relevant period. The Respondent therefore failed to achieve Outcome 3.4.

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**The SRA's investigation**

47. The Miles J judgment [**JW1, p12**] was handed down on 14 November 2024. A Notice dated 16 December 2024 [**JW1, p902**] was sent to the Respondent, to which he replied on 24 January 2025 [**JW1, p934**].
48. On 17 April 2025 an Authorised Officer of the SRA decided to refer the conduct of Mr Sedgwick to the Tribunal [**JW1, p936**].

I believe the contents of this statement are true.



Jonathan White

Dated this 23<sup>rd</sup> day of July 2025

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**BEFORE THE SOLICITORS DISCIPLINARY TRIBUNAL**

Case No:

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

AND IN THE MATTER OF:

**SOLICITORS REGULATION AUTHORITY**Applicant

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**ROBERT MANNERING SEDGWICK**Respondent


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**APPENDIX 1 TO STATEMENT PURSUANT TO RULE 12 (2) SOLICITORS  
(DISCIPLINARY PROCEEDINGS) RULES 2019**

**Relevant Rules and Regulations**

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SRA Principles 2011

You must:

Principle 2	Act with integrity
Principle 6	Behave in a way that maintains the trust the public places in you and in the provision of legal services

SRA Code of Conduct 2011

Outcome 3.4	you do not act if there is an own interest conflict or a significant risk of an own interest conflict;
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