

**NEW ZEALAND LAWYERS AND
CONVEYANCERS DISCIPLINARY TRIBUNAL**

[2016] NZLCDT 2

LCDT 002/16

IN THE MATTER

of the Lawyers and
Conveyancers Act 2006

BETWEEN

**AUCKLAND STANDARDS
COMMITTEE NO. 2**

Appellant

AND

BRUCE HARVEY REID

Respondent

CHAIR

Judge D F Clarkson

MEMBERS OF TRIBUNAL

Mr W Chapman

Mr W Smith

HEARING BY TELEPHONE

DATE OF HEARING 5 February 2016

DATE OF DECISION 5 February 2016

COUNSEL

Ms C Paterson for the Standards Committee

Mr B Reid in person

ORAL DECISION ON APPLICATION FOR INTERIM SUSPENSION

[1] An application has been made by Standards Committee No. 2 of the Auckland Standards Committee in relation to three charges brought against Bruce Harvey Reid. The application seeks for Mr Reid's interim suspension from practice as a barrister and solicitor pursuant to s 245(1) of the Lawyers and Conveyancers Act 2006. The practitioner, as I have indicated, faces three charges and those charges only had just been filed with the Tribunal yesterday and this hearing convened on an urgent basis.

[2] Mr Reid has been most cooperative and, at short notice, appeared on his own behalf. In relation to the application, he has indicated to the Tribunal that he will be seeking legal representation but accepts that this matter cannot await his doing so at this point.

[3] The allegations in the charges relate to alleged misappropriation of client funds and therefore are at the very serious end of the spectrum of conduct considered by the Tribunal.

[4] As submitted by Ms Paterson on behalf of the Standards Committee, there are a large number of transactions of alleged misappropriations and, as she points out, these are not denied at this stage by Mr Reid. Indeed he has indicated that he accepts that he must account to his clients for all funds, and is in the process of arranging some financing to be able to do that and has accepted in writing his wrongdoing.

[5] We acknowledge that he has given an undertaking, under which he has operated over the past month, over the Christmas break, not to use his trust account other than as specifically authorised by an officer of the New Zealand Law Society. But we consider it unsafe to rely on that undertaking alone, given the large number of transactions and the lengthy period, and the involvement of more than one client in the conduct which is alleged.

[6] There are substantial funds involved, over \$100,000 of client funds, and we consider that having regard to the provisions of subs (2) of s 245, namely that an order can only be made if it is in the interests of the public or it is necessary or desirable in the interests of the public or the financial interests of any person. We do consider that both conditions have been met. In making that call, despite the giving of the undertaking and the acknowledgements by Mr Reid, we have particular regard for the purposes of the Act and the Tribunal's responsibility in relation to consumer protection as well as the protection of the reputation of the profession.

[7] We note that Mr Reid has two named attorneys who can step in to assist his clients in the meantime and Ms Paterson tells us that those lawyers were notified of this application on Tuesday of this week, it now being Friday.

[8] For all of those reasons and because of the serious risk posed to clients and having regard to the conduct alleged, we make an order pursuant to s 245(1) and now consider the issue of publication pursuant to s 245(3).

[9] On the expiration of 14 days after this order, the order and the nature of the charges may be published in the New Zealand Law Society publications and Auckland District Law Society Incorporated operated publications.

[10] We direct that a pre-hearing conference be convened at a suitable date.

DATED at AUCKLAND this 5th day of February 2016

Judge D F Clarkson
Chair