NEW ZEALAND LAWYERS AND CONVEYANCERS DISCIPLINARY TRIBUNAL

[2013] NZLCDT 6 LCDT 031/12

IN THE MATTER of the Lawyers and Conveyancers

Act 2006

<u>AND</u>

IN THE MATTER of **JOHN DAVID RANGITAUIRA**,

Former Barrister and Solicitor

of Rotorua

CHAIR

Judge D F Clarkson

MEMBERS OF TRIBUNAL

Mr W Chapman

Ms S Gill

Mr A Lamont

Mr C Rickit

DATE OF HEARING at Wellington on 1 March 2013

APPEARANCES

Mr M Hodge for the Standards Committee
Mr G Taylor for the Practitioner

DECISION OF NEW ZEALAND LAWYERS AND CONVEYANCERS DISCIPLINARY TRIBUNAL GIVING REASONS AS TO PENALTIES IMPOSED UPON THE PRACTITIONER ON 1 MARCH 2013

Introduction

[1] At the conclusion of this penalty hearing orders as attached to this decision were made following which the reasons for the decision were reserved. These are those reasons.

Charge

- [2] The practitioner was charged as follows:
 - "Waikato Bay of Plenty Standards Committee No 2 of the New Zealand Law Society ("Standards Committee") charges that John David Rangitauira of Rotorua, former barrister and solicitor:
 - (a) Has been convicted of four offences punishable by imprisonment and that the convictions reflect on the Practitioner's fitness to practice or bring the profession into disrepute."
- [3] The practitioner admits the charge.

Background

- [4] This is helpfully summarised in the submissions for the Standards Committee as follows:
 - "2.2 The charges relate to the Practitioner's misappropriation of funds from two victims, Westpac Bank, and the Te Houoterangi Trust, which he then sent to be applied to clean an inheritance which the Practitioner had been led to believe would be released to a client of the Practitioner. The Practitioner had arranged with the client to receive a \$5 million share of the inheritance when it was ultimately received. The people that the Practitioner communicated with over a three-year period in relation to the inheritance were in fact fraudsters. All of the money fraudulently obtained by the Practitioner was applied to the overseas advanced fee fraud scheme, and was lost ...

- 2.3 Criminal charges were laid against the Practitioner by the Serious Fraud Office in relation to his offending. The Practitioner was convicted by a jury and subsequently sentenced to 4.5 years imprisonment in relation to his offending."
- [5] The amounts involved were \$506,000 to Westpac Bank (of which \$370,000 was outstanding as at the time of sentencing) and \$338,000 from the Trust (against which funds from the practitioner and from his firm's insurance policy had been the subject of a confidential settlement). In sentencing the practitioner, His Honour Judge Wilson QC, noted¹ at paragraph 11:

"Further, at least within the Trust, your victims were vulnerable because of their reliance on you and their regard for you. When you made these applications, you knew they were false and misleading. Premeditation preceded the second and third of the bank applications, and was an integral part of the ways in which you got hold of the money from the Trust."

[6] His Honour referred to the great respect in which the practitioner had been held by his colleagues, whanau, iwi and hapu, which he had earned by selfless community service and leadership, often for no reward. His Honour went on to say:

"Also, as a solicitor you rightly earned a good reputation as a sound, reliable solicitor."

[7] Later His Honour pointed out that:

"Those matters provide you with the mitigation of a life, for many years, well lived, in a state of grace. But that has finished now. You will not be practising as a solicitor anymore. By your actions you have let down your family, you have also dealt, perhaps, a further blow to the reputation of the legal profession, and by these actions you have demonstrated a lack of responsibility in your professional duties that is very significant. There is no other way of describing the abuse of trust in this case, other than at the highest level."

[8] We can do no better than to, with respect, endorse the comments of the sentencing Judge. This dishonest offending has clearly brought the profession into disrepute, a matter accepted by the practitioner in consenting to his being struck off the roll of Barristers and Solicitors.

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¹ Serious Fraud Office v John David Rangitauira, decision 16 December 2011, CRI-2010-063-005669.

- [9] The Tribunal unanimously, as a Tribunal of five members states that the practitioner is no longer a fit and proper person to practise as a Barrister and Solicitor and thus endorses the consent strike-off agreed by the parties. We further note that the fraudulent scheme which duped the practitioner would seem to have been so patently unlikely (the physical cleaning of money) that it demonstrates an "alarming degree of naivety", as submitted by the Standards Committee.
- [10] In considering the only contested matter at the penalty hearing, that is the quantum of costs, the Tribunal has had regard to the fact that the practitioner has lost considerable funds of his own as a result of this fraud. We also take into account that the purpose of the penalty is not a punitive one, this having been carried out by the Criminal Court process. Public protection has been achieved by the order striking the practitioner from the roll and as such does not need to be reflected in any order for costs.
- [11] However the Lawyers and Conveyancers Act 2006 ("the Act") requires a public hearing in respect of this disciplinary charge and thus the profession has been put to the cost of investigating, preparation and the hearing of the charge, albeit with most matters by consent due to the practitioner's early cooperation and admission of liability. We accept that the practitioner ought to be given credit for having taken a responsible approach to these proceedings, with his early admission and by having counsel represent him.
- [12] For these reasons we propose to slightly discount the actual costs sought by the Standards Committee which were in the sum of \$6,852.73. We do consider the practitioner ought to be liable for the full costs of reimbursement of the Tribunal costs ordered against the New Zealand Law Society.
- [13] It will be for the Society to make arrangements with the practitioner for the payment of the attached costs orders.

DATED at AUCKLAND this 13th day of March 2013

Judge D F Clarkson Chair

SUMMARY OF ORDERS

[1] By consent the practitioner is struck off the roll of barristers and solicitors, pursuant to s 242(1)(c).

[2] We consider a censure is unnecessary because it's the Tribunal's view strike-

off is the ultimate censure in any event.

[3] Order in favour of the Standards Committee costs pursuant to s 249, in the

sum of \$5,800.

[4] An order against the New Zealand Law Society for s 257 Tribunal costs in the

sum of \$1,800.

[5] An order pursuant to s 249 that the practitioner reimburse the New Zealand

Law Society the sum of \$1,800 for the s 257 Tribunal costs.

DATED at AUCKLAND this 1st day of March 2013

Judge D F Clarkson Chair