

FROM: Secretary to Lloyd's Disciplinary Tribunal
LOCATION: 58/SE1
EXTENSION: 5530
DATE: 7 October 1999
REFERENCE: 082/99
SUBJECT: **MICHAEL PAUL PERRY**
SUBJECT AREA(S): Formal Disciplinary Proceedings
Case No LDB/9807/10
ATTACHMENTS: Notice of Censure
ACTION POINTS: **For information**
DEADLINE: **None**

Michael Paul Perry has been found guilty of misconduct by a Lloyd's Disciplinary Tribunal in respect of his failure to observe a requirement imposed upon him pursuant to the Inquiries and Investigations Byelaw (No. 3 of 1983).

Mr Perry was at all material times a member of Lloyd's and was the Managing Director of Dobinson Gregory & Co Ltd, ("Dobinson Gregory") an insurance broking company which operated in the Lloyd's market under an umbrella arrangement with the Lloyd's broker David Gyngell & Co Ltd.

In April 1998 a formal inquiry, under the Inquiries and Investigations Byelaw, was initiated in respect of certain matters relating to Dobinson Gregory. In the course of that inquiry Mr Perry was required, in May 1998, to provide copies of various documents and provide other information to Lloyd's in order to progress the inquiry. He did not respond to this request, nor to a repetition of the request made in July 1998. It was this which led to Mr Perry being charged with misconduct. The Tribunal concluded that there was no doubt that Mr Perry exhibited a total lack of co-operation in simply ignoring the requests made of him.

The Tribunal ordered that Mr Perry receive the penalty of Censure. In addition, Mr Perry was ordered to pay the sum of £25,845 in respect of Lloyd's costs. Mr Perry unsuccessfully appealed the decision of the Disciplinary Tribunal and was ordered by the Appeal Tribunal to pay a further sum of £11,639 in respect of the costs of his unsuccessful appeal.

A copy of the Notice of Censure ordered by the Disciplinary Tribunal to be posted in the Room is attached to this bulletin.

Copies of the full report of the disciplinary and appellate proceedings are available from the Disciplinary Secretariat, telephone numbers 0171 327 6989/5530.

This bulletin has been sent to all underwriting agents, Lloyd's brokers, corporate members, market associations, the ALM and recognised accountants.

AP Barber,
Secretary to Lloyd's Disciplinary Tribunal

NOTICE OF CENSURE

MICHAEL PAUL PERRY

In proceedings before a Lloyd's Disciplinary Tribunal the Defendant, **Michael Paul Perry**, faced two alternative charges of misconduct. Mr Perry was a member of Lloyd's and the managing director of a company which formerly carried on business as insurance brokers. The context in which the charges arose was that, following the institution of an inquiry by the Regulatory Proceedings Department under the authority of the Council of Lloyd's, Mr Perry was requested by letter of 6th May 1998 to provide information and copies of various documents. Mr Perry ignored this request, as well as a follow up request. It was this which led to Mr Perry being charged with misconduct. Charge 1 alleged that he had engaged in discreditable conduct; the alternative charge 1a alleged misconduct in failing to observe a requirement imposed upon him pursuant to paragraph 5 of the Inquiries and Investigations Byelaw (No. 3 of 1983), as amended.

Mr Perry contested both charges. Apart from disputing the substance of the charges Mr Perry contended that Lloyd's had no jurisdiction over him at the material time, May 1998, because he had given notice of resignation of his membership of Lloyd's as part of the Reconstruction and Renewal settlement programme in August 1996. The Disciplinary Tribunal rejected the contention of lack of jurisdiction. It was satisfied that Mr Perry had breached the applicable byelaw. However, it was not satisfied that Mr Perry's conduct in not complying with the applicable byelaw, at the time when he was contending (albeit wrongly) that there was no jurisdiction, was such as to merit the description "discreditable". Accordingly the Disciplinary Tribunal dismissed charge 1, but found charge 1a proved.

There is no doubt that Mr Perry exhibited a total lack of co-operation, as well as discourtesy, in simply ignoring the requests made of him by the Regulatory Proceedings Department. Nevertheless, having dismissed the more serious charge 1, the Disciplinary Tribunal took the view that a censure was the appropriate penalty to impose for Mr Perry's misconduct. It also

ordered that Mr Perry should pay the sum of £25,845.75, inclusive of a VAT element, in respect of the costs of the Council and the Tribunal.

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Robert Englehart Q.C.
(Chairman)

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Mrs Fiona Bennett

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Sir David Berriman