



Type of Order: DISCIPLINARY CONSENT ORDER

Date of Order: 20 June 2017

Committee name: INVESTIGATION COMMITTEE

Details of IP: **Thomas Fox**, of **Glasgow**, an IPA member and Licensed Insolvency Practitioner.

Summary of complaint: This Order is made in relation to a complaint, by a debtor, that Mr Fox in his role as Trustee of a Protected Trust Deed (PTD) breached Statement of Insolvency Practice 3.3 (Scotland) when he failed to;

- a) properly advise a debtor and
- b) assess whether a PTD was the appropriate solution the debtor, and
- c) enter into an enforceable written agreement with a third party for payment of contributions.

And as a consequence Mr Fox contravened Regulation 21(4) of the Protected Trust Deeds (Scotland) Regulations 2013 by failing to ensure that contributions from the debtor in a PTD did not include an amount derived from social security benefit

Accordingly, Mr Fox was found liable to disciplinary action under the IPA's Articles of Association.

Summary of sanctions: The Common Sanctions Guidance in force at the time of the conduct giving rise to the finding provides for a Severe Reprimand and a fine of between £500 and £7,500 where there is a material failure to comply with the provisions of a SIP.

The Committee agreed that a significant aggravating factor was the impact this had on the debtor. However, the sanction imposed reflects the fact that Mr Fox accepted all three allegations, refunded the contributions paid by the debtor, compensated him and changed internal procedures to prevent any repeat of this issue.

The Investigation Committee imposed a disciplinary order that Mr Fox be severely reprimanded and fined £2000.