

# **Jeremy Bennett**

## **Solicitor**

### **143161**

**[Agreement Date: 31 October 2025](#)**

## **Decision - Agreement**

Outcome: Regulatory settlement agreement

Outcome date: 31 October 2025

Published date: 3 November 2025

## **Firm details**

### **Firm or organisation at time of matters giving rise to outcome**

Name: 7 Legal and Finance Limited

Address(es): 620 Attercliffe road, Sheffield, S9 3QS

Firm ID: 653902

## **Outcome details**

This outcome was reached by agreement.

### **Decision details**

#### **Agreed outcome**

1.1 Mr Jeremy Michael Bennett, the former owner and solicitor of 7 Legal and Finance Limited (the firm), agrees to the following outcome to the investigation of his conduct by the Solicitors Regulation Authority (SRA):

- he is fined £4,273.
- to the publication of this agreement.
- he will pay the costs of the investigation of £600.

## **2. Summary of Facts**

2.1 On 10 January 2024 we received a report from Pennine Law Limited (where Mr Bennett was engaged as a consultant at the time), reporting that in the year 2022 Mr Bennett and the firm were alleged to have transferred around £9.1m without instruction, which raised concerns of theft, fraud and a breach of the SRA's Accounts Rules.



2.2 We carried out an investigation which included a recorded regulatory interview with Mr Bennett. The investigation identified areas of concern in relation to Mr Bennett's compliance with the Money Laundering, Terrorist Financing (Information on the Payer) Regulations 2017 (MLRs 2017), the SRA Accounts Rules, the SRA Principles, and the SRA Code of Conduct for Solicitors.

2.3 The concerns were in relation to one matter, where Mr Bennett was instructed by Client A to assist in the creation of a trust structure. Client A was a company belonging to the trustee, Mr M.

#### SRA Account Rules

2.4 Between 28 November 2022 and 6 December 2022, the firm's client account received three deposits from the beneficiaries of the trust, totalling £9,141,862.47.

2.5 Mr Bennett then allowed the funds to be dispersed from the firm's client account, between 30 November 2022 and 7 December 2022, to two third parties on instruction from Mr M. The beneficiaries deny any knowledge that the funds were to be dispersed in such a way and have not had access to the funds since this transfer.

2.6 There was no correlating ledger on the file itemising the above transactions. Mr Bennett therefore failed to maintain accurate records of all receipts and payments on the matter for Client A, in breach of Rule 8.1(a) of the SRA Accounts Rules.

2.7 The receipt by solicitors of payments into their client account could provide legitimacy and a veneer of authenticity to the transactions and money movements, which is why it is not permitted for solicitors to provide banking facilities, and yet Mr Bennett permitted this resulting in the alleged misappropriation of £9.1m. Mr Bennett caused or allowed the firm's client account to be used as a banking facility, with regards to transfers made from the beneficiaries of the trust between November 2022 and December 2022, in breach of Rule 3.3 of the SRA Accounts Rules.

#### MLRs 2017

2.8 There was no documented client and matter risk assessment (CMRA) on the file for this matter. Mr Bennett confirmed he had kept a mental note of the risk assessment as he knew the client.

2.9 Mr Bennett therefore caused and materially contributed to the firm failing to maintain records of its risk assessment under Regulation 28 of the MLRs 2017. The firm was unable to demonstrate that the extent of the measures it had taken to satisfy the requirements of Regulation 28 were appropriate, as required by Regulation 28(16) of the MLRs 2017.



2.10 In interview, Mr Bennett accepted that the matter was high risk for the firm, in comparison to the work it was normally conducting. As such, enhanced customer due diligence and ongoing monitoring was required, which can include source of funds and wealth checks. We agree that the matter was high risk and therefore required a higher level of scrutiny. The high-risk factors we identified in this matter are:

- The National Risk Assessment of Money Laundering and Terrorist Financing 2020, which was in place at the time, contains both trust and company service providers, and misuse and exploitation of client accounts as been high risk for legal service providers.
- Use of corporate assets to fund private expenditure of individuals.
- Use of multiple and foreign accounts.
- Involving unnecessarily complicated structures or steps in a transaction.
- Unexplained urgency, requests for short cuts or changes to the transaction particularly at last minute.
- Requests to make payments to third parties.
- Outside the firm's area of expertise or normal business.
- Connections with high-risk jurisdictions.

2.11 Mr Bennett accepts (and we do not disagree), that from the £9.1m that was transferred to the firm's client account, half came from one beneficiary, and the other half came from a second beneficiary. It was transferred by a Hong Kong based company, of which the beneficiaries were the owners.

2.12 However, in interview when we queried where the beneficiaries got their money from Mr Bennett advised that he did not know.

2.13 Within the file was a 'list of assets' for one of the beneficiaries. Some of which included:

- Cash held on deposit in DBS Hong Kong and to be transferred to the client account of 7LF Solicitors, United Kingdom.
- Cash held as commission in Dubai to be transferred to the client account of 7LF Solicitors, United Kingdom.
- A holding of cryptocurrency.
- All Investments held personally and managed by (redacted), Panama.
- A 50% interest in a BVI company.
- All the beneficiaries property interests in Panama.

2.14 Mr Bennett had not reviewed the schedule in any detail, which demonstrates a lack of scrutiny as to the source of wealth of the beneficiaries, and the source of funds being used in the transaction, despite a plethora of high-risk red flags being present. We have not identified any evidence from the file Mr Bennett took in to account the high-risk nature of this matter and what additional considerations were required as a result of this.



2.15 Mr Bennett caused and materially contributed to the firm failing to conduct ongoing monitoring including, where necessary, the source of funds, as required by Regulation 28(11)(a) of the MLRs 2017.

2.16 Mr Bennett caused and materially contributed to the firm failing to apply enhanced customer due diligence measures and enhanced ongoing monitoring, as required by Regulation 33(1) of the MLRs 2017.

### **3. Admissions**

3.1 Mr Bennett makes the following admissions, which we accept, that by failing to comply with the MLRs 2017 he has failed to:

- a. Keep up to date with and follow the law and regulation governing the way he works, in breach of Paragraph 7.1 of the SRA Code of Conduct for Solicitors.
- b. Act in a way that upholds public trust and confidence in the solicitors' profession and in legal services provided by authorised persons, in breach of Principle 2 of the SRA Principles.

And by failing to comply with the SRA Accounts Rules he has:

- c. used a client account to provide banking facilities to clients or third parties, in breach of Rule 3.3 of the SRA Accounts Rules 2019. Payments into, and transfers or withdrawals from a client account must be in respect of the delivery by you of regulated services.
- d. Failed to keep and maintain accurate, contemporaneous and chronological records to record in client ledgers identified by the client's name and an appropriate description of the matter which they relate:
  - i. all receipts and payments which are client money on the client side of the client ledger account;
  - ii. all receipts and payments which are not client money and bills of costs including transactions through the authorised body's accounts on the business side of the client ledger account.

In breach of Rule 8.1a of the SRA Accounts Rules.

### **4. Why a fine is an appropriate outcome**

4.1 The SRA's Enforcement Strategy sets out its approach to the use of its enforcement powers where there has been a failure to meet its standards or requirements.

4.2 When considering the appropriate sanctions and controls in this matter, the SRA has taken into account the admissions made by Mr Bennett and the following mitigation:

- This was a one-off incident with no indication of a pattern of poor misconduct.



- Mr Bennett has no regulatory history of concern.
- Mr Bennett is no longer a practicing solicitor.
- Mr Bennett cooperated with our investigation.

4.3 The SRA considers that a fine is the appropriate outcome because:

- Taking a risk-based approach to preventing money laundering is important because it helps to direct resources appropriately to the highest risk areas. You need to understand and assess the risk posed by each client and matter; then act accordingly.
- CMRAs dictate the level and extent of customer due diligence to be completed on a client or matter. Where the correct customer due diligence has been applied to clients and their matters, the risk of money laundering is reduced.
- Mr Bennett facilitated a high-risk transaction without considering the potential risks. This resulted in £9.1m (of which it is not clear how these funds were accumulated) flowing through the firm's client account and an alleged significant loss to two beneficiaries.
- In *Fuglers & Ors v SRA [2014]* (which related to the use of a client account as a banking facility) the high court held that "...if there was to be no suspension, a very substantial fine was called for to mark the seriousness of the misconduct and to send a message to the profession in relation to the use of client accounts, which is a matter of central importance in the regulation of solicitors' conduct";.
- Mr Bennett needed to have been properly satisfied that there was a proper and justifiable reason why the money should pass through the firm's client account. In this case, there is no evidence that the regulated legal services provided had any meaningful connection with the usage made of the client account.

4.4 Rule 4.1 of the Regulatory and Disciplinary Procedure Rules states that a financial penalty may be appropriate to maintain professional standards and uphold public confidence in the solicitors' profession and in legal services provided by authorised persons. There is nothing within this Agreement which conflicts with Rule 4.1 of the Regulatory and Disciplinary Rules and on that basis, a financial penalty is appropriate.

## **5. Amount of the fine**

5.1 The amount of the fine has been calculated in line with the SRA's published guidance on its approach to setting an appropriate financial penalty (the Guidance).

5.2 Having regard to the Guidance, the SRA and Mr Bennett agree that the nature of the misconduct was less serious (score of one). This is because the nature of the conduct did not form part of a pattern of misconduct. The issues relate to one matter which lasted for a short



period of time. Further, there is no evidence that the conduct was intentional or arose as a result of recklessness or gross negligence.

5.3 The SRA considers that the impact of the misconduct was high (score of six). This is because there has been significant impact and loss alleged, as a result of the conduct. Mr Bennett failed to comply with the MLRs 2017 and the SRA Accounts Rules or pay sufficient regard to published guidance and warning notices, which are designed to reduce such risks if appropriately adhered to.

5.4 The nature and impact scores add up to seven. The Guidance indicates a broad penalty bracket of between 16% and 49% of Mr Bennett's gross annual income is appropriate.

5.5 The SRA considers a basic penalty towards the higher end of the bracket to be appropriate.

5.6 Based on the evidence Mr Bennett has provided of his gross annual income for the most recent tax year, this results in a basic penalty of £5,028.

5.7 The SRA considers that the basic penalty should be reduced to £4,273. This reduction reflects the mitigation at paragraph 4.2 above.

5.8 Mr Bennett does not appear to have made any financial gain or received any other benefit as a result of his conduct. Therefore, no adjustment is necessary to remove this and the amount of the fine is £4,273.

## **6. Publication**

6.1 Section 87(1) of the Legal Services Act 2007 (LSA 2007) and the Registers of licenced bodies: Section 87(4) rules, require the SRA, as a licencing authority, to maintain and publish a register of licenced bodies, which includes information on enforcement action or sanctions imposed on a licenced body, owner or employee of a licenced body.

6.2 This agreement confirms a decision has been made under Section 95 of the LSA 2007 to fine Mr Bennett, the owner of a licenced body, which will be published. We do not have any discretion not to publish the decision.

## **7. Acting in a way which is inconsistent with this agreement**

7.1 Mr Bennett agrees that he will not deny the admissions made in this agreement or act in any way which is inconsistent with it.

7.2 If Mr Bennett denies the admissions or acts in a way which is inconsistent with this agreement, the conduct which is subject to this agreement may be considered further by the SRA. That may result in a

disciplinary outcome or a referral to the Solicitors Disciplinary Tribunal on the original facts and allegations.

7.3 Denying the admissions made or acting in a way which is inconsistent with this agreement may also constitute a separate breach of principles 2 and 5 of the Principles and paragraph 7.3 of the Code of Conduct for Solicitors, RELs and RFLs.

## **8. Costs**

8.1 Mr Bennett agrees to pay the costs of the SRA's investigation in the sum of £600. Such costs are due within 28 days of a statement of costs due being issued by the SRA.

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