

Type of Order: DISCIPLINARY CONSENT ORDER

Date of Order: 24 JUNE 2020

Committee name: REGULATION AND CONDUCT COMMITTEE

Details of IP: **Mr Adam Boys of Freshstart Insolvency Limited and Quality Insolvency Services Limited**, an IPA member and Licensed Insolvency Practitioner (IP).

Summary of complaint:

This Order is made in relation to a complaint that Mr Boys breached the fundamental Principle of Professional Competence and Due Care of the Ethical Code for Insolvency Practitioners when he;

1. breached SIP 3.1 paragraph 15(c) & (d) when in his role as Nominee of an IVA, he failed to advise a debtor of proposed modifications, including one that required the IVA to be extended to 6 years, before it was accepted.
2. breached SIP 9, paragraphs 8, 26 & 27 when he failed to disclose an association with two companies providing services to his firm and failed to explain why work (usually carried out by his staff) was being subcontracted to one company. He also allowed unapproved payments to be made to the associated companies.
3. breached the principles of SIP 3.1 when, in the course of obtaining instructions from various debtors, he failed to properly advise them and was responsible for a repeated and systemic failure, in this regard.

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

Summary of sanctions: Allegation 1

The Committee agreed that the conduct was inadvertent and therefore 'less serious' with reference to the Common Sanctions Guidance, which provides for a reprimand and a fine of £1,500, as a starting point, where there has been a failure to comply with the principles of a SIP. The Committee did not identify any mitigating or aggravating factors.

The Committee imposed a disciplinary order that Mr Boys be reprimanded and fined £1,500.

### **Allegation 2**

The Committee agreed that the conduct was 'serious' with reference to the Common Sanctions Guidance. The Guidance provides for a severe reprimand and a fine of £5,000, as a starting point, where there has been a failure to comply with the principles of a SIP. The Committee did not identify any mitigating or aggravating factors.

The Committee imposed a disciplinary order that Mr Boys be severely reprimanded and fined £5,000.

### **Allegation 3**

The Committee agreed that the conduct was 'serious' with reference to the Common Sanctions Guidance, which provided for a severe reprimand and a fine of £5,000, as a starting point. A previous warning that advice calls were not satisfactory was an aggravating factor. Accordingly, with the consent of Mr Boys, the Committee orders that he be severely reprimanded and fined £5,000.

The Committee imposed a disciplinary order that Mr Boys be fined £10,000, after applying the totality principle (limiting the fine on Allegation 2 to £3,500).

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