

Edinburgh solicitor struck off following embezzlement conviction

☒ In a case ranging over twelve years in total the Scottish Solicitors' Discipline Tribunal has just issued its decision on Edinburgh solicitor, Michael Karus, following a hearing on 21 August 2015. It has removed his name from the solicitors' roll in light of his 2011 conviction for embezzlement. Such a criminal conviction usually means that a solicitor is automatically struck off, but it seems to have taken some time for that to happen in this case.

Michael Louis Karus was enrolled as a solicitor in 1986 and had offices in St Stephen Street and Gloucester Place.

He was first censured in 2001 when his practising certificate was restricted for five years in light of conduct breaching the Solicitors Accounts Rules. The Law Society found that his financial records were in disarray and it was not clear if there was a credit balance on the firm's client account as the books were not written up properly.

Mr Karus then issued a cheque for £70,000 in August 2002 payable to his mother and drawn on the firm's client account without authority of the then principal of the business. The tribunal described his conduct as disgraceful and dishonourable, and said that it brought the profession into disrepute. Karus did not hold a practising certificate from 2002 onwards, but his name was retained on the roll of solicitors.

One of the ways that the public can be protected against solicitors who have done something wrong, but not considered bad enough to be struck off, is to ensure that they cannot then set up business on their own account, but Mr Karus

continued to sign cheques and act like a principal even though his business was apparently being run by another solicitor.

In the interim Karus had been appointed executor in a will by Edith Hampton who died in 2003 and he then proceeded to embezzle over £400,000 from the money which she left. The [BBC](#) reported in 2009 that the late Mrs Hampton was a teacher who had left her estate to her niece June Pirie. Karus apparently told the beneficiary that the proceeds of the estate had gone to Cancer Research.

It took until 2009 for the Crown Office to prosecute him and he was sentenced to three and a half years in prison for the fraud. He admitted all charges and was given a lighter sentence than he might have received. He also lodged funds with the court to cover the amount he had embezzled.

In addition in 2004 Karus was prevented from acting as a company director for seven years following the collapse of one of his limited companies and his failure to cooperate with the liquidator.

The tribunal pronounced that the offence which Karus had been convicted of was sufficient for them to decide that he was no longer a person fit to be a solicitor and ordered that his name was struck off the roll. Karus had tried without success to avoid this action by stating that he had already tendered his resignation in 2002 and was not an enrolled solicitor.

The decision concluded: "The Tribunal considered that such an offence committed by a member of the profession undoubtedly had a significant negative effect on the reputation of the profession which has not been negated by the money being subsequently repaid. Members of the public must be able to have confidence that any solicitor whom they instruct will be a person of unquestionable integrity, propriety and trustworthiness."

