



Member A

Finding that Member A breached the Code of Conduct

30 April 2025

A committee convened by the RITANZ Board recently considered a complaint by a RITANZ member (a Licensed Insolvency Practitioner) against another RITANZ member (a Lawyer). The complaint alleged the Lawyer had breached the RITANZ Code of Professional Conduct by engaging in a campaign, as instructed by the Lawyer's clients, to have the complainant removed as a liquidator of three companies. The complaint related to professional behaviour, communication and competition. The lawyer argued that the obligation, under the Lawyers and Conveyancers Client Care Rules, to act in the best interests of clients, meant that RITANZ did not have jurisdiction to consider the matter. If there was an issue, it was for the Law Society to consider. The committee considered that it could enquire as to whether the Lawyer was able to act in the best interests of clients while reasonably avoiding or mitigating a breach of the RITANZ Code. The committee determined that the manner in which the clients' instructions were carried out included unacceptable and reckless statements that questioned the integrity and abilities of the complainant as a liquidator, asserting a risk that they would not act in the best interests of creditors and would charge exorbitant costs. This conduct was found to breach the following principles of the Code, the most relevant parts of which are summarised as follows:

1. Principle 1.1 Integrity – a high level of integrity is required of RITANZ members in being straightforward, honest and truthful and not making false or misleading statements (including by omission or recklessly);
2. Principle 3 – Communication – must be accurate, honest , open and “*expressed in a professionally courteous tone and manner*”;
3. Principle 6 – Competition – it is recognised that members compete for work and can promote themselves but must retain a high level of integrity and independence and “*must not make negative remarks about another Member or their firm as to their competence, professional practices or fees charged*”.

The committee found that the Lawyer had breached the RITANZ Code of Professional Conduct. Following the making of a formal apology and a charitable donation no penalty was imposed (over and above the finding of a breach) and the identity of the Lawyer and firm have been redacted from the written decision.

This decision should serve as a helpful reminder to members that the Code of Professional Conduct sets out fundamental obligations that will be enforced. It also shows that RITANZ will hold its members to account in recognition of its key strategic pillars which include the maintenance of standards and of public confidence in the profession.