

## Investors up claim

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INVESTORS in collapsed law firm **Renshaw Edwards** say a \$7.3 million bank loan to cover claims is not enough, and will demand a further \$5.5 million that the society refuses to pay.

The solicitor representing 210 members of the **Renshaw Edwards** Investors Recovery Group, **Grant Cameron**, said the Law Society was still backing away from its legal obligation to repay clients in full.

Mr Cameron said the group expects to have a further claim for \$5.5 million heard in the High Court at Wellington in April.

The claim concerns amounts disallowed by the Law Society on grounds that interest paid to clients for three years during which it says the law firm was acting fraudulently should be taken off the amount clients are now claiming.

Mr Cameron said this would cut into the amount investors were owed -- he will be claiming \$2.9 million which has been previously disallowed by the Law Society.

A further \$2.6 million will be claimed in costs and interest on money owed to clients since the Law Society admitted it was liable for Renshaw and Edwards' clients' claims in December 1992.

Mr Cameron said the court had ordered that clients be paid within a year of the society admitting the claim, so clients would claim interest after that date.

He said investors were pleased the Law Society had chosen to pay out on claims, but still felt it should have acted much sooner, and that the society has still not accepted its full liability.

"Unfortunately for the society, these people have formed a pretty powerful group, and they won't go away.

"I assume the society didn't want further embarrassment, so it paid up without going through a court battle."

Clients were not being unreasonable by persisting with claims, Mr Cameron said.

Patrick Renshaw was jailed for seven years and Keith Edwards for six after pleading guilty in 1992 to numerous dishonesty offences. Edwards has since been freed and Renshaw is eligible for parole.

Clients claims against the Law Society fidelity fund totalled more than \$29 million, \$16 million of which has already been paid from lawyers' levies.

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