

Law firm clients claim more

By: HAWKINS Barry

A decision by the Law Society to settle outstanding claims following the collapse of Upper Hutt law firm **Renshaw Edwards** may not mean the end of financial claims on society members.

Christchurch lawyer **Grant Cameron**, representing 210 former **Renshaw Edwards** clients, said today that while the news of the society's move to take out a bank loan to meet the claims was welcome it was "only half the equation".

Mr Cameron has sought a fixture date in the Wellington High Court to hear further claims totalling about \$5.5 million to recover lost interest and costs disallowed by the society.

He said the hearing was likely to be held in April or May.

Society president Austin Forbes said yesterday a bank loan would be raised to meet outstanding claims on its fidelity fund.

The society admitted claims totalling more than \$29 million as a result of the 1992 collapse of the **Renshaw Edwards** firm, of which \$16.3 million has been paid in instalments over five years out of levies on 2800 practising solicitors.

The High Court ruled that the instalment system could not be used. The society appealed the decision but sought an adjournment of the hearing.

Mr Cameron said the society's decision to make the repayments by borrowing was "a long overdue step".

"We have said all along they had the power to do this but it was not until the High Court also took this view that they have taken this option seriously," he said.

"We are pleased that the money has come two years sooner than it otherwise would have, but distressed that it has taken this time for them to come to grips with the reality of the High Court decision."

Mr Cameron said the court had set March 28 and 29 for the adjourned appeal to proceed if the society had not made the repayments in full by that time.

He paid a tribute to Mr Forbes, who last year succeeded Judith Potter as society president, for his efforts in steering the society toward a settlement.

Mr Cameron said he was sad the society had not accepted an offer from claimants in June 1992 which could have resolved the issue much more cheaply and with much less adverse publicity for the society.

He said that offer had been "rejected out of hand" by the society's council.

Mark Rammell, chairman of the Renshaw Edward creditors' group which hired Mr Cameron, said the society's decision was positive but overdue.

"The society's change of mind is either the result of it getting better advice or recognising the realities of its situation."

Noeline Birkett, who with her husband Jeff lost \$241,000 in the Renshaw Edward crash, said the society had admitted \$237,000 of their claim.

With repayments made to date, they were still owed \$91,000.

The couple, who are dairy farmers in Whitemans Valley near Upper Hutt and are not members of the main creditors group, will wait until they get the last payment before deciding on pursuing costs such as legal fees and interest payments.

Mrs Birkett said they "would not rock the boat in the meantime".

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