

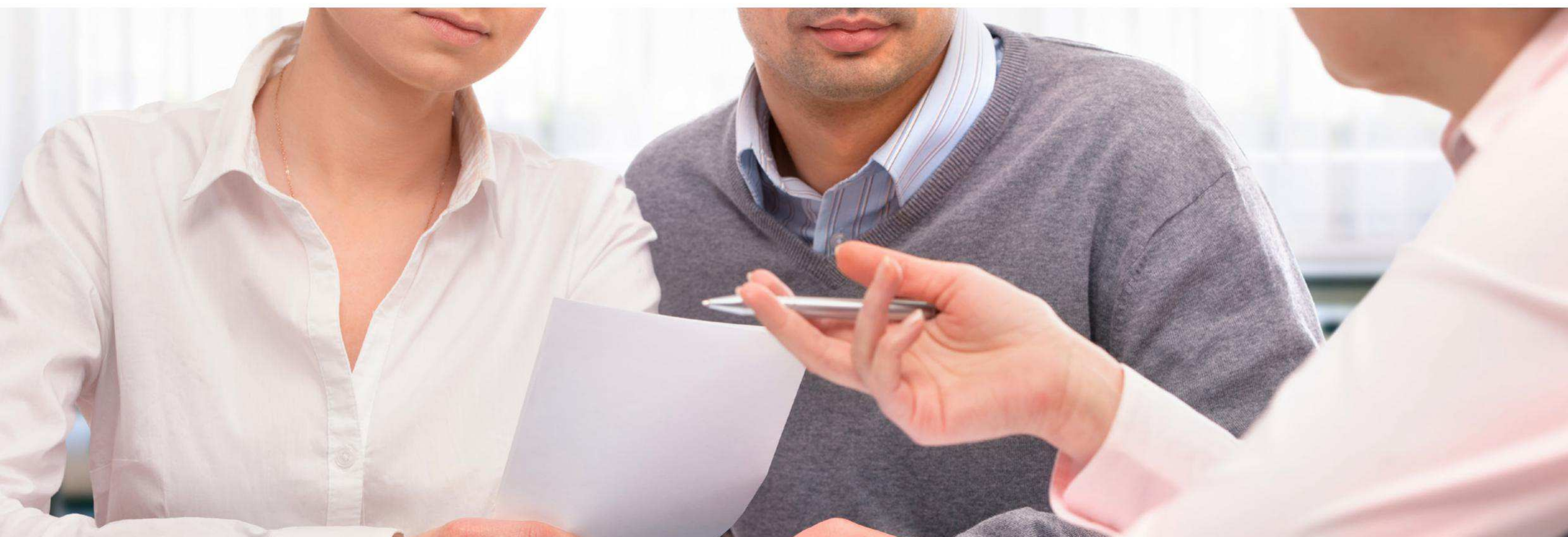
TO REST IN PEACE

Tina, a sole proprietor of Messrs Belcher & Co. ("IP") was instructed by Teddy, her good friend who was terminally ill to convey a few properties owned by him to his family members. Teddy had two families from two separate marriages and due to his complicated relationships with his families he decided to do away with writing a will.

Tina advised Teddy that he should at least sign a retainer agreement to avoid complications in the future. Nonetheless, Teddy brushed off the idea and proceeded to sign the transfer and assignment forms. He advised Tina on the intended recipients and instructed her to only get them to sign the forms after his death. He further instructed Tina to secure the titles to the properties from his only son from his first marriage and to date the forms a few days before his death.

Teddy passed away ten months later and per his instructions, Tina proceeded to secure the titles from Teddy's son and called all recipients to brief them about Teddy's wishes and instructions. All recipients from both families did not object the arrangement and signed the forms. Nevertheless, the acceptance and agreement of such arrangements were not confirmed in writing between the recipients then. Tina backdated the forms to a month before Teddy's death as per his instruction and proceeded with the presentations to the land office.

To her surprise, the land office rejected the presentations and informed Tina that Teddy's second wife and her daughter had lodged a private caveat on three properties which were meant to be transferred to Teddy's first family. While trying to resolve the problem with both families, Tina was served with a writ from Teddy's second wife alleging her of conspiring with Teddy's first family to defraud her rightful entitlement to the properties.



In reviewing the IP's risk management processes to determine if their original Base Excess should be reinstated, the Insurer found the following:



The IP used conveyancing checklists diligently and ensured that deadlines and all prerequisites for each matter were fully met. The checklists were also in accordance with the basic conveyancing checklist suggested by Bar Council.



Nonetheless there were no written agreements, letter of authorisation nor a retainer agreement to prove that the IP had indeed acted on the advice of the deceased, or that the recipients agreed to such arrangements.



The backdating of documents was also considered unethical as it gave a false impression that the documents were executed prior to Teddy's death.