

FROM: Secretary, Lloyd's Disciplinary Board
LOCATION: 58/SE1
EXTENSION: 5530
DATE: 10 January 2001
REFERENCE: 006/2001
SUBJECT: CLIVE STUART FREEMAN
SUBJECT AREA(S): Formal Disciplinary Proceedings – Case No.
LDB/9909/23f
ATTACHMENTS: Notice of Censure
ACTION POINTS:
DEADLINE:

In proceedings before a Lloyd's Disciplinary Tribunal, Clive Stuart Freeman has been found guilty of a charge of detrimental misconduct. At the relevant time, Mr Freeman was a member of the Society and was a director of the Lloyd's broker, JA Chapman & Co. Ltd ("Chapco").

The Disciplinary Tribunal ordered that Mr Freeman be censured in the terms of the Notice attached to this bulletin. In addition, Mr Freeman has been ordered to pay £15,000 towards the costs of Lloyd's.

Copies of the full report of the disciplinary proceedings are available from the Disciplinary Secretariat, telephone number 020 7327 5530.

This bulletin has been sent to all underwriting agents, members' agents (corporate advisers), Lloyd's brokers, corporate members, market associations, the ALM and recognised accountants.

AP Barber
Secretary
Lloyd's Disciplinary Board.

NOTICE OF CENSURE

CLIVE STUART FREEMAN

Following a contested hearing before the Tribunal Clive Stuart Freeman has been found guilty of misconduct, namely conducting himself in a manner detrimental to the interests of Lloyd's policyholders, the Society, members of the Society, Lloyd's brokers, underwriting agents and others doing business at Lloyd's.

Mr Freeman was a director of J. A. Chapman & Company Ltd. ("Chapco"), a Lloyd's broker. In March 1991, when signing a cover note on behalf of Chapco, Mr Freeman failed to check that the premium shown on the cover note corresponded with the premium set out on the declaration slip and agreed with the underwriters. In fact the amount of premium to be charged was wrongly inflated by \$85,000. Mr Freeman did not know that and was not involved in any dishonesty or deliberate misrepresentation but his oversight was a failure to exercise due diligence.

The Tribunal ordered him to be censured for his misconduct, that this notice be posted in the Room and that he pay the sum of £15,000 towards the costs of the Council of Lloyd's and the Disciplinary Tribunal in these proceedings.

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Mr Ian Mayes Q.C.
Chairman

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Mrs Fiona Bennett

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Ms Marie-Louise Burrows