

**FROM:** The Secretary to Lloyd's Disciplinary Board  
**LOCATION:** 58/NW1  
**EXTENSION:** 5530  
**DATE:** 15 May 2000  
**REFERENCE:** 45/2000  
**SUBJECT:** **MR PETER MACKENZIE ROUTLEDGE**

**SUBJECT AREA(S):** Formal Disciplinary Proceedings  
**ATTACHMENTS:** Notice of Censure  
**ACTION POINTS:** **For information**  
**DEADLINE:** **Effective Immediately**

At a special meeting of the Council of Lloyd's on 10 May 2000 held pursuant to the Council Stage of Disciplinary Proceedings etc. Byelaw (No. 33 of 1996), as amended, the Council confirmed the following penalties imposed on Peter Mackenzie Routledge by a Lloyd's Disciplinary Tribunal summarised as follows:

- (i) Permanent suspension of his right of admission to the Room and other parts of the premises of the Society and of his right to transact or be concerned or interested in the transaction of any business of insurance at Lloyd's, and
- (ii) That a Notice of Censure be posted in the Room (a copy of which is attached).

On 8 October 1999 a Lloyd's Disciplinary Tribunal found Mr Peter Mackenzie Routledge guilty of three charges of misconduct following a hearing that took place on 4-6 October 1999.

Mr Routledge was found guilty of three charges of misconduct, namely conducting insurance business in a discreditable manner, contravening the provisions of the Syndicate Accounting Byelaw and conducting insurance business with a lack of good faith. The Disciplinary Tribunal found that Mr Routledge had acted dishonestly.

The Disciplinary Tribunal imposed those penalties summarised above together with associated supplementary orders in respect of the charges found proven against him.

In addition the Disciplinary Tribunal ordered that Mr Routledge should pay £60,000 to the Council in respect of its costs in the proceedings.

Mr Routledge lodged an appeal on 6 January 2000 against both the findings of the Disciplinary Tribunal and the penalties that were imposed. Shortly before the appeal hearing, Mr Routledge decided to proceed only with his appeal against the penalties and costs imposed upon him by the Disciplinary Tribunal. The appeal hearing took place on 15 March 2000 before Lloyd's Appeal Tribunal. The Appeal Tribunal formally dismissed his appeal on 6 April 2000.

The Appeal Tribunal in considering his appeal stated:

“One important mitigating factor, not present in this case, is a rapid acceptance of guilt leading to a formal plea of guilty. With hindsight it can be seen that Mr Routledge was most unwise not to accept his guilt speedily, to plead guilty and then to place himself at the mercy of the Tribunal: in those circumstances a limited period of suspension would have been appropriate”.

The Appeal Tribunal ordered that Mr Routledge pay the sum of £12,000 in respect of the costs of the appeal.

The above summary is based upon the report of the proceedings before the Disciplinary Tribunal and the Appeal Tribunal. Copies of this report are available on request from the Secretary to the Disciplinary Board on Lloyd's extension 6989 or 5530.

This bulletin has been sent to all underwriting agents and Lloyd's advisors, Lloyd's brokers corporate members, market associations, the ALM and recognised auditors.

AP Barber  
Secretary  
Lloyd's Disciplinary Board

**NOTICE OF CENSURE**

**PETER MACKENZIE ROUTLEDGE**

Peter Mackenzie Routledge was found guilty of three charges of misconduct, namely conducting insurance business in a discreditable manner, contravening the provisions of the Syndicate Accounting Byelaw and conducting insurance business with a lack of good faith.

At the time of the offences Mr Routledge was the active underwriter of Shead Motor Policies at Lloyd's (the trading name for Syndicate 866).

In 1992 Syndicate 866 settled a claim for theft of an 'H' registered Range Rover, which thereupon became the property of the Syndicate. When in 1993 the Range Rover was subsequently recovered it was collected by a salvage agent and delivered to Mr Routledge's home address where it was exchanged for a 'D' registered BMW 325i SE, a vehicle registered in the name of Mrs Routledge.

The Range Rover had not been put up for tender or independently valued so as to ensure that the Syndicate was not prejudiced and Mr Routledge failed to take any steps to protect the Syndicate from financial loss. The value of the Range Rover exceeded the value of the BMW and Mr Routledge knew that. He applied property belonging to the Syndicate for his own or his wife's benefit. The Range Rover was registered in the name of Mrs Routledge and sold by Mr Routledge in 1994.

In 1994 Mr Routledge failed to disclose the interest in the Range Rover as he should have done in accordance with the Syndicate Accounting Byelaw (no. 11 of 1987). He knowingly made a false declaration to his employers with intent to avoid disclosure of the interest in the Range Rover. In this he was dishonest.

The Disciplinary Tribunal ordered the permanent suspension of Mr Routledge's right of admission

to the Room and other parts of the premises of the Society and of his right to transact or be concerned or interested in the transaction of any business of insurance at Lloyd's. In addition the Tribunal made supplementary orders to ensure the effectiveness of the suspension and ordered that this Notice of Censure be posted in the Room.

The Tribunal further ordered that Mr Routledge pay £60,000 towards the costs of the Council of Lloyd's and of the Tribunal.

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**Mr Ian Mayes Q.C.**

**(Chairman)**

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**Mrs Angela Gillibrand**

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**Mr Antony Godson**

**November 1999**