

SOUTH AFRICA / JUDGMENT

Legal Practice Council v Steffen (13048/23) [2024] ZAWCHC 48 (20 February 2024) [2024] ZAWCHC 48

COURT

Western Cape High Court, Cape Town

BEFORE

M Sher, PAL Gamble

CASE / FILE NUMBER

13048/23

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IN

THE HIGH COURT OF SOUTH AFRICA

[WESTERN

CAPE DIVISION, CAPE TOWN]

Case no:13048/23

In

the matter between:

THE
LEGAL PRACTICE COUNCIL
Applicant
and
HANNO
ERASMUS STEFFEN
Respondent

JUDGMENT

DELIVERED (VIA EMAIL) ON 20 FEBRUARY 2024

SHER, J (GAMBLE J concurring):

1. This is an unopposed application to strike the respondent from the roll of legal practitioners.
[1] The respondent is an admitted attorney of this Court who practiced as a director of the incorporated firm H Steffen Inc from premises in Brackenfell and Stellenbosch.

2. It is trite that the adjudication of an application such as this involves a threefold enquiry.[2] In the first place the Court must determine whether the alleged misconduct by the respondent has been established on a balance of probabilities. Thereafter, it must determine whether he is a 'fit and proper' person to continue to practise. This requires weighing up the conduct complained of against the conduct expected and, as such, involves a value judgment. Finally, the Court must decide whether the misconduct warrants the ultimate sanction of being struck from the roll or whether an order of suspension from practice will suffice. The exercise of discretion is concerned with the second and third parts of the enquiry.

The

facts

3. On 25 March 2022 an order was granted by this Court, at the instance of the Legal Practice Council ('the LPC'), suspending the respondent from practice pending an investigation into several complaints which it had received and the outcome of any disciplinary proceedings.
4. Subsequently, the respondent was charged with a single count of the misappropriation of trust funds from the Fijnbosch Farm Trust during March 2021, in the amount of R 3 998 860. He waived his right to a hearing before a disciplinary committee and pleaded guilty to the charge.
5. The theft of just short of R 4 million was not the only instance of misappropriation in which the respondent indulged. From the papers before us it appears that between October 2020 and the end of April 2022 the respondent misappropriated a further R 3.335 million odd from 8 other hapless victims. Two of these thefts occurred after he had already been suspended: one within a matter of days after the order was granted and the other a month later.
6. The misappropriations occurred in respect of monies which had been paid into the respondent's trust account either as the proceeds of the sales of immovable properties, in transactions in which he had been appointed as the conveyancer, or in respect of transfer fees and duties which had been paid to him for this purpose.
7. The respondent's choice of victims was indiscriminate and ranged from young married couples to retired pensioners. His misconduct was not confined to simple acts of opportunistic filching. Where there was an opportunity to exploit a transaction further, he did not hesitate to do so. His first act of misappropriation was in respect of the proceeds of the sale of an immovable property to the somewhat cynically named 'Prosper' Trust, a trust which, unbeknown to the sellers, was an entity of which the respondent was a trustee and beneficiary, together with the estate agent who marketed the property. Without paying over the purchase price of R 300 000 to the sellers the respondent and his colleague onsold the property some 5 days later for twice the value it had been bought for i.e. R 600 000 which they pocketed. In similar vein, when the respondent misappropriated the R 4 million

proceeds of the sale of farmland which belonged to the Fijnbosch Farm Trust he pocketed R 521 731 of VAT that was supposed to be paid over to the Receiver of revenue.

An assessment

8. The respondent has not offered any explanation for the egregious thefts which he committed over the period of more than a year. On the papers before us the inference which one is driven to is that these were predatory acts motivated solely by greed and self-enrichment. Even when he was suspended the respondent was not dissuaded from continuing to fleece those who had entrusted him with their monies.
9. As members of a 'distinguished and venerable' profession, lawyers occupy an important place in society and 'absolute personal integrity and scrupulous honesty' are required of them.[3] These fundamental attributes are the bedrock for the trust which members of the public repose in lawyers. The respondent callously betrayed that trust, and his behaviour is indicative of a complete and utter absence of integrity and honesty.
10. He preyed on unsuspecting members of the public and has shown no remorse or contrition for what he has done. He has made no offer

to recompense any of his victims. In order to protect the public the respondent must be removed from the roll of legal practitioners.

Hopefully, he will still be prosecuted for the criminal offences he has committed.

11. As is customary in such matters, the respondent must be ordered to bear the costs of the application, on the scale as between attorney and client. As the Court which suspended the respondent from practice also made an order that his firm should be placed under curatorship and that he should deliver his certificate of admission and enrolment to the Registrar, there is no need to make provision for this in the order which we will make.

Order

12. In the result, we make the following order:

12.1 in terms of s 40(3)(a)(iv)(aa) of the Legal Practice Act 28 of 2014 the respondent's name is struck from the roll of legal practitioners;

12.2 The respondent shall be liable for the costs of the application on the scale as between attorney and client.

M SHER

Judge of the High Court

PAL GAMBLE

[1] In terms of s 44(1) of the Legal Practice Act 28 of 2014.

- [2] Jasat v Natal Law Society 2000
- (3) SA 44 (SCA) para 10; Summerley v Law Society of the Northern Provinces 2006 (5) SA 613 (SCA) at para 2.
- [3] General Council of the Bar v Geach 2013
- (2) SA 52 (SCA) para 87.
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Prepared on 13 October 2026 · Esheria