

Harjit Dlay

Solicitor

226495

[Agreement Date: 22 April 2022](#)

Decision - Agreement

Outcome: Regulatory settlement agreement

Outcome date: 22 April 2022

Published date: 28 April 2022

Firm details

Firm or organisation at time of matters giving rise to outcome

Name: Schroder Reid Solicitors

Address(es): The Green, Datchet, SLOUGH, SL3 9AS England

Firm ID: 509771

Outcome details

This outcome was reached by agreement.

Decision details

1. Agreed outcome

1.1 Harjit Dlay (“Miss Dlay”), a solicitor, agrees to the following outcome to the investigation of her conduct by the Solicitors Regulation Authority (SRA):

- a. she is rebuked
- b. she agrees to the publication of this agreement
- c. she will pay the costs of the investigation of £300.

2. Summary of Facts

2.1 In November 2001, a Deed of Trust (“the 2001 Deed of Trust”) was made appointing Person A as a Trustee of a freehold property (“the trust property”). Person A was the legal owner and registered proprietor of the trust property. The deed provided that the trust property would be held upon trust for the benefit of Person B.

2.2 In November 2013, a restriction was registered against the trust property, under the terms of the 2001 Deed of Trust, by Person B. This prevented Person A from selling the property and sought to protect their beneficial interest in the trust property.

2.3 In January 2015, Miss Dlay was instructed by Person A to annul the 2001 Deed of Trust and prepare a new Deed of Trust. The deed was to be varied so that the beneficial interest would go to Person A and remove the beneficial interest in favour of Person B. Despite the implications this would have for Person B, Miss Dlay undertook no checks to determine whether Person B was aware of the preparation of a new Deed of Trust and consented to it. Instead, she relied solely on her clients' instruction.

2.4 The draft deed was sent to Person A for approval on 30 January 2015. It was returned by Person A signed by both parties and dated 11 February 2015 ("the 2015 Deed of Trust"). The signatures were not witnessed by Miss Dlay personally but by two individuals who were the accountants acting for Person B that Miss Dlay knew and had dealt with in the past. The 2015 Deed of Trust was sent to the Land Registry and the restriction in favour of Person B was removed. Person A was therefore made both legal and beneficial owner of the property.

2.5 Miss Dlay was subsequently instructed to sell the property by Person A.

2.6 Before contracts were exchanged, Person B noticed that the restriction had been removed. Person B had to instruct solicitors to restore the restriction alongside the 2001 Deed of Trust. On 4 April 2019, the 2015 Deed of Trust was set aside for presumed undue influence. Person B incurred substantial legal costs.

3. Admissions

3.1 Miss Dlay makes the following admissions which the SRA accepts:

- a. that by preparing and registering a Deed of Trust on behalf of her client which sought to remove a restriction in favour of an unrepresented individual without properly satisfying herself that that individual consented, Miss Dlay has;
 - i. failed to behave in a way that maintains the trust the public places in solicitors and in the provision of legal services, in breach of Principle 6 of the SRA Principles 2011.
 - ii. failed to achieve Outcome 11.1 of the SRA Code of Conduct 2011; you do not take unfair advantage of third parties in either your professional or personal capacity.

4. Why the agreed outcome is appropriate

4.1 The SRA's Enforcement Strategy sets out its approach to the use of its enforcement powers where there has been a failure to meet its standards or requirements.

4.2 When considering the appropriate sanctions and controls in this matter, the SRA has taken into account the following mitigation, which is accepted:

- a. the signed copy of the 2015 Deed of Trust provided to Miss Dlay was witnessed by two professionals who were the accountants appointed by Person B with copies of identification for both parties. This led Miss Dlay to rely on the signed document.

4.3 The SRA considers that a rebuke is the appropriate outcome because:

- a. the conduct was reckless as to the risk of harm. Miss Dlay's failure to contact Person B and ensure that they were aware and consented to the disposal of their beneficial interest led to the risk that Person A would sell the property. There was therefore a risk that Person B would lose their beneficial interest.
- b. this was an isolated incident.
- c. there is a low risk of repetition.
- d. the conduct was not premeditated and deliberate.
- e. there was no financial or other gain.
- f. Miss Dlay has co-operated with our investigation.

4.4 A rebuke is appropriate to uphold public confidence in the solicitors' profession and in legal services provided by authorised persons. Any lesser sanction would not sufficiently address the conduct and therefore meets the requirements of rule 4.1 of the Regulatory and Disciplinary Procedure Rules.

5. Publication

5.1 The SRA considers it appropriate that this agreement is published in the interests of transparency in the regulatory and disciplinary process. Miss Dlay agrees to the publication of this agreement.

6. Acting in a way which is inconsistent with this agreement

6.1 Miss Dlay agrees that she will not deny the admissions made in this agreement or act in any way which is inconsistent with it.

6.2 If Miss Dlay denies the admissions or acts in a way which is inconsistent with this agreement, the conduct which is subject to this agreement may be considered further by the SRA. That may result in a disciplinary outcome or a referral to the Solicitors Disciplinary Tribunal on the original facts and allegations.

6.3 Denying the admissions made or acting in a way which is inconsistent with this agreement may also constitute a separate breach of principles 2 and 5 of the Principles and paragraph 7.3 of the Code of Conduct for Solicitors, RELs and RFLs.

7. Costs

7.1 Miss Dlay agrees to pay the costs of the SRA's investigation in the sum of £300. Such costs are due within 28 days of a statement of costs due being issued by the SRA.

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