

Mohammed Israr

Solicitor

639930

Fined Date: 31 August 2023

Decision - Fined

Outcome: Fine

Outcome date: 31 August 2023

Published date: 4 September 2023

Firm details

Firm or organisation at time of matters giving rise to outcome

Name: Morgan Wiseman Solicitors

Address(es): 618-620 Bearwood Road, Birmingham B66 4BW

Firm ID: 661078

Firm or organisation at date of publication

Name: Lawrence Kurt Solicitors Limited

Address(es): 460 Alum Rock Road, Birmingham B8 3HU

Firm ID: 655118

Outcome details

This outcome was reached by SRA decision.

Decision details

1. Agreed outcome

1.1 Mohammed Israr (Mr Israr), a former associate solicitor at Morgan Wiseman (the Firm), agrees to the following outcome to the investigation of his conduct by the Solicitors Regulation Authority (SRA):

- a. he is fined £12,000.
- b. to the publication of this agreement
- c. he will pay the costs of the investigation of £1,350.

Reasons/basis

2. Summary of Facts



2.1 Mr Israr acted for the transferors and transferee in a conveyancing transaction, facilitating the transfer of five properties for nil consideration to a Dubai based company. Following the transfer one property was sold at auction and the proceeds of the sale were paid into a third-party bank account based in Dubai.

2.2 The transferors of the properties state the transfers of the properties, and proceeds of sale, was without their knowledge or agreement. The transferors reached a settlement agreement which saw the return of the four properties but not the proceeds of the sold property.

2.3 The SRA investigation found:

Mr Israr did not advise his clients of the conflict of interest that existed nor satisfied himself that it was appropriate to act in these circumstances.

- a. Mr Israr did not advise he the transferors of the risks involved in transferring properties for nil value, nor enquire about the reasons for the transfers.
- b. Mr Israr did not follow the Firm's policies and procedures for conveyancing regarding commercial clients, establishing control of the client, establishing beneficial ownership and non-domiciled companies, and completing all due checks, potential conflict of interests and risk assessments.

3. Admissions

3.1 Mr Israr makes the following admission which the SRA accepts:

- a. by acting for both sides in the transfer of five properties for nil value and acting for the registration of those properties without a record of advice on risk to the transferor or conflict of interest he failed to provide a proper standard of service to his clients and in doing so breached:
 - i. Paragraphs 3.1, 3.2, 3.3, 3.4, 6.2 and 6.5 of the Code of Conduct for Solicitors 2019
 - ii. Principles 2,3 and 7 of the SRA Principles 2019
- b. by not keeping up to date with, and following, the Firm's policies and procedures, the law and regulations governing solicitors, being unable to prove compliance with regulatory obligations, as demonstrated in his failings to his clients, he breached:
 - i. Paragraphs 7.1 and 7.2 of the Code of Conduct for Solicitors 2019
 - ii. Principle 2 of the SRA Principles 2019



4. Why a fine is an appropriate outcome

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 admissions made by Mr Israr and the following mitigation which he has put forward:

- a. he admitted throughout the investigation that he did not, at that time understand his responsibilities and had not read the policies in place to deal with such circumstances as the one which arose.
- b. he has sought to rectify the gaps in his knowledge by attending appropriate courses.

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

- a. There was potential for the clients to suffer significant loss in the circumstances, However, no actual or loss was caused.
- b. Mr Israr has cooperated with the SRA investigation.
- c. Mr Israr has undertaken appropriate training since the incident to fill the knowledge gaps in the regulatory knowledge to his client.

4.4 A fine is appropriate to maintain professional standards and uphold public confidence in the solicitors' profession and in legal services provided by authorised persons. Mr Israr's conduct throughout the various transactions meant he failed to adhere to the regulatory requirements required to provide a professional standard of service to each client. He placed his clients' interests at risk by acting where a conflict in their respective interests existed. A financial penalty therefore meets the requirements of rule 4.1 of the Regulatory and Disciplinary Procedure Rules.

5. Amount of the fine

5.1 The amount of the fine has been calculated in line with the SRA's published guidance on its approach to setting an appropriate financial penalty (the Guidance). The Guidance applied in this case was that prior to 30 May 2023 when the agreed outcome was proposed.

5.2 Having regard to the Guidance, the SRA and Mr Israr agree that the nature of the misconduct was at the higher level. A negligent and reckless approach was taken to his work. He failed to ensure his knowledge and understanding of the regulatory requirements to provide professional

service and act in the best interest of each client was followed. The Guidance gives this type of misconduct a score of three.

5.3 The SRA considers that the impact of the misconduct was medium because it had the potential to cause moderate loss which had to be remedied by a settlement agreement. The Guidance gives this level of impact a score of four.

5.4 The nature and impact scores add up to seven. The Guidance indicates a broad penalty bracket of £5001 to £25,000 is appropriate.

5.5 In deciding the level of fine within this bracket, the SRA has considered the following mitigation which Mr Israr has put forward:

- a. the steps he has taken to rectify the gaps in his knowledge.
- b. his lack of understanding and knowledge of what was required of a solicitor to provide a professional service to their client being the cause of his failings rather than malintent.

5.6 The SRA considers Mr Israr's conduct to be reckless, but not grossly reckless to require a fine at the higher end of the bracket. The impact of his conduct is determined to be toward the mid-range of the scale, requiring an appropriate deterrence to Mr Israr so as to deter any future misconduct. The SRA considers a basic penalty of £12,000, which is towards the middle of the bracket, to be appropriate.

5.7 Mr Israr has not received any financial gain or any other benefit because of his conduct. Therefore, no adjustment is necessary to remove this, and the amount of the fine is £12,000.

6. Publication

6.1 The SRA considers it appropriate that this agreement is published in the interests of transparency in the regulatory and disciplinary process. Mr Israr agrees to the publication of this agreement.

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

7.1 Mr Israr agrees that he will not deny the admissions made in this agreement or act in any way which is inconsistent with it.

7.2 If Mr Israr denies the admissions referred to in paragraph three above or acts in a way which is inconsistent with this agreement, the conduct which is subject to the 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.

7.3 Acting in a way which is inconsistent with the 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, REL's and RFL's

8. Costs

8.1 Mr Israr agrees to pay the costs of the SRA's investigation in the sum of £1,350. Such costs are due within 28 days of a statement of costs due being issued by the SRA.

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