# SCHEDULES

## SCHEDULE 11

## LICENSING RULES

### PART 4

### REGULATION

*Fees*

21 (1) The licensing rules must require licensed bodies to pay periodical fees to the licensing authority.

(2) The rules may provide for the payment of different fees by different descriptions of licensed body.

*Financial penalties*

22 The licensing rules must make provision as to—

(a) the acts and omissions in respect of which the licensing authority may impose a penalty under section 95, and

(b) the criteria and procedure to be applied by the licensing authority in determining whether to impose a penalty under that section, and the amount of any penalty.

*Disqualifications*

23 (1) Licensing rules must make provision as to the criteria and procedure to be applied by the licensing authority in determining whether a person should be disqualified under section 99.

(2) Licensing rules must make provision—

(a) for a review by the licensing authority of a determination by the licensing authority that a person should be disqualified;

(b) as to the criteria and procedure to be applied by the licensing authority in determining whether a person's disqualification should cease to be in force;

(c) requiring the licensing authority to notify the Board of any determination by the licensing authority that a person should be disqualified, of the results of any review of that determination, and of any decision by the licensing authority that a person's disqualification should cease to be in force.

*Suspension or revocation of licence under section 101*

24 (1) Licensing rules must make the following provision.

(2) The licensing authority may suspend or revoke a licensed body's licence under section 101 in the following cases.

(3) The first case is that the licensed body becomes a body which is not a licensable body.

(4) The second case is that the licensed body fails to comply with licensing rules made under paragraph 16 (carrying on of licensed activities).

(5) The third case is that—

(a) a non-authorised person holds a restricted interest in the licensed body—

(i) as a result of the person taking a step in circumstances where that constitutes an offence under paragraph 24(1) of Schedule 13 (whether or not the person is charged with or convicted of an offence under that paragraph),

(ii) in breach of conditions imposed under paragraph 17, 28, or 33 of that Schedule, or

(iii) the person's holding of which is subject to an objection by the licensing authority under paragraph 31 or 36 of that Schedule,

(b) if the relevant licensing rules make the provision mentioned in paragraph 38(1)(a) of that Schedule, a non-authorised person has under those rules a shareholding in the licensed body, or a parent undertaking of the licensed body, which exceeds the share limit,

(c) if the relevant licensing rules make the provision mentioned in paragraph 38(1)(b) of that Schedule, a non-authorised person has under those rules an entitlement to exercise, or control the exercise of, voting rights in the licensed body or a parent undertaking of the licensed body which exceeds the voting limit,

(d) if the relevant licensing rules make the provision mentioned in paragraph 38(1)(c) of that Schedule, the total proportion of shares in the licensed body or a parent undertaking of the licensed body held by non-authorised persons exceeds the limit specified in the rules, or

(e) if the relevant licensing rules make the provision mentioned in paragraph 38(1)(d) of that Schedule, the total proportion of voting rights in the licensed body or a parent undertaking of the licensed body which non-authorised persons are entitled to exercise, or control the exercise of, exceeds the limit specified in the rules.

(6) The fourth case is that a non-authorised person subject to the duty in section 90 in relation to the licensed body fails to comply with that duty.

(7) The fifth case is that the licensed body, or a manager or employee of the licensed body, fails to comply with the duties imposed by section 176.

(8) The sixth case is that—

(a) the licensed body fails to comply with licensing rules made under paragraph 9(3) or 18 (prohibition on disqualified managers and employees), and

(b) the manager or employee concerned was disqualified as a result of breach of a duty within section 99(4)(c) or (d).

(9) The seventh case is that the licensed body is unable to comply with licensing rules made under—

(a) paragraph 11 (requirement for Head of Legal Practice), or

(b) paragraph 13 (requirement for Head of Finance and Administration).

(10) Before suspending or revoking a licence in accordance with sub-paragraph (2), the licensing authority must give the licensed body notice of its intention.

(11) The licensing authority may not suspend or revoke the licence before the end of the period of 28 days beginning with the day on which the notice is given to the licensed body (or any longer period specified in the notice).

25 Licensing rules may make provision about other circumstances in which the licensing authority may exercise its power under section 101 to suspend or revoke a licence.

26 (1) Licensing rules must make provision about the criteria and procedure the licensing authority will apply in deciding whether to suspend or revoke a licence, or to end the suspension of a licence, under section 101.

(2) They must make provision for a review by the licensing authority of a decision by the licensing authority to suspend or revoke a licence.