
Changes to legislation: There are currently no known outstanding effects for the Legal Services Act 2007, Paragraph 42. (See end of Document for details)

SCHEDULES

SCHEDULE 13

OWNERSHIP OF LICENSED BODIES

PART 5

ENFORCEMENT

DIVESTITURE

The divestiture condition

- 42 (1) If the relevant licensing rules make the provision mentioned in paragraph 38(1)(a) or (b), the divestiture condition is also satisfied in relation to a non-authorised person and a licensed body if—
- (a) the person's shareholding in the body, or a parent undertaking of the body, exceeds the share limit, and the body or parent undertaking (as the case may be) is a body corporate with a share capital, or
 - (b) the person's entitlement to exercise or control the exercise of voting rights in the body, or a parent undertaking of the body, exceeds the voting limit by virtue of the person holding shares in a body corporate with a share capital.
- (2) In this Part of this Schedule, “excess shares” means
- (a) in a case within sub-paragraph (1)(a), the number of shares by which the person's shareholding exceeds the share limit, and
 - (b) in a case within sub-paragraph (1)(b), the number of shares held by the person in excess of the number of shares the person could hold without the person's entitlement to exercise, or control the exercise of, voting rights exceeding the voting limit.
- (3) References in this paragraph to a person's shareholding (or holding of shares) or entitlement are to be read in accordance with any applicable licensing rules made under paragraph 38(3).

Commencement Information

II Sch. 13 para. 42 in force at 1.10.2011 by S.I. 2011/2196, art. 2(1)(d)

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