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SCHEDULES

SCHEDULE 13

OWNERSHIP OF LICENSED BODIES

PART 3

APPROVAL OF RESTRICTED INTERESTS AFTER LICENCE IS ISSUED

POWERS OF LICENSING AUTHORITY WHERE NO CHANGE OF INTERESTS

Imposition of conditions (or further conditions) on existing restricted interest

- 33 (1) The relevant licensing authority may impose conditions (or further conditions) on a person's holding of a restricted interest in a licensed body (or a restricted interest of a particular kind) if—
- (a) it is not satisfied that the approval requirements are met in relation to the person's holding of that interest, or
 - (b) it is satisfied that a condition imposed under paragraph 17 or 28 or this paragraph on the person's holding of that interest has not been, or is not being, complied with.
- (2) The licensing authority may act under sub-paragraph (1) only—
- (a) if it considers that, if the conditions are complied with, it will be appropriate for the investor to hold the restricted interest without the approval requirements being met, and
 - (b) before the end of such period (beginning with the time when the licensing authority becomes aware of the matters in question) as may be prescribed.
- (3) If the licensing authority proposes to impose conditions (or further conditions) on the person's holding of the restricted interest, it must give the person and the licensed body a warning notice.
- (4) But the licensing authority may impose conditions (or further conditions) on the person's holding of the restricted interest without giving a warning notice if it considers it necessary or desirable to do so for the purpose of protecting any of the regulatory objectives.
- (5) The warning notice must—
- (a) specify the nature of the conditions proposed and the reasons for their imposition, and
 - (b) state that representations may be made to the licensing authority within the prescribed period.
- (6) The licensing authority must consider any representations made within the prescribed period.

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- (7) If the licensing authority imposes conditions (or further conditions) on the person's holding of the restricted interest, it must notify the person and the licensed body as soon as reasonably practicable.
- (8) The notice must—
- (a) specify the reasons for the imposition of the conditions, and the time from which they are to take effect, and
 - (b) explain the effect of Part 5 of this Schedule.

Commencement Information

- I1** Sch. 13 para. 33 partly in force; Sch. 13 para. 33 not in force at Royal Assent see s. 211; Sch. 13 para. 33(2)(b)(5)(b)(6) in force for certain purposes at 1.1.2009 by [S.I. 2008/3149](#), [art. 2\(d\)\(iv\)](#)

- 34 (1) The person and the licensed body may before the end of the prescribed period appeal to the relevant appellate body against any or all of the conditions (or further conditions).
- (2) The relevant appellate body may dismiss the appeal, or allow the appeal and—
- (a) modify or quash the conditions imposed by the licensing authority under paragraph 33, or
 - (b) remit the matter to the licensing authority.
- (3) A party to the appeal may before the end of the prescribed period appeal to the High Court on a point of law arising from the decision of the relevant appellate body, but only with the permission of the High Court.
- (4) The High Court may make such order as it thinks fit.
- (5) If the person's holding of the restricted interest is subject to any conditions as a result of an order made on an appeal under this paragraph, for the purposes of this Schedule those conditions are to be treated as having been imposed under paragraph 33.

Modifications etc. (not altering text)

- C1** Sch. 13 para. 34 modified (with effect in accordance with art. 2 of the amending S.I.) by [Legal Services Act 2007 \(Appeals from Licensing Authority Decisions\) Order 2011 \(S.I. 2011/1712\)](#), arts. 2(1), 5, [Sch. para. 2\(6\)](#)

Commencement Information

- I2** Sch. 13 para. 34 partly in force; Sch. 13 para. 34 not in force at Royal Assent see s. 211; Sch. 13 para. 34(1)(3) in force for certain purposes at 1.1.2009 by [S.I. 2008/3149](#), [art. 2\(d\)\(iv\)](#)

VALID FROM 01/10/2011

Variation and cancellation of conditions

- 35 (1) A person whose holding of a restricted interest in a licensed body is subject to a condition imposed under paragraph 17, 28 or 33 may apply to the relevant licensing authority—
- (a) for the condition to be varied, or

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(b) for the condition to be cancelled.

- (2) The licensing authority may, on its own initiative, cancel a condition imposed under one of those paragraphs.
- (3) If the licensing authority varies or cancels a condition under this paragraph, it must notify the person and the licensed body as soon as reasonably practicable.

Objection to existing restricted interest

- 36
- (1) The relevant licensing authority may object to a person's holding of a restricted interest in a licensed body (or a restricted interest of a particular kind) if—
 - (a) it is not satisfied that the approval requirements are met in relation to the person's holding of that interest, or
 - (b) it is satisfied that a condition imposed under paragraph 17, 28 or 33 on the person's holding of the interest has not been, or is not being, complied with.
 - (2) The licensing authority may act under sub-paragraph (1) only before the end of such period (beginning with the time when the licensing authority becomes aware of the matters in question) as may be prescribed.
 - (3) If the licensing authority proposes to object to a person's holding of the restricted interest, it must give the person and the licensed body a warning notice.
 - (4) But the licensing authority may object to the person's holding of the restricted interest without giving a warning notice if it considers it necessary or desirable to do so for the purpose of protecting any of the regulatory objectives.
 - (5) The warning notice must—
 - (a) specify the reasons for the proposed objection, and
 - (b) state that representations may be made to the licensing authority within the prescribed period.
 - (6) The licensing authority must consider any representations made within the prescribed period.
 - (7) If the licensing authority objects to the person's holding of the restricted interest, it must notify the person and the licensed body of its objection as soon as reasonably practicable.
 - (8) The notice must—
 - (a) specify the reasons for the objection, and
 - (b) explain the effect of Part 5 of this Schedule.

Commencement Information

I3 Sch. 13 para. 36 partly in force; Sch. 13 para. 36 not in force at Royal Assent see s. 211; Sch. 13 para. 36(2)(5)(b)(6) in force for certain purposes at 1.1.2009 by [S.I. 2008/3149](#), [art. 2\(d\)\(iv\)](#)

- 37
- (1) The person and the licensed body may before the end of the prescribed period appeal to the relevant appellate body against the objection.
 - (2) The relevant appellate body may dismiss or allow the appeal.

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- (3) If the relevant appellate body allows the appeal it may also—
- (a) order the licensing authority to impose under paragraph 33 such conditions on the person's holding of the restricted interest as may be specified in the order, or
 - (b) remit the matter to the licensing authority.
- (4) A party to the appeal may before the end of the prescribed period appeal to the High Court on a point of law arising from the decision of the relevant appellant body, but only with the permission of the High Court.
- (5) The High Court may make such order as it thinks fit.
- (6) If the person's holding of the restricted interest is subject to conditions as a result of an order made on an appeal under this paragraph, for the purposes of this Schedule the conditions are to be treated as having been imposed under paragraph 33.

Modifications etc. (not altering text)

- C2** Sch. 13 para. 37 modified (with effect in accordance with art. 2 of the amending S.I.) by [Legal Services Act 2007 \(Appeals from Licensing Authority Decisions\) Order 2011 \(S.I. 2011/1712\)](#), arts. 2(1), 5, [Sch. para. 2\(7\)](#)

Commencement Information

- I4** Sch. 13 para. 37 partly in force; Sch. 13 para. 37 not in force at Royal Assent see s. 211; Sch. 13 para. 37(1)(4) in force for certain purposes at 1.1.2009 by [S.I. 2008/3149](#), [art. 2\(d\)\(iv\)](#)

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