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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\(d\)\(iv\)](#)

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*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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