

SOLICITORS' (INCORPORATED PRACTICE) REGULATIONS 2007

The Council of the Law Society of Northern Ireland, in exercise of the powers conferred on them by Articles 74(1) and 75(1) of the Solicitors' (Northern Ireland) Order 1976 and all other powers enabling them in that behalf, and with the concurrence of the Lord Chief Justice of Northern Ireland hereby make the following Regulations for the purposes mentioned in Article 26(1) and Article 26 A of the said Order:

- 1 These Regulations shall be cited as the Solicitors' (Incorporated Practice) Regulations 2007 and shall come into operation on 1st May 2007.
- 2
 - (1) The Interpretation Act (NI) 1954 shall apply to the interpretation of these Regulations as to a statutory instrument
 - (2) In these Regulations:
 - (a) the Principal Regulations mean the Solicitors' Practice Regulations 1987.
 - ~~(b) "body corporate" means a company or a limited liability partnership.~~
 - (c) "company" means an unlimited company, a company limited by shares or a company limited by guarantee, registered under Part 2 of the Companies (NI) Order 1986.
 - (d) "limited liability partnership" means a limited liability partnership formed by being incorporated under the Limited Liability Partnership (Northern Ireland) Act 2002.
 - (e) "qualified member" means

- (i) in relation to a company, a person who has agreed to be a member and whose name is entered in the company's register of members and who is qualified to act as a solicitor; or
- (ii) in relation to a limited liability partnership, a person or recognised body who or which has agreed to be a member within the meaning of Article 4 of the Limited Liability Partnerships Act (Northern Ireland) 2002 and who is qualified to act as a solicitor;
- (f) "eligible to be a member" and "eligible to be a member or shareowner" means a person who falls within one of the following categories:-
a solicitor holding an unrestricted Practising Certificate; or a recognised body and "ineligible" shall be construed accordingly.
- (g) "non-member shareowner" means a person who is not a member of a company, but for whom a member of a company holds a share or shares as nominee in compliance with the provisions of Article 28 of or paragraph 5 of Schedule 1A to the Order.
- (h) "qualified as a solicitor" means a person who is qualified to act as a solicitor pursuant to Article 4 of the Order.
- (i) "recognised body" means a body corporate which is the holder of a certificate of recognition which is in force and is incorporated in Northern Ireland.
- (j) "shareowner" means a member of a company with a share capital who holds a share on his or her own behalf, or a person for whom a share is held by a member as nominee [and who themselves would be eligible to be members or with whom fees might be shared in accordance with Article 28 of, or para. 5 of Schedule 1A to, the Order].

- (k) “the Society” means the Law Society of Northern Ireland.
- (l) “a certificate of recognition” means a certificate issued by the Society that a body corporate is entitled to provide in Northern Ireland the services of a solicitor.
- (m) “the services of a solicitor” means the provision of professional services of the sort provided by individuals entitled to practise as solicitors.
- (n) All other expressions shall have the meanings assigned to them by the Solicitors’ (Northern Ireland) Order 1976 (the Order) and the Principal Regulations.

3 The Solicitors’ (Incorporated) Practice Regulations 1990 are hereby repealed.

4 (1) These regulations apply to recognised bodies practising or carrying on business in Northern Ireland, or in Northern Ireland and elsewhere; to solicitors and recognised bodies, who are directors, members or shareowners of a recognised body; to solicitors employed to work in the practice of a recognised body; and to bodies corporate wishing to obtain recognition.

(2) A recognised body shall only have as its members persons who are qualified members.

(3) A recognised body must

(i) comply with the provisions of the Order and all regulations made thereunder; and

(ii) comply with these regulations;

(iii) ensure that its directors, members and qualified members comply with rules 7 to 13 of these regulations; and

(iv) be registered in Northern Ireland.

(4) A director of a recognised body which is a company must ensure that the body complies with these regulations.

(5) A member of a recognised body which is a limited liability partnership must ensure that the body complies with these regulations.

(6) The business of a recognised body shall not extend to or consist of any business or undertaking or profession save that of the provision of the services of a solicitor.

5 (1) A body corporate which intends to provide the services of a solicitor in Northern Ireland must obtain a certificate of recognition.

(2) A body corporate wishing to obtain a certificate of recognition must apply to the Society by completing such form and paying such fee as the Society may from time to time direct.

(3) In addition to the completion of such form and the payment of the relevant fee, the body corporate so applying shall provide such other information as the Society may require to satisfy itself that the body corporate is capable of:-

(i) providing, will provide or has provided the services of a solicitor;

(ii) complying with, will comply with or has complied with the provisions of the Order and all regulations made thereunder; and

(4) a body corporate shall supply to the Society a copy of its annual return at the same time as it delivers its report in accordance with the Solicitors Accounts Regulations 1998.

(5) A certificate of recognition shall remain in force until revoked.

6 If the Society refuses an application for a certificate of recognition, the applicant is entitled to receive notice in writing of the grounds for refusal, and may appeal to the Lord Chief Justice pursuant to paragraph 2 of Schedule 1A to the Order.

7 (1) The Society shall keep a list of recognised bodies, which may be kept in electronic form and must contain for each recognised body:

(a) its name;

(b) its registered office;

(c) its other practising addresses; and

(d) that it is a company limited by shares, a company limited by guarantee, an unlimited company, or a limited liability partnership, as appropriate.

(2) The Society must make a copy of any entry in the list available for inspection on request by a member of the public.

(3) Once a body corporate is granted a certificate of recognition, it is entitled to receive a certificate, stating that the body is recognised by the Society, giving the date from which recognition is granted and the information referred to above.

8 Recognition may be revoked at any time if the Society is satisfied that:

(a) the recognition was granted as a result of error, misrepresentation or fraud; or

(b) the recognised body would not be eligible to be recognised if it were at that time applying for a certificate of recognition; or

(c) the recognised body is in breach of any of the Society's regulations.

9 Recognition will automatically cease if:

- (a) a recognised body ceases to be registered in Northern Ireland; or
- (b) a winding-up order or administration order is made in respect of a company under the Insolvency (Northern Ireland) Order 1989 or in respect of a limited liability partnership under the Limited Liability Partnership Act (Northern Ireland) 2002; or
- (c) it is in breach of these Regulations or any part thereof.

10 (1) A recognised body must supply any information and documentation relating to its ownership, structure, directors, members or shareowners as and when requested to do so by the Society.

(2) A recognised body must notify the Society promptly of any change to:

- (a) its name;
- (b) its registered office and/or practising addresses; or
- (c) its directors and members.

(3) A recognised body must notify the Society promptly if it is an unlimited company and it is re-registered as limited under the Companies (NI) Order 1986.

11 (1) A recognised body which is a company must ensure at all times that each director is qualified as a solicitor.

(2) If a director dies and this would put the company in breach of paragraph (1) hereof, the company must ensure that a director who is a qualified solicitor is appointed within 14 days. If this is done the company will be deemed to have remained in compliance with paragraph (1) of this regulation. If this is not done, the company shall cease to be a recognised body.

- 12 (1) A recognised body which is a company must ensure that all members and all shareowners are qualified as solicitors or are a recognised body.
- (2) A member or shareowner of a company must not create any charge or other third party interest over his or her interest in the company, except by holding a share as nominee for a non-member shareowner who is eligible to be a member or shareowner under paragraph (1) above.
- 13 (1) A recognised body must keep a record of all members or non-member shareowners (as the case may be), and retain the record for at least three years after their ownership or membership ceases.
- (2) A member who holds a share as nominee for a non-member shareowner must keep the recognised body informed of all facts necessary to keep an accurate and up-to-date record.
- 14 Only a person who is qualified as a solicitor may be appointed as a proxy of a recognised body for the purpose of attending and voting at meetings of a body corporate.
- 15 A recognised body must ensure that all the members are:
- (a) qualified as a solicitor; or
 - (b) recognised bodies.
- 16 (1) A recognised body must have at least one practising address in Northern Ireland;
- (2) A recognised body must have its registered office at an address in Northern Ireland from where it carries on business.

I certify that this is a true copy of the Regulations as made by the Council on 4th April 2007.

John Barhi
Secretary
Law Society of Northern Ireland

I concur



Brian Kerr

Lord Chief Justice