



The Law Society

The Law Society's response to the Legal Services Board consultation on further rules relating to the regulation of licensed bodies.

The Law Society welcomes the opportunity to respond to the Legal Services Board consultation on further rules relating to the regulation of licensed bodies. The Society believes that the registers of information talked about in the consultation should be publicly available, and up-to-date.

1. What do you think of the proposed information to be held on the register?

The proposals are generally satisfactory.

2. Do you think any other information should be held?

The LSB should also require inclusion of information about every shareholder in an ABS firm. This would enhance transparency. We can not see any good reason why a share-holder should be kept anonymous.

3. Do you think that the registers should be publicly available on the LA's website?

We agree that the registers should be made publicly available on LA's website.

4. Do you think that information on the register should be updated in the times suggested?

It is reasonable for the public to expect that LAs will reflect any change that is made within 28 calendar days. All LAs should be clear about how long it will take them to update information and to provide contact details so those who might need more current records can obtain them.

5. Do you have any views on the rules as they are drafted?

They seem appropriate.

6. What do you think about the requirements on LAs to notify the LSB of disqualification determinations within 7 days?

Given the serious nature of disqualification it should always be possible for LAs to notify the LSB of disqualification within seven days.

7. What do you think of the proposed details to be held on the list of disqualified persons?

We have no objection to the LSB wishing to make the information freely available on its website. However, since this is regulatory information, it reinforces the importance of LSB's website not being part of a .gov domain.

8. Is it a proportionate amount of information to provide?

Yes.

9. What do you think of our publication proposals?

The approach seems acceptable.

10. What is your view on our approach to the list held under schedule 13 paragraph 51?

We agree.

11. What do you think about our approach to specifying the periods in schedule 13 and draft order? If you wish to provide an alternative approach or specific periods, please provide supporting evidence to justify this.

The approach seems right.

12. What do you think of the proposed 7 calendar day period for notification of changes that occur prior to issuing of licences?

Seven days should be enough time as applicants in a licensable body should have appropriate processes in place to ensure that they are quickly made aware by shareholders of any change in circumstances.

13. What do you think of the proposed 7 calendar day period for notification where an interest changes?

We agree with the proposal.

14. What do you think of the 28 calendar day period for notification if a share or voting limit has been exceeded?

The 28 calendar day period for notification is appropriate.

15. What are your views on the time periods we have proposed?

We agree that the prompt notification of issues to a LA is an important part of ensuring that it can consider whether it needs to take action to protect consumers from

undesirable investors. It is equally important that a LA hears an investor's appeal quickly if they have decided not to allow them to invest in an ABS. The periods the LSB have proposed in the consultation are adequate, though it should be possible for an LA to extend the 28 days if it can show that a case is unusually complex.