

ANNEX 8: CHARTERED LEGAL EXECUTIVE (BUSINESS)

A Chartered Legal Executive (Business) may follow the Chartered Legal Executive route to qualification.

The technical knowledge requirements are set out below and must be coupled with the general qualification route to Chartered Legal Executive status, where this authorisation is sought. Where knowledge outcomes have been met as part of the route to qualification as a Chartered Legal Executive, this need not be repeated.

Chartered Legal Executive knowledge requirements should be set and assessed at Level 6 as a minimum.

In addition to demonstrating this knowledge, individuals must also demonstrate the requirements set out in the competence framework, contextualised for their area of practice. This is set out below.

TECHNICAL KNOWLEDGE REQUIREMENTS:

GENERAL KNOWLEDGE REQUIREMENTS FOR ALL CHARTERED LEGAL EXECUTIVES

MINIMUM CONTENT:
STAGE 1
Introduction to law and legal practice
Introduction to dispute resolution
Introduction to conveyancing
Introduction to criminal practice
Introduction to wills and probate
Introduction to public law
Introduction to equality and human rights law
Introduction to legal technology
Conduct and professional ethics
STAGE 2
Contextualised legal technology
Conduct and professional ethics
CHARTERED LEGAL EXECUTIVE
Basic accounts
Specialist legal technology
Conduct and professional ethics

KNOWLEDGE REQUIREMENTS SPECIFIC TO A CHARTERED LEGAL EXECUTIVE (BUSINESS)

MINIMUM CONTENT:
Contract law
An understanding of the core principles of the law of contract including;
The requirements of a legally binding contract
Determining a party's intention to create legal relations
Understanding 'Consideration'.
Understanding Privity of contract and the rights of third parties
Determining the terms of a contract – both express and implied terms, including certainty
Understanding the implications of Exemption clauses and unfair terms

Understanding Misrepresentation and mistake
Determining whether Duress and/or undue influence arises
Understanding Illegal contracts
Determining the discharge of a contract
Understanding the legal and equitable Remedies for breach of contract that may arise, including interpretation of terms and performance
Company and Partnership law and practice
An understanding of the various business models
An understanding of the key legal and taxation frameworks in which the different business models operate
An understanding of the procedural requirements and formalities relevant to the formation of each business model
An understanding of 'Limited liability', and of the 'legal personality' in a business context
An understanding of 'Partnerships' and LLP's, including partnership agreements, decision-making, partnership property and termination of the partnership
An understanding of the prospective rights, duties and responsibilities as an employer within a business model.
An understanding of the legal and commercial factors arising for a business (within each business model) as a party to common commercial transactions
An understanding of the rules and procedures necessary to ensure proper governance of each business model
An understanding of basic business accounting and business finance
An understanding of the procedure/processes to issue, allot and transfer shares, share capital and capital maintenance
An understanding of company borrowing and security for debts
An understanding of corporate governance and company decision-making and meetings
An understanding of the rights and protection of minority shareholders
An understanding of the principles of reconstruction, merger and acquisition
An understanding of the key concepts of bankruptcy and insolvency
An understanding of the procedural requirements relating to the options available for continuing the business or winding up and the order of priority for creditors
Throughout to demonstrate an ability to act honestly and with integrity and in accordance with the principles of professional conduct rules

COMPETENCE REQUIREMENTS:

1. APPLICATION OF LAW AND PRACTICE

- ✓ Undertake legal research
 - Use relevant sources and appropriate research tools
 - Apply current law and practice to the research problem
 - Record and present findings accurately
- ✓ Critically analyse facts and law
- ✓ Synthesise all relevant information to provide advice
- ✓ Find solutions where possible
- ✓ Draft legal documents
 - Apply the principles of good drafting to produce clear, unambiguous and accurate documents and agreements with appropriate language, structure and formatting which meet all formal and legal requirements
 - Select precedents and templates and use, adapt and edit them in a way that is appropriate to the matter or transaction
 - Correctly use numbering, schedules, recitals, definitions and boilerplate provisions in the drafting of documents and agreements
 - Draft a document, whether from scratch or by using precedents, that forms a coherent whole, which reflects the client's objectives, advances the matter or transaction and manages client risk

2. COMMUNICATION

- ✓ Communicate orally and in writing, clearly and effectively:
 - Choose the most appropriate method of communication, including electronic communication and observing appropriate etiquette
 - Use language tailored to the audience and the purposes of the communication
 - Apply oral communication and listening skills to build trust, ask questions and understand, to provide explanation and advice, as appropriate
 - Produce clear, unambiguous and accurate written communication with appropriate language and structure
 - Demonstrate emotional competence to achieve effective communication
- ✓ Negotiate effectively
 - Identify when negotiation is necessary
 - Demonstrate effective preparation and planning and apply strategies which reflect an understanding of the client's objectives, expectations and risk, and which seeks to manage those appropriately as far as possible

- Identify and evaluate the interests, strengths, weaknesses and risks of other parties who have an interest in the matter being negotiated
- Choose and explain the most appropriate method of negotiation (e.g. letter, face to face meeting etc.)
- Take the necessary steps to ensure agreement/compromise reached is clear and lawful, and where appropriate, legally binding
- Behave ethically in negotiating agreement or compromise
- ✓ Advocacy/oral presentation
 - Make oral presentations that are clear, succinct, focused, relevant to the context, persuasive and appropriate to the audience
- ✓ Develop, maintain and manage 3rd party relationships
 - Work both independently and as part of a team
 - Deal with others involved in a matter or transaction appropriately, professionally and ethically
 - Provide others involved in a matter with appropriate information, instructions and guidance
 - Identify and where appropriate instruct an expert

3. CLIENT RELATIONSHIP

- ✓ Take instructions
 - Conduct effective interviews with a client to achieve a full understanding of the client's objectives and concerns
 - Identify and obtain all relevant information to necessary to achieve the client's objectives and address the client's concerns
 - Recognise where information is missing or held by 3rd parties and obtain the necessary consent to acquire it
 - Obtain all information necessary to understand the roles and interests of the parties involved in the matter or transaction to give advice, plan for the progress and completion of the matter or transaction
 - Identify actual or potential conflicts and act accordingly
- ✓ Evaluate options and risks to the client
 - Identify relevant and appropriate business models to meet the client's objectives
 - Identify any alternative means of achieving the client's objectives
 - Explain the practical, financial, and taxation implications relevant to each model to enable the client to make informed decisions
 - Evaluate the contractual nature of the relationships between parties involved in the business and the business's relationship with third parties to understand the respective rights and obligations which subsist
 - Identify risks of minority shareholder oppression and identify possible solutions
 - Identify and evaluate where risks relating to bankruptcy and insolvency arise
- ✓ Give advice
 - Communicate clear, accurate, timely and practical advice, both orally and in writing, on matters relating to law and practice relevant to the matter or transaction including, where appropriate:

- The procedural requirements and formalities required to enable the business to commence and continue operating
 - Taxation of the business model and its owners
 - The principles of corporate governance
 - Financing the business
 - The rights and obligations which exist in contracts and transactions arising in the course of the business's usual activity
 - The rights and obligations of all stakeholders, including minority shareholders
 - The options and claims arising in insolvency or bankruptcy and the mechanisms for solvent and insolvent winding up of the business
- ✓ Manage expectations
- ✓ Provide customer service
 - Identify the overall nature of the transaction necessary to further the client's goal and plan and implement its progress
 - Communicate with the client on progress towards achieving their objectives, including risks which have not previously been identified.

4. EFFECTIVE WORKING PRACTICES

- ✓ Progress matters and transactions
 - Deal with matters without causing delay
 - Identify and manage risks as far as practicable to the achievement of the client's objectives
- ✓ Plan workload and manage files
 - Plan and prioritise workload and manage files and tasks concurrently and efficiently, making best use of resources and exercising effective judgement
 - Maintain files and records in accordance with office and regulatory procedures
 - Seek support where necessary
 - Manage financial transactions on the file
- ✓ Caseload management
- ✓ Understand and utilise innovation where appropriate

5. BUSINESS AWARENESS

- ✓ Identify and evaluate options and risks to the business in which you work
- ✓ Undertake business development
- ✓ Network

- ✓ Identify marketing opportunities
- ✓ Understand and use financial management tools

6. SELF DEVELOPMENT

- ✓ Reflect and self-evaluate, including understanding your own limitations and the need for adaptability.
- ✓ Develop awareness of the role of your own emotions within the workplace and recognise the emotions and vulnerabilities of clients.
- ✓ Foster personal physical and mental wellbeing and contribute where possible to a positive workplace environment.
- ✓ Identify and undertake professional development necessary to ensure competence and good practice and a commitment to supervisory requirements.
- ✓ Demonstrate leadership and management skills (optional).

7. CONDUCT, ETHICS AND PROFESSIONALISM

- ✓ Understand and put into practice the CILEx Regulation Code of Conduct
 - Apply professional obligations in a diverse range of situations relating to substantive law and the rules of professional conduct
 - Apply obligations to the court, clients, other lawyers and the public
- ✓ Understand and put into practice all relevant legal and regulatory requirements (e.g. data protection, anti-money laundering legislation and regulation, conflicts, withdrawal from a case, undertakings, confidentiality and privilege)
- ✓ Understand and put into practice the principles of client care
- ✓ Provide certainty and clarity as to the legal services being provided and the basis of charging and draft compliant client care letters
- ✓ Understand and put into practice complaint handling requirements
 - Apply the conduct rules
 - Take the necessary steps required in the event that a mistake (or an act of negligence) has occurred
- ✓ Understand and put into practice, principles of equality and diversity, including the needs of vulnerable consumers
- ✓ Identify situations where ethical, legal or regulatory requirements are engaged and take appropriate action
- ✓ Understand and apply ethical concepts and resist pressure to condone, ignore or act unethically

8. USE OF TECHNOLOGY

- ✓ Use available technology as it is used in business law and practice
- ✓ Identify uses for emerging technology in business law and practice and recommend its implementation where appropriate
- ✓ Understand ethical challenges of technology and use technology ethically