

## Notification Code

In this Code 'you' refers to individuals and bodies regulated by the **CLC**; all individuals and bodies regulated by the **CLC** must comply with this Code. You must not permit anyone else to act or fail to act in such a way as to amount to a breach of this Code.

### **Outcomes-Focused**

The **Code of Conduct** requires you to deliver the following **Outcome**:

- **You act in accordance with your regulatory responsibilities. (Outcome 5.1)**

Making sure both you and the **CLC** are aware of any notifiable changes helps you identify any potential threats to the delivery of all **Code of Conduct Outcomes** as well as helping you deliver the **Outcome** above. This requires you to act in a principled way:

1. **Deal with regulators and ombudsmen in an open and co-operative way. (Overriding Principle 5)**
2. You notify the **CLC** of any material breach of this Code [**Code of Conduct**], whether by you, the entity or any other person. (**CoC** P5o)
3. You notify the **CLC** of a change as set out in the **CLC**'s Notification Code. (**CoC** P5p)
4. You have systems and **controls** to enable you to identify any notifiable changes.

These responsibilities require you to notify us of any of the following changes:

5. To the extent it is reasonable to do so, you notify us no less than 14 days before a proposed change of business or registered office address, but in any event within 14 days of any change occurring.
6. You notify us within 14 days of any change in **manager** and/or management **arrangements**.
7. You notify us within 14 days of a change in structural **arrangements**.
8. In respect of the body you notify us within 7 days if:
  - A winding-up order or administration order is passed;
  - A resolution for voluntary winding-up is passed; or
  - An administration receiver is appointed.

## CLC **Lawyers**

9. You notify us **promptly** if you:-
- have been a director of a **company** which has gone into liquidation on the grounds of insolvency;
  - in your own right or as a director of a **company** have had an administrator or receiver appointed
  - have been a **CLC Lawyer** in, or **Manager** of, an entity which has had its authorisation refused, revoked or made subject to **conditions**;
  - have been charged, cautioned or convicted of a criminal offence, or if there is a case pending;
  - have been the subject of any disciplinary proceedings by a professional or regulatory body;
  - have been the subject of an adverse order or finding of a civil court or employment tribunal;
  - have been disqualified as a director;
  - have been declared bankrupt or have entered an Individual Voluntary Arrangement;
  - have been disqualified from acting in any capacity for a legal services, financial or other provider;
  - are aware of any other information which could reasonably be expected to have a bearing on whether you are fit and proper.

### Recognised Bodies

10. You notify us **promptly** after you have received information where any of the provisions identified in requirement 9 apply to a **Manager** of the body.
11. You notify us **promptly** of a change in ownership<sup>1</sup> of the body.
12. You notify us **promptly** after you have received information that a person employed or paid by the **Recognised Body** to provide **reserved legal activities**:
- has been charged, cautioned or convicted of a criminal offence, or if there is a case pending;
  - has been the subject of any disciplinary proceedings by a professional or regulatory body;
  - has been the subject of an adverse order or finding of a civil court or employment tribunal;
  - has been disqualified as a director;
  - has been declared bankrupt or has entered an Individual Voluntary arrangement;
  - has been disqualified from acting in any capacity for a legal services, financial or other provider;
  - is the subject of any other information which could reasonably be expected to have a bearing on whether that person is fit and proper.

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<sup>1</sup> As per item 33 of the Recognised Body Recognition Framework

### ***Licensed Bodies (ABS)***

13. To the extent it is reasonable to do so, you notify us no less than 14 days before a proposed change in the person occupying the role of ***HoLP*** or ***HoFA***, but in any event within 7 days of any change occurring.
14. You notify us ***promptly*** after you have received information about any ‘fit and proper’ issue concerning the ***owner(s)***, the ***HoLP***, ***HoFA***, other ***Managers*** or ***Authorised Persons***:
  - has been a director of a ***company*** which has gone into liquidation on the grounds of insolvency;
  - in their own right or as a director of a ***company*** has had an administrator or receiver appointed
  - has been an ***Authorised Person*** in, or ***Manager*** of, an entity which has had its authorisation refused, revoked or made subject to ***conditions***;
  - has been charged, cautioned or convicted of a criminal offence, or if there is a case pending;
  - has been the subject of any disciplinary proceedings by a professional or regulatory body;
  - has been the subject of an adverse order or finding of a civil court or employment tribunal;
  - has been disqualified as a director;
  - has been declared bankrupt or has entered an Individual Voluntary Arrangement;
  - has been disqualified from acting in any capacity for a legal services, financial or other provider;
  - is the subject of any other information which could reasonably be expected to have a bearing on whether that person is fit and proper.
15. You notify us ***promptly*** if you employ a person disqualified by a ***Licensing Authority***.
16. You notify us ***promptly*** if a ***Non-Authorised Person*** proposing to hold a ***material interest*** of 10% or more, or the holder of a ***material interest*** proposing to acquire an additional kind of interest, fails to give notification of such intended change after having been made aware of their duty to notify.

### ***Notification Guidance***

1. Provision of adverse information under this Code does not necessarily mean we will withdraw our approval of the relevant individual. Where adverse information is provided it will be discussed with the body to determine the risk posed to the ***Code of Conduct’s Outcomes***; resource implications for the ***CLC***; and the individual/body’s willingness or capacity to address the issue.
2. Examples of what is meant by ‘any other information that could reasonably be expected to have a bearing on their being fit and proper’ under requirement 14 include:

- by a reason of character, conduct or association and in particular has been in breach of statutory requirements regarding payment of tax or for a licence;
  - lacks capacity within the meaning of the Mental Capacity Act 2005 and powers under sections 15 to 20 or section 48 have been exercised.
3. An example of what is meant by 'structural **arrangements**' under requirement 7 is a body no longer registered as a **Limited Liability Partnership** or a **Company** under the relevant Acts.
  4. Persons disqualified by Licensing Authorities are identified on the [Legal Services Board website](#).