

SRA HANDBOOK GLOSSARY 2012

Part 1: Introduction and Preamble

Introduction

This section of the Handbook contains the SRA Handbook Glossary.

The SRA Handbook Glossary comprises a set of defined terms which are used in the SRA Handbook. Terms being used in their defined sense appear as italicised text within the individual sets of provisions of the SRA Handbook. The same terms in the SRA Handbook may appear as italicised text in some cases but not in others. Where they are not italicised, for reasons relating to the specific context, they are not being used in their defined sense and take their natural meaning in that context.

The Glossary also contains interpretation and transitional provisions.

Preamble

The SRA Handbook Glossary dated 18 April 2012 made by the Solicitors Regulation Authority Board.

Made under Part I, Part II, section 79 and 80 of, and paragraph 6B of Schedule 1 to, the Solicitors Act 1974; and section 9 and 9A of, and paragraphs 14A, 14B and 32 to 34 of Schedule 2 to, the Administration of Justice Act 1985; and section 83 of, and Schedule 11 to and paragraph 6 of Schedule 14 to, the Legal Services Act 2007; and paragraphs 2 and 3 of Schedule 14 to the Courts and Legal Services Act 1990.

Subject to the approval of the Legal Services Board under paragraph 19 of Schedule 4 to the Legal Services Act 2007 and coming into force on the day it is approved.

Part 2: General

Rule 1: Application

- 1.1 Subject to Rule 1.2 below:
- (a) the definitions set out at Rule 2 below shall apply to the corresponding term where this appears in italics in the *SRA Handbook*; and
 - (b) the interpretation provisions set out at Rule 3 below shall apply to the *SRA Handbook*.
- 1.2 This Rule shall not apply to the SRA Indemnity Insurance Rules 2011, the SRA Indemnity (Enactment) Rules 2011 and the SRA Indemnity Rules 2011 until 1 October 2012.

Rule 2: Definitions

academic stage of training

means the undertaking by an individual of the following programmes of study which satisfy the requirements of the **Joint Statement**.

- (i) a **QLD**;
 - (ii) a **CPE**; or
 - (iii) an **Exempting Law Degree**;
- at an **approved education provider**.

accounting period

has the meaning given in Rule 33 of the **SRA Accounts Rules**.

accreditation

means either **full accreditation** or **provisional accreditation** under the **SRA QASA Regulations**, and references to "accredited" should be construed accordingly.

actively participate in

means, in relation to a **separate business**, having any active involvement in the **separate business**, and includes:

- (i) any direct control over the business, and any indirect control through another **person** such as a spouse; and
- (ii) any active participation in the business or the provision of its services to customers.

adequate training

during a period of **recognised training** means training:

- (i) and experience in at least three distinct areas of English law and practice;
- (ii) to enable a **trainee** to develop the skills needed to activities set out in the **Practice Skills Standards** and comply with the **Principles**;
- (iii) which is appropriately supervised; and
- (iv) which meets the requirements of regulation 12 of the **SRA Training Regulations** – Qualification and Provider Regulations.

adjudicator

- (i) in the **SRA Cost of Investigations Regulations** means a person not involved in the investigation or preparation of a case who is authorised by the **SRA** to make an **SRA finding**; and

- (ii) in the **SRA Disciplinary Procedure Rules** means a person not involved in the investigation or preparation of a case who is authorised by the **SRA** to take **disciplinary decisions**.

agreed fee

has the meaning given in Rule 17.5 of the **SRA Accounts Rules**.

agreement provider

has the meaning given by article 63J(3) of the **Regulated Activities Order** read with paragraphs (6) and (7) of that article.

agreement seller

has the meaning given by article 63J(3) of the **Regulated Activities Order**.

AJA

means the Administration of Justice Act 1985.

ancillary insurance intermediary

has the meaning given in Article 2(1)(4) of the **IDD**.

appellate body

means the body with the power, by virtue of an order under section 80(1) of the **LSA**, to hear and determine appeals against decisions made by the **SRA** acting as a **licensing authority**.

applicant

means:

- (i) for the purposes of the **SRA Compensation Fund Rules** a person or persons applying for a grant out of the Compensation Fund under Rule 3 of the **SRA Compensation Fund Rules**; and
- (ii) for the purposes of the **SRA Authorisation Rules** a **licensable body** or a **legal services body** that, or a **sole practitioner** who, makes an application to the **SRA** for **authorisation**.

application for admission

means application to **us** for a **certificate of satisfaction** under section 3(1) of the **SA** and for admission as a **solicitor** under section 3(2) of the **SA**.

appointed person

in the **SRA Indemnity Insurance Rules**, means any person who is designated as a fee-earner in accordance with any arrangements made from time to time between the **firm** and the Legal Services Commission pursuant to the provisions of the Access to Justice Act 1999 or the Lord Chancellor (or any body established by the

Lord Chancellor to provide or facilitate the provision of services) pursuant to the provisions of the Legal Aid, Sentencing and Punishment of Offenders Act 2012, regardless of whether the services performed for the *firm* by that person in accordance with Rule 4.1 of those Rules are performed pursuant to such arrangements or otherwise, and who is engaged by the *firm* under a contract for services in the course of the *private practice* of the *firm*.

appointed representative

has the meaning given in *FSMA*.

Apprenticeship Standard for a Solicitor (England)

means the standard approved by the Department for Business, Innovation and Skills in November 2014 and as varied from time to time.

approved education provider

means a provider recognised by *us* as providing a *QLD*, *CPE* and/or an *Exempting Law Degree*.

approved regulator

means any body listed as an approved regulator in paragraph 1 of Schedule 4 to the *LSA* or designated as an approved regulator by an order under paragraph 17 of that Schedule.

ARP

means the Assigned Risks Pool, namely, the arrangements by which certain *firms* obtained professional indemnity insurance against civil liability up to 30 September 2013 pursuant to and on the terms set out in the SRA Indemnity Insurance Rules 2012 (and prior variations thereof).

ARP manager

means the manager of the *ARP* being any *person* from time to time appointed by the *SRA* to carry out all or any particular functions of the manager of the *ARP* or the *SRA* and any such *person*.

arrangement

in relation to financial services, fee sharing and *referrals* in Chapters 1, 6 and 9 of the *SRA Code of Conduct*, means any express or tacit agreement between you and another *person*, whether contractually binding or not.

assessment organisation

in the *QLTSR* means the organisation awarded the initial three year contract to provide the *QLTS assessments*, together with any other organisations subsequently authorised to provide the *QLTS assessments* after the initial three year period has expired.

assets

includes money, documents, wills, deeds, investments and other property.

associate

has the meaning given in paragraph 5 to Schedule 13 of the **LSA**, namely:

- (i) "associate", in relation to a person ("A") and:
 - (A) a shareholding in a body ("S"); or
 - (B) an entitlement to exercise or control the exercise of voting power in a body ("V");

means a person listed in sub-paragraph (ii).

- (ii) The persons are:
 - (A) the spouse or civil partner of A;
 - (B) a child or stepchild of A (if under 18);
 - (C) the **trustee** of any settlement under which A has a life interest in possession (in Scotland a life interest);
 - (D) an undertaking of which A is a **director**;
 - (E) an **employee** of A;
 - (F) a **partner** of A (except, where S or V is a **partnership** in which A is a **partner**, another **partner** in S or V);
 - (G) if A is an undertaking:
 - (I) a **director** of A;
 - (II) a subsidiary undertaking of A; or
 - (III) a **director** or **employee** of such a subsidiary undertaking;
 - (H) if A has with any other person an agreement or arrangement with respect to the acquisition, holding or disposal of shares or other interests in S or V (whether or not they are interests within the meaning of section 72(3) of the **LSA**), that other person; or
 - (I) if A has with any other person an agreement or arrangement under which they undertake to act together in exercising their voting power in relation to S or V, that person.

associated firm

means:

- (i) a **partnership** with whom you have one **partner** in common;

- (ii) an **LLP** or a **company** without shares with whom you have one **member** in common; or
- (iii) a **company** with shares with whom you have one **owner** in common.

authorisation

granted to a body under Rule 6 of the **SRA Authorisation Rules** means:

- (i) recognition under section 9 of the **AJA**, if it is granted to a **legal services body**;
- (ii) recognition under section 9 of the **AJA**, if it is granted to a **sole practitioner**; and
- (iii) a licence under Part 5 of the **LSA**, if it is granted to a **licensable body**;

and the term "certificate of authorisation" shall be construed accordingly.

authorised activities

means:

- (i) any **reserved legal activity** in respect of which the body is authorised;
- (ii) any **non-reserved legal activity** except, in relation to an **MDP**, any such activity that is excluded from **regulated activity** on the terms of the licence;
- (iii) any other activity in respect of which a **licensed body** is regulated pursuant to Part 5 of the **LSA**; and
- (iv) any other activity a **recognised body** carries out in connection with its **practice**.

authorised body

means:

- (i) a body that has been authorised by the **SRA** to practise as a **licensed body** or a **recognised body**; or
- (ii) a **sole practitioner's practice** that has been authorised by the **SRA** as a **recognised sole practice**.

authorised distance learning providers

means those providers authorised by **us** to provide distance learning courses delivered by methods including correspondence, webinar, webcast, podcast, DVD, video and audio cassettes, television or radio broadcasts and computer based learning programmes.

authorised education provider

means a provider recognised by **us** as providing the **LPC** and/or the **PSC**.

authorised insurer

means:

- (i) a **person** who has permission under Part 4A of **FSMA** to effect or carry out contracts of insurance of a relevant class;
- (ii) a **person** who carries on an insurance market activity, within the meaning of section 316(3) of **FSMA**;
- (iii) an **EEA** firm of the kind mentioned in paragraph 5(d) of Schedule 3 to **FSMA**, which has permission under paragraph 15 of that Schedule (as a result of qualifying for authorisation under paragraph 12 of that Schedule) to effect or carry out contracts of insurance of a relevant class; or
- (iv) a **person** who does not fall within paragraph (i), (ii) or (iii) and who may lawfully effect or carry out contracts of insurance of a relevant class in a member state other than the **UK**,

where "relevant class" has the meaning set out in section 87(1B) of the **SA** provided that this definition must be read with section 22 of **FSMA**, any relevant order under that section, and Schedule 2 to **FSMA**.

authorised non-SRA firm

means a firm which is authorised to carry on **legal activities** by an **approved regulator** other than the **SRA**.

authorised person

- (i) subject to sub-paragraph (ii) below, means a **person** who is authorised by the **SRA** or another **approved regulator** to carry on a **legal activity** and for the purposes of the **SRA Authorisation Rules** and the **SRA Practice Framework Rules** includes a **solicitor**, a **sole practitioner**, an **REL**, an **EEL**, an **RFL**, an **authorised body**, an **authorised non-SRA firm** and a **European corporate practice** and the terms "authorised individual" and "non-authorised person" shall be construed accordingly; and
- (ii) in the **SRA Financial Services (Scope) Rules**, has the meaning given in section 31 of **FSMA**.

authorised role holder

means **COLP**, **COFA**, **owner** or **manager** under Rules 8.5 and 8.6 of the **SRA Authorisation Rules** or **COLP** or **COFA** under Regulation 4.8 of the **SRA Practising Regulations**, and "authorised role" should be construed accordingly.

authorised training provider

means an organisation, body, firm, company, in-house practice or individual authorised by **us** under the **SRA Training Regulations** to take and train a **trainee solicitor**.

bank

has the meaning given in section 87(1) of the **SA**.

barrister

means a person called to the Bar by one of the Inns of Court and who has completed pupillage and is authorised by the General Council of the Bar to practise as a barrister.

beneficiary

means a **person** with a beneficial entitlement to funds held by the **Society** on **statutory trust**.

best list

means a list of potential beneficial entitlements to **statutory trust monies** which, in cases where it is not possible to create a **reconciled list**, is, in the view of the **SRA**, the most reliable that can be achieved with a reasonable and proportionate level of work taking into account the circumstances of the **intervention** and the nature of the evidence available.

body corporate

means a company, an **LLP** or a partnership which is a legal person in its own right.

broker funds arrangement

means an arrangement between a **firm** and a **life office** (or operator of a **regulated collective investment scheme**) under which the **life office** (or operator of the **regulated collective investment scheme**) agrees to establish a separate fund whose composition may be determined by instructions from the **firm** and in which it is possible for more than one **client** to invest.

BSB

means the Bar Standards Board.

building society

means a building society within the meaning of the Building Societies Act 1986.

buyer

includes a prospective buyer.

CAEF

means a criminal advocacy evaluation form completed by a judge to record the competence of a **solicitor** or an **REL** to conduct **criminal advocacy** against the Statement of Standards contained in the **QASA**.

candidate

means a **person** who is assessed by the **SRA** for approval as an **owner, manager** or **compliance officer** under Part 4 of the **SRA Authorisation Rules**.

CBTL credit agreement

has the meaning given in the **FCA Handbook**.

CCBE

means the Council of the Bars and Law Societies of Europe.

CCBE Code

means the **CCBE's** Code of Conduct for European lawyers.

CCBE state

means any state whose legal profession is a full member, an associate member or an observer member of the **CCBE**.

certificate of satisfaction

means a certificate or a certifying letter from **us** confirming that **you** have satisfied the **SRA Training Regulations** and are of the proper **character and suitability** to be admitted as a **solicitor**.

cessation

means where the **insured firm's practice** ceases during the **period of insurance** or after the **period of insurance** in circumstances where the **insured firm** has not obtained insurance complying with the **MTC** and incepting on and with effect from the day immediately following the expiration of the **policy period**.

cessation period

means the period commencing on the expiry of the **extended indemnity period** where, during the **extended indemnity period** the relevant **firm** has not ceased **practice** or obtained a **policy of qualifying insurance** incepting with effect on and from the day immediately following expiration of the **policy period**, and ending on the date which is the earlier to occur of:

- (i) the date, if any, on which the **firm** obtains a **policy of qualifying insurance** incepting with effect on and from the day immediately following expiration of the **policy period**;
- (ii) the date which is 90 days after the commencement of the **extended indemnity period**; or
- (iii) the date on which the **insured firm's practice** ceases.

character and suitability

satisfies the requirement of section 3 of the **SA** in order that an individual shall be admitted as a **solicitor**.

charity

has the meaning given in section 1 of the Charities Act 2011.

circumstances

means an incident, occurrence, fact, matter, act or omission which may give rise to a **claim** in respect of civil liability.

claim

means a demand for, or an assertion of a right to, civil compensation or civil damages or an intimation of an intention to seek such compensation or damages. For these purposes, an obligation on an **insured firm** and/or any **insured** to remedy a breach of the Solicitors' Accounts Rules 1998 (as amended from time to time), or any rules (including, without limitation, the **SRA Accounts Rules**) which replace the Solicitors' Accounts Rules 1998 in whole or in part, shall be treated as a claim, and the obligation to remedy such breach shall be treated as a civil liability for the purposes of clause 1 of the **MTC**, whether or not any **person** makes a demand for, or an assertion of a right to, civil compensation or civil damages or an intimation of an intention to seek such compensation or damages as a result of such breach, except where any such obligation may arise as a result of the insolvency of a bank (as defined in section 87 of the **SA**) or a **building society** which holds client money in a client account of the **insured firm** or the failure of such bank or **building society** generally to repay monies on demand.

claim for redress

has the meaning given in section 158 of the **LSA**.

claimant

means:

- (i) in the **SRA Statutory Trust Rules**, a **person** making a claim to **statutory trust monies**; and
- (ii) in the **SRA Indemnity Insurance Rules**, a **person** or entity which has made or may make a **claim** including a **claim** for contribution or indemnity.

client

means:

- (i) the **person** for whom you act and, where the context permits, includes prospective and former clients;
- (ii) in Parts 1-6 of the **SRA Accounts Rules**, the person for whom **you** act; and
- (iii) in the **SRA Financial Services (Scope) Rules**, in relation to any **regulated activities** carried on by a **firm** for a trust or the estate of a deceased person (including a controlled trust), the trustees or personal representatives in their

capacity as such and not any **person** who is a beneficiary under the trust or interested in the estate.

client account

has the meaning given in Rule 13.2 of the **SRA Accounts Rules**.

client account (overseas)

means an account at a bank or similar institution, subject to supervision by a public authority, which is used only for the purpose of holding **client money (overseas)**, and the title, designation or account details allow the account to be identified as belonging to the client or clients of a **solicitor** or **REL** or that they are being held subject to a **trust**.

client conflict

for the purposes of Chapter 3 of the **SRA Code of Conduct**, means any situation where you owe separate duties to act in the best interests of two or more **clients** in relation to the same or related matters, and those duties conflict, or there is a significant risk that those duties may conflict.

client money

has the meaning given in Rule 12 of the **SRA Accounts Rules**.

client money (overseas)

means money held or received for a **client** in respect of legal services that you are providing or as **trustee**, and all other money which is not **office money (overseas)**. This includes money held or received:

- (i) as **trustee**;
- (ii) as agent, bailee, stakeholder, or as the donee of a power of attorney, or as a liquidator, trustee in bankruptcy, **Court of Protection deputy** or trustee of an occupational pension scheme;
- (iii) for payment of unpaid **professional disbursements**;
- (iv) for payment of taxes, duties or fees on behalf of clients or third parties;
- (v) as a payment on account of **costs** and **disbursements** generally;
- (vi) jointly with another person outside of your practice;
- (vii) to the sender's order.

COFA

means a compliance officer for finance and administration in accordance with Rule 8.5 of the **SRA Authorisation Rules**, or Regulation 4.8 of the **SRA Practising Regulations**, and in relation to a **licensable body** is a reference to its **HOFA**.

collective investment scheme

means (in accordance with section 235 of *FSMA* (Collective Investment Schemes)) any arrangements with respect to property of any description, including money, the purpose or effect of which is to enable *persons* taking part in the arrangements (whether by becoming owners of the property or any part of it or otherwise) to participate in or receive profits or income arising from the acquisition, holding, management or disposal of the property or sums paid out of such profits or income, which are not excluded by the Financial Services and Markets Act (Collective Investment Schemes) Order 2001 (SI 2001/1062).

COLP

means compliance officer for legal practice in accordance with Rule 8.5 of the *SRA Authorisation Rules* or Regulation 4.8 of the *SRA Practising Regulations*, and in relation to a *licensable body* is a reference to its *HOLP*.

Companies Acts

means the Companies Act 1985 and the Companies Act 2006.

company

means a company incorporated in an *Establishment Directive state* and registered under the *Companies Acts* or a *societas Europaea*.

competing for the same objective

for the purposes of Chapter 3 of the *SRA Code of Conduct* means any situation in which two or more *clients* are competing for an “objective” which, if attained by one *client*, will make that “objective” unattainable to the other *client* or *clients*, and “objective” means, for the purposes of Chapter 3, an asset, contract or business opportunity which two or more *clients* are seeking to acquire or recover through a liquidation (or some other form of insolvency process) or by means of an auction or tender process or a bid or offer which is not public.

complaint

means an oral or written expression of dissatisfaction which alleges that the complainant has suffered (or may suffer) financial loss, distress, inconvenience or other detriment.

compliance officer

is a reference to a body’s *COLP* or its *COFA*.

compulsory professional indemnity insurance

means the insurance you are required to have in place under the *SIIR*.

CONC

means the *FCA’s* Consumer Credit sourcebook.

conflict of interests

means any situation where:

- (i) you owe separate duties to act in the best interests of two or more **clients** in relation to the same or related matters, and those duties conflict, or there is a significant risk that those duties may conflict (a "client conflict"); or
- (ii) your duty to act in the best interests of any **client** in relation to a matter conflicts, or there is a significant risk that it may conflict, with your own interests in relation to that or a related matter (an "own interest conflict").

connected person

means:

- (i) any **associated firm**;
- (ii) anyone with whom you are related by blood, marriage or adoption, or with whom you are living together in a civil or domestic partnership;
- (iii) any **owner** or **employee** of your **firm** or of an **associated firm**, or anyone with whom that **owner** or **employee** is related by blood, marriage or adoption, or with whom they are living together in a civil or domestic partnership;
- (iv) any **company** of which you are a **director** or **employee**, or any **LLP** of which you are a **member** or **employee**, or any **company** in which you, either alone or with any other connected person or persons, are entitled to exercise, or control the exercise of, one-third or more of the voting power at any general meeting;
- (v) any **company** of which any of the **persons** mentioned in (i) and (ii) above is a **director** or **employee**, or any **LLP** of which any of them is a **member** or **employee**, or any **company** in which any of them, either alone or with any other connected person or persons, is entitled to exercise, or control the exercise of, one-third or more of the voting power at any general meeting; and
- (vi) any other "associate" as defined in section 32 of the Estate Agents Act 1979.

connected practice

means a body providing legal services, established outside England and Wales which is not an overseas practice or an excluded body but is otherwise connected to an authorised body in England and Wales, by virtue of:

- (i) being a parent undertaking, within the meaning of section 1162 of the Companies Act 2006, of the authorised body;

- (ii) being jointly managed or owned, or having a partner, member or owner in common, or controlled by or, with the authorised body;
- (iii) participating in a joint enterprise or across its practice generally, sharing costs, revenue or profits related to the provision of legal services with the authorised body; or
- (iv) common branding;

and in this definition:

- (A) a "body" means a natural person or company, limited liability partnership or partnership or other body corporate or unincorporated association or business entity; and
- (B) an "excluded body" means a body which is part of:
 - (I) a Verein or similar group structure involving more than one body providing legal services in respect of which the authorised body in England and Wales connected to it is not regarded as being the body which is the headquarters of that Verein or similar group structure or a significant part of it; or
 - (II) a joint practice, alliance or association or association with the authorised body in England and Wales connected to it which is controlled by a body providing legal services outside of England and Wales; or
 - (III) a group of affiliated bodies providing legal services which is not managed or controlled by an authorised body in England and Wales.
- (C) A "joint enterprise" means any contractual arrangements between two or more independent bodies which provide legal services, for profit and/or other defined purpose or goal which apply generally between them, not just agreed on a matter by matter basis.
- (D) "Common branding" means the use of a name, term, design, symbol, words or a combination of these that identifies two or more legal practices as distinct from other legal practices or an express statement that a legal practice is practising in association with one or more other named firms.

connected with

means in relation to a **separate business** for the purpose of Chapter 12 of the **SRA Code of Conduct**:

- (i) where an **owner** or **manager** of an **authorised body** is a **partner, owner, director, member** or member of the governing body of the **separate business**;

- (ii) being a **subsidiary company** of the same **holding company** as the **separate business**; or
- (iii) being a **subsidiary company** of the **separate business**.

continuous payment authority

means consent given to a **client** for a **firm** to make one or more requests to a payment service provider for one or more payments from the **client's** payment account, but excluding:

- (i) a direct debit to which the direct debit guarantee applies; and
- (ii) separate consent given by a **client** to a **firm**, following the making of the **regulated credit agreement**, for the **firm** to make a single request to a payment service provider for one payment of a specified amount from the **client's** payment account on the same day as the consent is given or on a specified day.

contract of insurance

means (in accordance with article 3(1) of the **Regulated Activities Order**) any contract of insurance which is a **long-term insurance contract** or a **general insurance contract**.

contractually based investment

has the meaning given by article 3(1) of the **Regulated Activities Order** but does not include an **investment** which falls within the definition of a packaged product.

contributions

means contributions previously made to the **fund** in accordance with Part III of the Solicitors' Indemnity Rules 2007 (or any earlier corresponding provisions), and any additional sums paid in accordance with Rule 16 of the **SRA Indemnity Rules**.

controller

has the meaning given in section 422 of **FSMA**.

costs

means your **fees** and **disbursements**.

Council

has the meaning given in section 87 of the **SA**.

court

means any court, tribunal or inquiry of England and Wales, or a British court martial, or any court of another jurisdiction.

Court of Protection deputy

- (i) for the purposes of the **SRA Accounts Rules** includes a deputy who was appointed by the Court of Protection as a receiver under the Mental Health Act 1983 before the commencement date of the Mental Capacity Act 2005; and
- (ii) for the purposes of the **SRA Authorisation Rules** also includes equivalents in other **Establishment Directive states**.

CPD

means continuing professional development, namely, the training requirement(s) set by **us** to ensure **solicitors** and **REs** maintain competence.

CPD training record

means a record of all **CPD** undertaken to comply with the **SRA Training Regulations** Part 3 - CPD Regulations.

CPD year

means each year commencing 1 November to 31 October.

CPE

means the Common Professional Examination, namely, a course, including assessments and examinations, approved by the JASB for the purposes of completing the **academic stage of training** for those who have not satisfactorily completed a **QLD**.

credit agreement

has the meaning given by article 60B(3) of the **Regulated Activities Order**.

credit broking

means an activity of the kind specified in article 36A of the **Regulated Activities Order**.

credit-related regulated activity

means any of the following activities specified in Part 2 or 3A of the **Regulated Activities Order**:

entering into a regulated credit agreement as lender (article 60B(1));

exercising, or having the right to exercise, the lender's rights and duties under a regulated credit agreement (article 60B(2));

credit broking (article 36A);

debt adjusting (article 39D(1) and (2));

debt counselling (article 39E(1) and (2));

debt collecting (article 39F(1) and (2));

debt administration (article 39G(1) and (2));

entering into a regulated consumer hire agreement as owner (article 60N(1));

exercising, or having the right to exercise, the owner's rights and duties under a regulated consumer hire agreement (article 60N(2));

providing credit information services (article 89A);

providing credit references (article 89B);

operating an electronic system in relation to lending (article 36H);

agreeing to carry on a regulated activity (article 64) so far as relevant to any of the activities in (i) to (xii);

which is carried on by way of business and relates to a specified investment applicable to that activity or, in the case of (x) and (xi), relates to information about a person's financial standing.

credit token

means a card, check, voucher, coupon, stamp, form, booklet or other document or thing given to a **client** by a person carrying on a **credit-related regulated activity** ("the provider"), who undertakes that:

- (i) on production of it (whether or not some other action is also required) the provider will supply cash, goods or services (or any of them) on credit; or
- (ii) where, on the production of it to a third party (whether or not any other action is also required), the third party supplies cash, goods and services (or any of them), the provider will pay the third party for them (whether or not deducting any discount or commission), in return for payment to the provider by the **client** and the provider shall, without prejudice to the definition of credit, be taken to provide credit drawn on whenever a third party supplies the **client** with cash, goods or services; and

the use of an object to operate a machine provided by the person giving the object or a third party shall be treated as the production of the object to that person or third party.

criminal advocacy

means advocacy in all hearings arising out of a police-led or Serious Fraud Office-led investigation and prosecuted in the criminal courts by the Crown Prosecution Service or the Serious Fraud Office but does not include hearings brought under the Proceeds of Crime Act 2002.

date of notification

the date of any notification or notice given is deemed to be:

- (i) the date on which the communication is sent electronically to the recipient's e-mail or fax address;
- (ii) the date on which the communication is delivered to or left at the recipient's last notified **practising address** if the recipient is **practising**, or to the recipient's last notified contact address if the recipient is not **practising**; or
- (iii) seven days after the communication has been sent by post or document exchange to the recipient's last notified **practising address** if the recipient is **practising**, or to the recipient's last notified contact address if the recipient is not **practising**.

debt management plan

means a non-statutory agreement between a **client** and one or more of the **client's** lenders the aim of which is to discharge or liquidate the **client's** debts, by making regular payments to a third party which administers the plan and distributes the money to the lenders.

decision period

is the period specified in Rule 5 of the **SRA Authorisation Rules**.

defaulting practitioner

means:

- (i) a **solicitor** in respect of whose act or default, or in respect of whose **employee's** act or default, an application for a grant is made;
- (ii) an **REL** in respect of whose act or default, or in respect of whose **employee's** act or default, an application for a grant is made;
- (iii) a **recognised body** in respect of whose act or default, or in respect of whose **manager's** or **employee's** act or default, an application for a grant is made;
- (iv) an **RFL** who is a **manager** of a **partnership, LLP** or **company** together with a **solicitor**, an **REL** or a **recognised body**, and in respect of whose act or default or in respect of whose **employee's** act or default, an application for a grant is made; or
- (v) a **licensed body** in respect of whose act or default, or in respect of whose **owner's**, or **manager's** or **employee's** act or default, an application for a grant is made;

and the expressions "defaulting solicitor", "defaulting REL", "defaulting recognised body", "defaulting RFL" and "defaulting licensed body" shall be construed accordingly.

defence costs

means legal costs and disbursements and investigative and related expenses reasonably and necessarily incurred with the consent of the **insurer** in:

- (i) defending any proceedings relating to a **claim**; or
- (ii) conducting any proceedings for indemnity, contribution or recovery relating to a **claim**; or
- (iii) investigating, reducing, avoiding or compromising any actual or potential **claim**; or
- (iv) acting for any **insured** in connection with any investigation, inquiry or disciplinary proceeding (save in respect of any disciplinary proceeding under the authority of the **Society** (including, without limitation, the **SRA** and the **Tribunal**));

and does not include any internal or overhead expenses of the **insured firm** or the **insurer** or the cost of any **insured's** time.

difference in conditions policy

means a contract of professional indemnity insurance, made between one or more **participating insurers** and a **firm**, which provides cover including the **MTC** as modified in accordance with paragraph 2 of Appendix 3 to the **SRA Indemnity Insurance Rules**.

director

means a director of a company; and in relation to a **societas Europaea** includes:

- (i) in a two-tier system, a member of the management organ and a member of the supervisory organ; and
- (ii) in a one-tier system, a member of the administrative organ.

disbursement

means, in respect of those activities for which the practice is regulated by the **SRA**, any sum spent or to be spent on behalf of the **client** or trust (including any VAT element).

disciplinary decision

means a decision, following an **SRA finding**, to exercise one or more of the powers provided by:

- (i) section 44D(2) and (3) of the **SA**;
- (ii) paragraph 14B(2) and (3) of Schedule 2 to the **AJA**; or
- (iii) section 95 or section 99 of the **LSA**;

or otherwise to give a **regulated person** a written rebuke or to publish details of a written rebuke or a direction to pay a penalty in accordance with the **SRA Disciplinary Procedure Rules**.

discipline investigation

means:

- (i) subject to sub-paragraph (ii), an investigation by the **SRA** to determine whether a person should be subject to an **SRA finding**, a **disciplinary decision** or an application to the **Tribunal** under Rule 10 of the **SRA Disciplinary Procedure Rules**; and
- (ii) for the purposes of the **SRA Cost of Investigations Regulations**, an investigation by the **SRA** to determine whether a **regulated person** should be subject to an **SRA finding** or an application to the **Tribunal**.

discrimination

has the meaning set out in the Equality Act 2010, namely if, because of a protected characteristic as set out in that Act, **person A** treats **person B** less favourably than A treats or would treat others.

disqualified

refers to a **person** who has been disqualified under section 99 of the **LSA** by the **SRA** or by any other **approved regulator**,

and references to “disqualify” and “disqualification” should be construed accordingly.

document

in Chapter 10 of the **SRA Code of Conduct**, includes documents, whether written or electronic, relating to the **firm's client accounts** and **office accounts**.

durable medium

means any instrument which:

- (i) enables the recipient to store information personally addressed to them in a way accessible for future reference and for a period of time adequate for the purposes of the information; and
- (ii) allows the unchanged reproduction of the information stored.

EEA

means European Economic Area.

EEL

means exempt European lawyer, namely, a member of an **Establishment Directive profession**.

- (i) registered with the **BSB**; or
 - (ii) based entirely at an office or offices outside England and Wales,
- who is not a **lawyer of England and Wales** (whether entitled to **practise** as such or not).

eligible former principal

means a **principal** of a **previous practice** where:

- (i) that **previous practice** ceased on or before 31 August 2000; and
- (ii) a **relevant claim** is made in respect of any matter which would have given rise to an entitlement of the **principal** to indemnity out of the **fund** under the Solicitors' Indemnity Rules 1999 had the claim been notified to Solicitors Indemnity Fund Limited on 31 August 2000; and
- (iii) the **principal** has not at any time been a "principal" of the **relevant successor practice** ("principal" having the meaning applicable to the **SIIR**); and
- (iv) at the time that the **relevant claim** is made the **principal** is not a "principal" in "private practice" ("principal" and "private practice" having the meanings applicable to the **SIIR**).

employee

means an individual who is:

- (i) engaged under a contract of service by a **firm** or its wholly owned service company;
- (ii) engaged under a contract for services, made between a **firm** or organisation and:
 - (A) that individual;
 - (B) an employment agency; or
 - (C) a **company** which is not held out to the public as providing legal services and is wholly owned and directed by that individual; or
- (iii) a **solicitor, REL** or **RFL** engaged under a contract of service or a contract for services by an **authorised non-SRA firm**;
- (iv) a **solicitor, REL** or **RFL** engaged under a contract of service or a contract for services by a person, business or organisation,

under which the **firm, authorised non-SRA firm**, person, business, or organisation has exclusive control over the individual's time for all or part of the individual's working week; or in relation to which the **firm** or organisation has designated the individual as a fee earner in accordance with arrangements between the **firm** or

organisation and the Lord Chancellor (or any body established by the Lord Chancellor to provide or facilitate the provision of services) pursuant to the provisions of the Legal Aid, Sentencing and Punishment of Offenders Act 2012, save that:

- (A) for the purposes of the **SRA Financial Services (Scope) Rules**, means an individual who is employed in connection with the **firm's regulated activities** under a contract of service or under a contract for services such that he or she is held out as an employee or consultant of the **firm**; and
- (B) for the purposes of the **SRA Indemnity Insurance Rules**, means any person other than a **principal**:
 - (I) employed or otherwise engaged in the **insured firm's practice** (including under a contract for services) including, without limitation, as a **solicitor**, lawyer, **trainee solicitor** or trainee lawyer, consultant, associate, locum tenens, agent, **appointed person**, office or clerical staff member or otherwise;
 - (II) seconded to work in the **insured firm's practice**; or
 - (III) seconded by the **insured firm** to work elsewhere;

but does not include any person who is engaged by the **insured firm** under a contract for services in respect of any work where that person is required, whether under the **SRA Indemnity Insurance Rules** or under the rules of any other professional body, to take out or to be insured under separate professional indemnity insurance in respect of that work.

employer

means a:

- (i) **firm** which engages an individual under a contract of service either on its own behalf or through its wholly-owned service company;
- (ii) **firm** or organisation which has engaged an individual under a contract for services made between the firm or organisation and:
 - (A) that individual;
 - (B) an employment agency; or
 - (C) a company which is not held out to the public as providing legal services and is wholly owned and directed by that individual; or
- (iii) an **authorised non-SRA firm** which engages a **solicitor, REL or RFL** under a contract of service or a contract for services;

- (iv) a person, business or organisation which engages a **solicitor, REL or RFL** under a contract of service or a contract for services,

under which the **firm, authorised non-SRA firm**, person, business or organisation has exclusive control over the individual's time for all or part of the individual's working week; or in relation to which the **firm** or organisation has designated the individual as a fee earner in accordance with arrangements between the **firm** or organisation and the Lord Chancellor (or any body established by the Lord Chancellor to provide or facilitate the provision of services) pursuant to the provisions of the Legal Aid, Sentencing and Punishment of Offenders Act 2012.

entitled to practise

for the purposes of the **QLTSR** means having the right to practise without restrictions or conditions as a **qualified lawyer** of the **recognised jurisdiction**.

equivalent means

means learning which is assessed and for which qualification(s) or certificates have been granted and/or work based experiential learning which **we** determine is of at least an equivalent level and standard of that required by all or any part of the **solicitor** qualification and training framework as set out in the **SRA Training Regulations**. **We** will assess equivalence in accordance with guidance **we** may issue from time to time.

established

- (i) For the purpose of the definition of "overseas practice", the status of an individual as being established outside England and Wales may be indicated by any of the following factors:
- (A) a requirement for a work permit;
 - (B) the intention to reside outside England and Wales for a period of six months or longer;
 - (C) a requirement for authorisation with local regulatory body;
 - (D) an overseas practising address nominated in mySRA;
 - (E) an employment contract with a legal practice established outside England and Wales.
- (ii) An individual who is temporarily seconded, assigned or transferred to work in an overseas practice, being supervised and managed for the duration of his or her secondment, transfer or assignment, by **managers** in the overseas practice, will be treated as **practising overseas**.

Establishment Directive

means the Establishment of Lawyers Directive 98/5/EC.

Establishment Directive profession

means any profession listed in Article 1.2(a) of the *Establishment Directive*, including a solicitor, barrister or advocate of the *UK*.

Establishment Directive state

means a state to which the *Establishment Directive* applies.

European corporate practice

means a *lawyers'* practice which is a body incorporated in an *Establishment Directive state*, or a partnership with separate legal identity formed under the law of an *Establishment Directive state* and which is regulated as a *lawyers'* practice:

- (i) which has an office in an *Establishment Directive state* but does not have an office in England and Wales;
- (ii) whose ultimate beneficial owners include at least one individual who is not a *lawyer of England and Wales* but is, and is entitled to practise as, a *lawyer* of an *Establishment Directive profession*;
- (iii) whose *managers* include at least one such individual, or at least one *body corporate* whose *managers* include at least one such individual; and
- (iv) of which *lawyers* are entitled to exercise, or control the exercise of, more than 90% of the *voting rights*.

European cross-border practice

has the meaning set out in Rule 2.1 of the *SRA European Cross-border Practice Rules*.

excess

means the first amount of a *claim* which is not covered by the insurance.

execution-only

means a *transaction* which is effected by a *firm* for a *client* where the *firm* assumes on reasonable grounds that the *client* is not relying on the *firm* as to the merits or suitability of that *transaction*.

Exempt European Practice

means:

- (i) a *lawyer's* practice formed in an *Establishment Directive state* which is regulated as such in that state and which is a structure in which *lawyers* are permitted to practise in that state; and
- (ii) whose ultimate beneficial owners do not include any *practising lawyers of England and Wales*; and
- (iii) whose main place of business is situated and carried on in an *Establishment Directive state* other than the United Kingdom; and

- (iv) which does not carry on any **reserved legal activity**.

exempt person

in the **SRA Financial Services (Scope) Rules** means a **person** who is exempt from the **general prohibition** as a result of an exemption order made under section 38(1) or as a result of section 39(1) or 285(2) or (3) of **FSMA** and who, in engaging in the activity in question, is acting in the course of business in respect of which that **person** is exempt.

Exempting Law Degree

means a **QLD** incorporating an **LPC**, approved by **us**.

existing instructions

means instructions to carry out **legal activities** received by a **firm** from a client, which the **firm** has accepted, on terms that have been agreed by the client, prior to the **firm** becoming subject to cover under the **cessation period**.

expired run-off claim

means any claim made against the **fund** for indemnity under the **SRA Indemnity Rules** in respect of which no **preceding qualifying insurance** remains in force to cover such claim, by reason only of:

- (i) the run-off cover provided or required to be provided under the policy having been activated; and
- (ii) the sixth anniversary of the date on which cover under such **qualifying insurance** would have ended but for the activation of such run-off cover having passed; or
- (iii) (in the case of a firm in default or a run-off firm) the period of run-off cover provided or required to be provided under arrangements made to cover such claim through the **ARP** having expired.

expired run-off cover

means either:

- (i) (unless (ii) below applies) the terms of the **ARP** policy in force at the time immediately prior to the date on which run-off cover was triggered under the **preceding qualifying insurance**, excluding clause 5 (Run-off cover) of the **MTC**, as if it were a contract between Solicitors Indemnity Fund Limited and the firm or person making an **expired run-off claim**; or
- (ii) where they are provided to Solicitors Indemnity Fund Limited prior to payment of the **claim**, the terms of the **preceding qualifying insurance**, provided that:

- (A) references in the **preceding qualifying insurance** to the qualifying insurer that issued such insurance shall be read as references to Solicitors Indemnity Fund Limited;
- (B) any obligation owed by any **insured** under the **preceding qualifying insurance** to the qualifying insurer which issued such insurance shall be deemed to be owed to Solicitors Indemnity Fund Limited in place of such qualifying insurer, unless and to the extent that Solicitors Indemnity Fund Limited in its absolute discretion otherwise agrees;
- (C) the obligations of the **fund** and/or any **insured** in respect of an **expired run-off claim** shall neither exceed nor be less than the requirements of the **MTC** which, in accordance with the applicable **SIIR**, such **preceding qualifying insurance** included or was required to include.

Solicitors Indemnity Fund Limited shall be under no obligation to take any steps to obtain the terms of any such **preceding qualifying insurance**, which for these purposes includes the terms on which it was written in respect of the **insured firm** or person in question, and not merely a standard policy wording.

extended indemnity period

means the period commencing at the end of the **policy period** and ending on the date which is the earlier to occur of:

- (i) the date, if any, on which the **firm** obtains a **policy** of **qualifying insurance** incepting on and with effect from the day immediately following the expiration of the **policy period**;
- (ii) the date which is 30 days after the end of the **policy period**; or
- (iii) the date on which the **insured firm's practice** ceases.

FCA

means the Financial Conduct Authority.

fees

means **your** own charges or profit costs (including any VAT element).

fee sharer

means another **person** or business who or which shares your fees.

financial benefit

includes any commission, discount or rebate, but does not include your **fees** or interest earned on any **client account**.

financial institution

means any undertaking or unincorporated association which carries on a business of lending money (which may include mortgage lending) or otherwise providing or issuing credit including, without limitation, any bank or **building society**.

Financial Services Register

means the record maintained by the **FCA** as required by section 347 of **FSMA** and including those **persons** who carry on, or are proposing to carry on, **insurance mediation activities**.

firm

means:

- (i) save as provided in paragraphs (ii) and (iii) below, an **authorised body** or a body or **person** which should be authorised by the **SRA** as a **recognised body** or whose practice should be authorised as a **recognised sole practice** (but which could not be authorised by another **approved regulator**); and for the purposes of the **SRA Code of Conduct** and the **SRA Accounts Rules** can also include in-house practice;
- (ii) in the **SRA Indemnity Insurance Rules**:
 - (A) any **recognised body** (as constituted from time to time); or
 - (B) any **solicitor** or **REL** who is a **sole practitioner**, unless that **sole practitioner** is a **non-SRA firm**; or
 - (C) any **partnership** (as constituted from time to time) which is eligible to become a **recognised body** and which meets the requirements applicable to **recognised bodies** set out in the **SRA Practice Framework Rules** and the **SRA Authorisation Rules**, unless that **partnership** is a **non-SRA firm** or an **Exempt European Practice**; or
 - (D) any **licensed body** in respect of its **regulated activities**;whether before or during any relevant **indemnity period**;
- (iii) in the **SRA European Cross-border Practice Rules**, means any business through which a **solicitor** or **REL** carries on **practice** other than **in-house practice**.

firm (overseas)

means any business through which a **solicitor** or **REL** carries on practice other than in-house practice.

foreign lawyer

means an individual who is not a **solicitor** or barrister of England and Wales, but who is a member, and entitled to practise as such, of a legal profession regulated within a jurisdiction outside England and Wales.

foundations of legal knowledge

means those foundations of law the study of which is prescribed by *us* and the *BSB* for the purpose of completing the *academic stage of training* by undertaking a *QLD* or *CPE* and passing the assessments and examinations set during that course.

FSMA

means the Financial Services and Markets Act 2000.

full accreditation

means *accreditation* to conduct *criminal advocacy* under the *SRA QASA Regulations*, and references to "fully accredited" should be construed accordingly.

full route to qualification

means that the applicant has not completed a shortened or fast-track route to qualification, which would be evidenced if non-domestic lawyers are not assessed on all the same outcomes/subjects/practices in the law of that jurisdiction as domestic candidates, prior to qualification.

full time

in relation to a period of *recognised training*, means working 32 hours a week or more.

fund

means the fund maintained in accordance with the *SRA Indemnity Rules*.

funeral plan contract

has the meaning given in article 59 of the *Regulated Activities Order*.

general client account

has the meaning given in Rule 13.5 (b) of the *SRA Accounts Rules*.

general insurance contract

means any *contract of insurance* within Part I of Schedule 1 to the *Regulated Activities Order*.

general prohibition

has the meaning given in section 19(2) of *FSMA*.

high-cost short-term credit

means a *regulated credit agreement*:

- (i) which is a borrower-lender agreement or a P2P agreement;
- (ii) in relation to which the APR is equal to or exceeds 100%;

- (iii) either:
 - (A) in relation to which a financial promotion indicates (by express words or otherwise) that the credit is to be provided for any period up to a maximum of 12 months or otherwise indicates (by express words or otherwise) that the credit is to be provided for a short term; or
 - (B) under which the credit is due to be repaid or substantially repaid within a maximum of 12 months of the date on which the credit is advanced;
- (iv) which is not secured by a mortgage, charge or **pledge**; and
- (v) which is not:
 - (A) a **credit agreement** in relation to which the lender is a community finance organisation; or
 - (B) a home credit loan agreement, a bill of sale loan agreement or a borrower-lender agreement enabling a borrower to overdraw on a current account or arising where the holder of a current account overdraws on the account without a pre-arranged overdraft or exceeds a pre-arranged overdraft limit.

higher courts

means the Crown Court, High Court, Court of Appeal and Supreme Court in England and Wales.

higher courts advocacy qualification

means, subject to regulation 6 of the **SRA Higher Rights of Audience Regulations**, one of the qualifications referred to in regulation 3 of those regulations to exercise extended rights of audience in the **higher courts**.

HOFA

means a Head of Finance and Administration within the meaning of paragraph 13(2) of Schedule 11 to the **LSA**.

holding company

has the meaning given in the Companies Act 2006.

HOLP

means a Head of Legal Practice within the meaning of paragraph 11(2) of Schedule 11 to the **LSA**.

home finance mediation activity

has the meaning given in the **FCA Handbook**.

home purchaser

has the meaning given by article 63F(3) of the *Regulated Activities Order*.

IDD

means Directive (EU) 2016/97 on insurance distribution.

immigration work

means the provision of immigration advice and immigration services, as defined in section 82 of the Immigration and Asylum Act 1999.

indemnity period

means:

- (i) in the *SRA Indemnity Insurance Rules*, the period of one year starting on 1 September 2000, 2001 or 2002, the period of 13 calendar months starting on 1 September 2003, or the period of one year starting on 1 October in any subsequent calendar year; and
- (ii) in the *SRA Indemnity Rules*, the period of one year commencing on 1 September in any calendar year from 1987 to 2002 inclusive, the period of 13 calendar months commencing on 1 September 2003, and the period of one year commencing on 1 October in any subsequent calendar year.

independent financial adviser

means an adviser who provides unbiased and unrestricted advice based on a comprehensive and fair analysis of the relevant market and discloses this in writing to the *client*.

individual pension contract

means a *pension policy* or *pension contract* under which contributions are paid to:

- (i) a *personal pension scheme* approved under section 630 of the Income and Corporation Taxes Act 1988, whose sole purpose is the provision of annuities or lump sums under arrangements made by individuals in accordance with the scheme; or
- (ii) a retirement benefits scheme approved under section 591(2)(g) of the Income and Corporation Taxes Act 1988, for the provision of relevant benefits by means of an annuity contract made with an insurance company of the employee's choice.

in-house practice

means *practice* as a *solicitor*, *REL* or *RFL* (as appropriate) in accordance with Rules 1.1(c)(ii), 1.1(d)(ii), 1.1(e), 1.2(f), 2.1(c)(ii), 2.1(d)(ii), 2.1(e), 2.2(f), 3.1(b)(ii) or

3.1(c)(ii) of the **SRA Practice Framework Rules** and “in-house” shall be construed accordingly.

Insolvency Code of Ethics

means the Code of Ethics produced by the **Joint Insolvency Committee** and adopted by the **SRA**.

insolvency event

means in relation to a **participating insurer**:

- (i) the appointment of a provisional liquidator, administrator, receiver or an administrative receiver; or
- (ii) the approval of a voluntary arrangement under Part I of the Insolvency Act 1986 or the making of any other form of arrangement, composition or compounding with its creditors generally; or
- (iii) the passing of a resolution for voluntary winding up where the winding up is or becomes a creditors’ voluntary winding up under Part IV of the Insolvency Act 1986; or
- (iv) the making of a winding up order by the court; or
- (v) the making of an order by the court reducing the value of one or more of the **participating insurer’s** contracts under section 377 of **FSMA**; or
- (vi) the occurrence of any event analogous to any of the foregoing insolvency events in any jurisdiction outside England and Wales.

insolvency practice

means accepting an appointment or acting as an appointment holder as an insolvency practitioner within the terms of the Insolvency Act 1986 and other related legislation.

insurance-based investment product

has the meaning given in Article 2(1)(17) of the **IDD**.

insurance distribution activities

means any of the following **regulated activities** as specified in the **Regulated Activities Order** which are carried on in relation to a **contract of insurance** or rights to or interests in a **life policy**:

- (i) dealing in investments as agent (article 21)
- (ii) arranging (bringing about) deals in investments (article 25(1))
- (iii) making arrangements with a view to transactions in investments (article 25(2))

- (iv) assisting in the administration and performance of a contract of insurance (article 39A)
- (v) advising on investments (except peer to peer agreements) (article 53(1))
- (vi) agreeing to carry on a **regulated activity** in (i) to (v) above (article 64).

insurance distribution officer

means the individual within the management structure of the **firm** who is responsible for **insurance distribution activity**.

insurance intermediary

has the meaning given in Article 2(1)(3) of the **IDD**.

Insurance Product Information Document

means a document that meets the requirements of Article 20(5) to Article 20(8) of the **IDD** and the Commission Implementing Regulation (EU) 2017/1469.

insurance undertaking

has the meaning given in Article 2(1)(6) of the **IDD**.

insured

in the **SRA Indemnity Insurance Rules** means each person and entity named or described as a person to whom the insurance extends and includes, without limitation, those referred to in clause 1.3 in the **MTC** and, in relation to **prior practices** and **successor practices** respectively, those referred to in clauses 1.5 and 1.7 of the **MTC**.

insured firm

means the **firm** (as defined for the purposes of the **SRA Indemnity Insurance Rules**) which contracted with the **insurer** to provide the insurance.

insured firm's practice

means:

- (i) the legal **practice** carried on by the **insured firm** as at the commencement of the **period of insurance**; and
- (ii) the continuous legal **practice** preceding and succeeding the **practice** referred to in paragraph (i) (irrespective of changes in ownership of the **practice** or in the composition of any **partnership** which owns or owned the **practice**).

insurer

means:

- (i) for the purposes of the SRA Financial Services (Conduct of Business) Rules 2001 a firm with permission to effect or carry out **contracts of insurance** (other than a bank); and
- (ii) for the purposes of the **SRA Indemnity Insurance Rules** the underwriter(s) of the insurance.

interest

includes a sum in lieu of interest.

interest holder

means a **person** who has an interest or an indirect interest, or holds a **material interest**, in a body (and "indirect interest" and "interest" have the same meaning as in the **LSA**), and references to "holds an interest" shall be construed accordingly.

international lawyers

means lawyers who are not basing their application on a professional qualification as a **qualified lawyer** gained within the **UK** or within the EEA or Switzerland.

intervened practitioner

means the **solicitor, recognised body, licensed body, REL** or **RFL** whose **practice** or **practices** are the subject of an **intervention**.

intervention

means the exercise of the powers specified in section 35 of and Schedule 1 to the **SA**, or section 9 of and paragraphs 32 to 35 of Schedule 2 to the **AJA**, or section 89 of and paragraph 5 of Schedule 14 to the Courts and Legal Services Act 1990, or section 102 of and Schedule 14 to the **LSA**.

introducer

means any person, business or organisation who or that introduces or refers **clients** to your business, or recommends your business to **clients** or otherwise puts you and **clients** in touch with each other.

investment

means any of the investments specified in Part III of the **Regulated Activities Order**.

investment trust

means a closed-ended **company** which is listed in the **UK** or another member state and:

- (i) is approved by HM Revenue and Customs under section 842 of the Income and Corporation Taxes Act 1988 (or, in the case of a newly formed

company, has declared its intention to conduct its affairs so as to obtain approval); or

- (ii) is resident in another member state and would qualify for approval if resident and listed in the **UK**.

investment trust savings scheme

means a dedicated service for investment in the securities of one or more **investment trusts** within a particular marketing group (and references to an "investment trust savings scheme" include references to securities to be acquired through that scheme).

ISA

means an Individual Savings Account, namely, an account which is a scheme of investment satisfying the conditions prescribed in the Individual Savings Account Regulations 1998 (S.I. 1998/1870).

Joint Insolvency Committee

means the Committee formed by the Insolvency Service, the recognised professional bodies under the Insolvency Act 1986 and other related legislation, and appointed lay representatives.

Joint Statement

means the Joint Statement on Qualifying Law Degrees, prepared jointly by **us** and the **BSB**, setting out the conditions a law degree course must meet in order to be recognised by **us** as a **QLD**.

knowledge

of any matter, includes any matter of which you may reasonably be expected to have knowledge.

LASPO

means the Legal Aid, Sentencing and Punishment of Offenders Act 2012.

lawyer

means a member of one of the following professions, entitled to practise as such:

- (i) the profession of solicitor, barrister or advocate of the **UK**;
- (ii) a profession whose members are authorised to carry on **legal activities** by an **approved regulator** other than the **SRA**;
- (iii) an **Establishment Directive profession** other than a **UK** profession;
- (iv) a legal profession which has been approved by the **SRA** for the purpose of **recognised bodies** in England and Wales; and

- (v) any other regulated legal profession specified by the **SRA** for the purpose of this definition.

lawyer-controlled body

means:

- (i) an **authorised body** in which **lawyers of England and Wales** constitute the national group of **lawyers** with the largest (or equal largest) share of control of the body either as individual **managers** or by their share in the control of bodies which are **managers**;
- (ii) for the purposes of Part 7 (Overseas practice) of the **SRA Accounts Rules** the definition at sub-paragraph (i) above applies save that the second reference to “lawyers” is to be given its natural meaning and the references to **managers** are to be read as **managers (overseas)**.

lawyer of England and Wales

means:

- (i) a **solicitor**, or
- (ii) an individual who is authorised to carry on **legal activities** in England and Wales by an **approved regulator** other than the **SRA**, but excludes a member of an **Establishment Directive profession** registered with the **BSB** under the **Establishment Directive**.

lead insurer

means the insurer named as such in the contract of insurance, or, if no lead insurer is named as such, the first-named insurer on the relevant certificate of insurance.

legal activity

has the meaning given in section 12 of the **LSA**, and includes any **reserved legal activity** and any other activity which consists of the provision of legal advice or assistance, or representation in connection with the application of the law or resolution of legal disputes.

Legal Ombudsman

means the scheme administered by the Office for Legal Complaints under Part 6 of the **LSA**.

legal or equitable mortgage

includes a legal or equitable charge and, in Scotland, a heritable security.

legally qualified body

means any of the following:

- (i) a **recognised body**;

- (ii) a **licensed body** of which **lawyers** are entitled to exercise, or control the exercise of, 90% or more of the **voting rights** of that **licensed body**;
- (iii) an **authorised non-SRA firm** of which **lawyers** are entitled to exercise, or control the exercise of, 90% or more of the **voting rights** of that **authorised non-SRA firm**; or
- (iv) a **European corporate practice**,

and for the purposes of section 9A(6)(h) and (6C) of the **AJA** means a body which would meet the requirement in Rule 13.2 of the **SRA Practice Framework Rules**.

legal services body

means a body which meets the criteria in Rule 13.1 of the **SRA Practice Framework Rules**.

Level 7 Higher Apprenticeship in Legal Practice (Wales)

means the standard approved by the Welsh Government in March 2015 and as varied from time to time.

licensable body

means a body which meets the criteria in Rule 14 (Eligibility criteria and fundamental requirements for licensed bodies) of the **SRA Practice Framework Rules**.

licensed body

means a body licensed by the **SRA** under Part 5 of the **LSA**.

licensing authority

means an **approved regulator** which is designated as a licensing authority under Part 1 of Schedule 10 to the **LSA**, and whose licensing rules have been approved for the purposes of the **LSA**.

life office

means a **person** with permission to effect or carry out **long-term insurance contracts**.

life policy

means a **long-term insurance contract** other than a **pure protection contract** or a **reinsurance contract**, but including a **pension policy**.

LLP

means a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000.

local authority

means any of those bodies which are listed in section 270 of the Local Government Act 1972 or in section 21(1) of the Local Government and Housing Act 1989.

long-term care insurance contract

has the meaning given in Part II of Schedule 1 to the *Regulated Activities Order*.

long-term insurance contract

has the meaning given in Part II of Schedule 1 to the *Regulated Activities Order*.

LPC

means a Legal Practice Course, namely, a course, the satisfactory completion of which is recognised by **us** as satisfying, in part, the vocational stage of training.

LSA

means the Legal Services Act 2007.

manager

means:

- (i) a member of an **LLP**;
- (ii) a **director** of a **company**;
- (iii) a **partner** in a **partnership**; or
- (iv) in relation to any other body, a member of its governing body.

manager (overseas)

means:

- (i) a member of an **LLP**;
- (ii) a director of a company;
- (iii) a **partner** in a **partnership**; or
- (iv) in relation to any other body, a member of its governing body.

market making

means where a **firm** holds itself out as willing, as principal, to buy, sell or subscribe for **investments** of the kind to which the **transaction** relates at prices determined by the **firm** generally and continuously rather than in respect of each particular **transaction**.

master policy

means a policy referred to in Rule 5 of the *SRA Indemnity Rules*.

master policy insurer

means an insurer under a *master policy*.

material interest

has the meaning given to it in Schedule 13 to the *LSA*; and a person holds a "material interest" in a body ("B"), if that person:

- (i) holds at least 10% of the shares in B;
- (ii) is able to exercise significant influence over the management of B by virtue of the person's shareholding in B;
- (iii) holds at least 10% of the shares in a parent undertaking ("P") of B;
- (iv) is able to exercise significant influence over the management of P by virtue of the person's shareholding in P;
- (v) is entitled to exercise, or control the exercise of, voting power in B which, if it consists of *voting rights*, constitutes at least 10% of the *voting rights* in B;
- (vi) is able to exercise significant influence over the management of B by virtue of the person's entitlement to exercise, or control the exercise of, *voting rights* in B;
- (vii) is entitled to exercise, or control the exercise of, voting power in P which, if it consists of *voting rights*, constitutes at least 10% of the *voting rights* in P; or
- (viii) is able to exercise significant influence over the management of P by virtue of the person's entitlement to exercise, or control the exercise of, *voting rights* in P;

and for the purpose of this definition, "person" means:

- (i) the *person*,
- (ii) any of the *person's* associates, or
- (iii) the *person* and any of the *person's* associates taken together;

and "parent undertaking" and "voting power" are to be construed in accordance with paragraphs 3 and 5 of Schedule 13 to the *LSA*.

MCD

means the Mortgage Credit Directive - Directive 2014/17/EU on credit agreements for consumers relating to residential immovable property.

MCD credit agreement

has the meaning given in the *FCA* Handbook.

MDP

means a **licensed body** which is a multi-disciplinary practice providing a range of different services, only some of which are regulated by the **SRA**.

member

- (i) means:
 - (A) in relation to a **company**, a **person** who has agreed to be a member of the **company** and whose name is entered in the **company's** register of members; and
 - (B) in relation to an **LLP**, a member of that **LLP**; save that
- (ii) for the purposes of the **SRA Indemnity Rules**, means a member of a practice, being:
 - (A) any principal (including any **principal**) therein;
 - (B) any **director** or officer thereof, in the case of a **recognised body** or a **licensed body** which is a **company**;
 - (C) any member thereof in the case of a **recognised body** or a **licensed body** which is an **LLP**;
 - (D) any **recognised body** or a **licensed body** which is a **partner** or held out to be a **partner** therein and any officer of such **recognised body** or a **licensed body** which is a **company**, or any member of such **recognised body** or a **licensed body** which is an **LLP**;
 - (E) any person employed in connection therewith (including any **trainee solicitor**);
 - (F) any **solicitor** or **REL** who is a consultant to or associate in the practice;
 - (G) any **foreign lawyer** who is not an **REL** and who is a consultant or associate in the practice; and
 - (H) any **solicitor** or **foreign lawyer** who is working in the practice as an agent or locum tenens, whether he or she is so working under a contract of service or contract for services;

and includes the estate and/or personal representative(s) of any such persons.

members of the public

for the purposes of Chapter 8 of the **SRA Code of Conduct**, does not include:

- (i) a current or former **client**;
- (ii) another **firm** or its **manager**;

- (iii) an existing or potential professional or business connection; or
- (iv) a commercial organisation or public body.

mixed payment

has the meaning given in Rule 18.1 of the **SRA Accounts Rules**.

MTC

means the minimum terms and conditions with which a **policy of qualifying insurance** is required by the **SRA Indemnity Insurance Rules** to comply, a copy of which is annexed as Appendix 1 to those Rules.

non-lawyer

means:

- (i) an individual who is not a **lawyer** practising as such; or
- (ii) a **body corporate** or **partnership** which is not:
 - (A) an **authorised body**;
 - (B) an **authorised non-SRA firm**; or
 - (C) a business, carrying on the practice of **lawyers** from an office or offices outside England and Wales, in which a controlling majority of the **owners** and **managers** are **lawyers**;

save in Part 7 (Overseas) of the **SRA Accounts Rules** where the term “lawyer” is to be given its natural meaning.

non-mainstream regulated activity

means a **regulated activity** of a **firm** regulated by the **FCA** in relation to which the conditions in the Professional Firms' Sourcebook (5.2.1R) are satisfied.

non-registered European lawyer

means:

- (i) in the **SRA Indemnity Rules**, a member of a legal profession which is covered by the **Establishment Directive**, but who is not:
 - (A) a **solicitor, REL** or **RFL**,
 - (B) a barrister of England and Wales, Northern Ireland or the Irish Republic, or
 - (C) a Scottish advocate; and
- (ii) in the **SRA Financial Services (Scope) Rules**, a member of a profession covered by the **Establishment Directive** who is based entirely at an office

or offices outside England and Wales and who is not a solicitor, **REL** or **RFL**.

non-reserved legal activity

means a legal activity that falls within section 12(3)(b) of the **LSA**.

non-solicitor employer

means any **employer** other than a **recognised body**, **recognised sole practice**, **licensed body** or **authorised non-SRA firm**.

non-SRA firm

means a **sole practitioner**, **partnership**, **LLP** or **company** which is not authorised to practise by the **SRA**, and which is either:

- (i) authorised or capable of being authorised to practise by another **approved regulator**, or
- (ii) not capable of being authorised to practise by any **approved regulator**.

occupational pension scheme

means any scheme or arrangement which is comprised in one or more documents or agreements and which has, or is capable of having, effect in relation to one or more descriptions or categories of employment so as to provide benefits, in the form of pensions or otherwise, payable on termination of service, or on death or retirement, to or in respect of earners with qualifying service in an employment of any such description or category.

office account

means an account of the **firm** for holding **office money** and/or **out-of-scope money**, or other means of holding **office money** or **out-of-scope money** (for example, the office cash box or an account holding money regulated by a regulator other than the **SRA**).

office money

has the meaning given in Rule 12 of the **SRA Accounts Rules**.

office money (overseas)

means money which belongs to you or your **overseas practice**. This includes money held or received in respect of:

- (i) the running of your **overseas practice**, for example sales tax on your practice's **fees**;
- (ii) **fees** due to you or your **overseas practice** against a bill or written notification of **costs** incurred which has been delivered to the **client** or paying party; and

- (iii) **disbursements** already paid by you or your **overseas practice**;
- (iv) **disbursements** incurred but not yet paid by you or your **overseas practice**, but excluding unpaid **professional disbursements**.

opt-out

means a **transaction** resulting from a decision by an individual to opt-out of or decline to join a final salary or money-purchase **occupational pension scheme** of which he or she is a current member, or which he or she is, or at the end of a waiting period will become, eligible to join, in favour of an **individual pension contract** or contracts.

out-of-scope money

means money held or received by an **MDP** in relation to activities that are not **regulated activities**.

overseas

means outside England and Wales.

overseas practice

- (i) means:
 - (A) a branch office of an **authorised body**;
 - (B) a **subsidiary company** of an **authorised body**;
 - (C) a subsidiary undertaking, within the meaning of section 1162 of the Companies Act 2006, of an **authorised body**;
 - (D) an entity whose business, management or ownership are otherwise in fact or law controlled by an **authorised body**;
 - (E) an individual acting as a representative (whether as an employee or agent) of an **authorised body**, or
 - (F) a sole principal whose business, management or ownership are otherwise in fact or law controlled by an **authorised body**,

established outside England and Wales and providing legal services; and

- (ii) in the **SRA Indemnity Rules** means a **practice** carried on wholly from an **overseas** office or offices, including a **practice** deemed to be a **separate practice** by virtue of paragraph (ii) of the definition of **separate practice**.

own interest conflict

for the purpose of Chapter 3 of the **SRA Code of Conduct**, means any situation where your duty to act in the best interests of any **client** in relation to a matter conflicts, or there is a significant risk that it may conflict, with your own interests in relation to that or a related matter.

owner

means, in relation to a body, a **person** with any interest in the body, save that:

- (i) in the **SRA Authorisation Rules**, the **SRA Practice Framework Rules** and the **SRA Practising Regulations** owner means any **person** who holds a **material interest** in an **authorised body**, and in the case of a **partnership**, any **partner** regardless of whether they hold a **material interest** in the **partnership**; and
- (ii) for the purposes of the **SRA Principles** and the **SRA Code of Conduct** means a **person** who holds a **material interest** in the body; and
- (iii) for the purposes of the **SRA Suitability Test** includes owners who have no active role in the running of the business as well as owners who do,

and “own” and “owned by” shall be construed accordingly.

panel solicitors

means any solicitors appointed by the Solicitors Indemnity Fund in accordance with Rule 14.15 of the **SRA Indemnity Rules**.

participating insurer

means an **authorised insurer** which has entered into a **participating insurer's agreement** with the **Society** which remains in force for the purposes of underwriting new business at the date on which the relevant contract of **qualifying insurance** is made.

participating insurer's agreement

means an agreement in such terms as the **Society** may prescribe setting out the terms and conditions on which a **participating insurer** may provide professional indemnity insurance to **solicitors** and others in **private practice** in England and Wales.

partner

means a **person** who is or is held out as a partner in a **partnership**.

partnership

means a body that is not a **body corporate** in which **persons** are, or are held out as, **partners**, save that in the **MTC** means an unincorporated **insured firm** in which **persons** are or are held out as **partners** and does not include an **insured firm** incorporated as an **LLP**.

part-time

in relation to a **period of recognised training** means working fewer than 32 hours a week.

pawn

means any article subject to a ***pledge***.

pawnee

means a person who takes any article in ***pawn*** and includes any person to whom the rights and duties of the original ***pawnee*** have passed by assignment or operation of law.

payment

includes any form of consideration whether any benefit is received by you or by a third party (but does not include the provision of hospitality that is reasonable in the circumstances) and "pay" and "paid" shall be construed accordingly.

pension contract

means a right to benefits obtained by the making of contributions to an ***occupational pension scheme*** or to a ***personal pension scheme***, where the contributions are paid to a ***regulated collective investment scheme***.

pension policy

means a right to benefits obtained by the making of contributions to an ***occupational pension scheme*** or to a ***personal pension scheme***, where the contributions are paid to a ***life office***.

pension transfer

means a ***transaction*** resulting from a decision by an individual to transfer deferred benefits from a final salary ***occupational pension scheme***, or from a money-purchase ***occupational pension scheme***, in favour of an ***individual pension contract*** or contracts.

PEP

means a personal equity plan within the Personal Equity Plan Regulations 1989.

period of insurance

means the period for which the insurance operates.

person

includes a body of persons (corporate or unincorporated).

person under investigation

means a ***person*** subject to a ***discipline investigation***.

person who has an interest in a licensed body

means a **person** who has an interest or an indirect interest in a **licensed body** as defined by sections 72(3) and (5) of the **LSA**.

person who lacks capacity under Part 1 of the Mental Capacity Act 2005

includes a "patient" as defined by section 94 of the Mental Health Act 1983 and a person made the subject of emergency powers under that Act, and equivalents in other **Establishment Directive states**.

personal pension scheme

means any scheme or arrangement which is not an **occupational pension scheme** or a **stakeholder pension scheme** and which is comprised in one or more instruments or agreements, having or capable of having effect so as to provide benefits to or in respect of people on retirement, or on having reached a particular age, or on termination of service in an employment.

personal recommendation

means a recommendation that is presented as suitable for the person to whom it is made, or is based on a consideration of the circumstances of that person.

plan provider

has the meaning given by article 63B(3) of the **Regulated Activities Order** read with paragraphs (7) and (8) of that article.

pledge

means a **pawnee's** rights over an article taken in **pawn**.

policy

means a contract of professional indemnity insurance made between one or more **persons**, each of which is a **participating insurer**, and a **firm**.

policy default

- (i) means in the **SRA Indemnity Insurance Rules** a failure on the part of a **firm** or any **principal** of that **firm**:
 - (A) to pay for more than two months after the due date for payment all or any part of the premium or any other sum due in respect of a **policy**; or
 - (B) to reimburse within two months a **participating insurer** in respect of any amount falling within a **firm's policy** excess which has been paid on an **insured's** behalf to a **claimant** by a **participating insurer**;
- (ii) for the purposes of this definition, the due date for payment means, in respect of any **policy** or any payment to be made under any **policy**:

- (A) the date on which such payment fell due under the terms of the **policy** or any related agreement or arrangement; or
- (B) if a **firm** was first required under the **SIIR** to effect such a **policy** prior to the date on which it did so, the date if earlier on which such payment would have fallen due had such **policy** been effected by the **firm** when it was first required to do so under the **SIIR**.

policy period

means the **period of insurance** in respect of which risks may attach under a **policy**, but excluding the **extended indemnity period** and the **cessation period**.

practice

means the activities, in that capacity, of:

- (i) a **solicitor**;
- (ii) an **REL**, from an office or offices within the **UK**;
- (iii) a member of an **Establishment Directive profession** registered with the **BSB** under the **Establishment Directive**, carried out from an office or offices in England and Wales;
- (iv) an **RFL**, from an office or offices within England and Wales, as:
 - (A) an **employee** of a **recognised sole practice**; or
 - (B) a **manager, employee, member** or **interest holder** of an **authorised body** or a **manager, employee** or owner of an **authorised non-SRA firm**;
- (v) an **authorised body**;
- (vi) a **manager** of an **authorised body**;
- (vii) a person employed in England and Wales by an **authorised body**;
- (viii) a **lawyer of England and Wales**; or
- (ix) an **authorised non-SRA firm**;

and "practise" and "practising" should be construed accordingly; save for in:

- (i) the **SRA Indemnity Insurance Rules** where "practice" means the whole or such part of the **private practice** of a **firm** as is carried on from one or more offices in England and Wales;
- (ii) the **SRA Indemnity Rules** where it means a practice to the extent that:
 - (A) in relation to a **licensed body**, it carries on **regulated activities**;
 - and

(B) in all other cases, it carries on **private practice** providing professional services as a sole **solicitor** or **REL** or as a **partnership** of a type referred to in Rule 6.1(d) to 6.1(f) and consisting of or including one or more **solicitors** and/or **RELS**, and shall include the business or practice carried on by a **recognised body** in the providing of professional services such as are provided by individuals practising in **private practice** as **solicitors** and/or **RELS** or by such individuals in **partnership** with **RFLs**, whether such practice is carried on by the **recognised body** alone or in **partnership** with one or more **solicitors**, **RELS** and/or other **recognised bodies**; and

(iii) in the **SRA Overseas Rules** where it shall be given its natural meaning.

practice from an office

includes **practice** carried on:

- (i) from an office at which you are based; or
- (ii) from an office of a **firm** in which you are the **sole practitioner**, or a **manager**, or in which you have an ownership interest, even if you are not based there,

save that for the purposes of Part 7 (Overseas) of the **SRA Accounts Rules** the term "practice" is to be given its natural meaning, and references to "firm" and "manager" are to be read as references to "**firm (overseas)**" and to "**manager (overseas)**";

and "practising from an office" and "practises from an office" should be construed accordingly.

practice of a lawyer of a CCBE state

means the activities of a **lawyer** of a **CCBE state** in that capacity.

Practice Skills Standards

means the standards published by **us** which set out the practice skills **trainees** will develop during the **period of recognised training** and use when qualified.

practising address

means, in relation to an **authorised body**, an address from which the body provides services consisting of or including the carrying on of activities which it is authorised to carry on.

practising overseas

means the conduct of a practice:

- (i) of an overseas practice;

- (ii) of a manager, member or owner of an overseas practice in that capacity;
- (iii) of a solicitor **established** outside England and Wales for the purpose of providing legal services in an overseas jurisdiction; and
- (iv) of an REL **established** in Scotland or Northern Ireland for the purpose of providing legal services in those jurisdictions.

preceding qualifying insurance

means, in the case of any **firm** or person who makes an **expired run-off claim**, the policy of **qualifying insurance** which previously provided run-off cover in respect of that **firm** or person, or which was required to provide such cover, or (in the case of a firm in default or a run-off firm) arrangements to provide such run-off cover through the **ARP**.

pre-contract deposit

means the aggregate of all payments which constitute pre-contract deposits from a **buyer** in relation to the proposed sale of a **property**.

prescribed

means prescribed by the **SRA** from time to time.

previous practice

means any **practice** which shall have ceased to exist as such for whatever reason, including by reason of:

- (i) any death, retirement or addition of **principals**; or
- (ii) any split or cession of the whole or part of its practice to another without any change of **principals**.

previous regulations

in the **SRA Higher Rights of Audience Regulations** means either the Higher Courts Qualification Regulations 1992, the Higher Courts Qualification Regulations 1998, or the Higher Courts Qualification Regulations 2000, or the Solicitors Higher Rights of Audience Regulations 2010.

principal

- (i) subject to paragraphs (ii) to (iv) means:
 - (A) a **sole practitioner**;
 - (B) a **partner** in a **partnership**;
 - (C) in the case of a **recognised body** which is an **LLP** or **company**, the **recognised body** itself;

- (D) in the case of a **licensed body** which is an **LLP** or **company**, the **licensed body** itself;
 - (E) the principal **solicitor** or **REL** (or any one of them) employed by a **non-solicitor employer** (for example, in a law centre or in commerce and industry); or
 - (F) in relation to any other body, a member of its governing body;
- (ii) in the **SRA Authorisation Rules**, **SRA Practice Framework Rules** and **SRA Practising Regulations**, means a **sole practitioner** or a **partner** in a **partnership**;
- (iii) in the **SRA Indemnity Insurance Rules** means:
- (A) where the **firm** is or was:
 - (I) a **sole practitioner** – that practitioner;
 - (II) a **partnership** – each **partner**;
 - (III) a **company** with a share capital – each **director** of that **company** and any **person** who:
 - (01) is held out as a **director**; or
 - (02) beneficially owns the whole or any part of a share in the **company**; or
 - (03) is the ultimate beneficial owner of the whole or any part of a share in the **company**;
 - (IV) a **company** without a share capital – each **director** of that **company** and any **person** who:
 - (01) is held out as a **director**; or
 - (02) is a **member** of the **company**; or
 - (03) is the ultimate owner of the whole or any part of a **body corporate** or other legal person which is a **member** of the **company**;
 - (V) an **LLP** – each **member** of that **LLP**, and any **person** who is the ultimate owner of the whole or any part of a **body corporate** or other legal person which is a **member** of the **LLP**;
 - (B) where a **body corporate** or other legal person is a **partner** in the **firm**, any **person** who is within paragraph (A)(III) of this definition (including sub-paragraphs (01) and (03) thereof), paragraph (A)(IV) of this definition (including sub-paragraphs (01) and (03) thereof), or paragraph (A)(V) of this definition;

- (iv) in the **SRA Indemnity Rules**, means:
- (A) a **solicitor** who is a **partner** or a sole **solicitor** within the meaning of section 87 of the **SA**, or an **REL** who is a **partner**, or who is a sole practitioner, or an **RFL** or **non-registered European lawyer** who is a **partner**, and includes any **solicitor**, **REL**, **RFL** or **non-registered European lawyer** held out as a principal; and
- (B) additionally in relation to a **practice** carried on by a **recognised body** or a **licensed body** alone, or a **practice** in which a **recognised body** or a **licensed body** is or is held out to be a **partner**:
- (I) a **solicitor**, **REL**, **RFL** or **non-registered European lawyer** (and in the case of a **licensed body** any other person) who:
- (01) beneficially owns the whole or any part of a share in such **recognised body** or **licensed body** (in each case, where it is a **company** with a share capital); or
- (02) is a member of such **recognised body** or **licensed body** (in each case, where it is a **company** without a share capital or an **LLP** or a **partnership** with legal personality); or
- (II) a **solicitor**, **REL**, **RFL** or **non-registered European lawyer** (and in the case of a **licensed body** any other person) who is:
- (01) the ultimate beneficial owner of the whole or any part of a share in such **recognised body** or **licensed body** (in each case, where the **recognised body** or **licensed body** is a **company** with a share capital); or
- (02) the ultimate owner of a member or any part of a member of such **recognised body** or **licensed body** (in each case, where the **recognised body** or **licensed body** is a **company** without a share capital or an **LLP** or a **partnership** with legal personality).

prior practice

means each **practice** to which the **insured firm's practice** is ultimately a **successor practice** by way of one or more mergers, acquisitions, absorptions or other transitions, but does not include any such **practice** which has elected to be insured under run-off cover in accordance with clause 5.6(a) of the **MTC**.

private legal practice

means the provision of services in **private practice** as a **solicitor** or **REL** including, without limitation:

- (i) providing such services in England, Wales or anywhere in the world, whether alone or with other lawyers in a **partnership** permitted to practise in England and Wales by Rule 12 of the Solicitors' Code of Conduct 2007 or by the **SRA Practice Framework Rules**, a **recognised body** or a **licensed body** (in respect of its **regulated activities**); and
- (ii) the provision of such services as a secondee of the **insured firm**; and
- (iii) any **insured** acting as a personal representative, **trustee**, attorney, notary, insolvency practitioner or in any other role in conjunction with a **practice**; and
- (iv) the provision of such services by any **employee**; and
- (v) the provision of such services pro bono publico;

but does not include:

- (vi) practising as an **employee** of an employer other than a **solicitor**, an **REL**, a **partnership** permitted to practise in England and Wales by Rule 12 of the Solicitors' Code of Conduct 2007 or by the **SRA Practice Framework Rules**, a **recognised body** or a **licensed body** (in respect of its **regulated activities**); or
- (vii) discharging the functions of any of the following offices or appointments:
 - (A) judicial office;
 - (B) Under Sheriffs;
 - (C) members and clerks of such tribunals, committees, panels and boards as the **Council** may from time to time designate but including those subject to the Tribunals and Inquiries Act 1992, the Competition Commission, Legal Services Commission Review Panels, Legal Aid Agency Review Panels and Parole Boards;
 - (D) Justices' Clerks; or
 - (E) Superintendent Registrars and Deputy Superintendent Registrars of Births, Marriages and Deaths and Registrars of Local Crematoria.

private loan

means a loan other than one provided by an institution which provides loans on standard terms in the normal course of its activities.

private practice

- (i) for the purposes of the **SRA Indemnity Insurance Rules**:

- (A) in relation to a **firm** which is a **licensed body** means its **regulated activities**; and
- (B) subject to paragraph (A) of this definition, in relation to all **firms** includes without limitation all the professional services provided by the **firm** including acting as a personal representative, trustee, attorney, notary, insolvency practitioner or in any other role in conjunction with a **practice**, and includes services provided pro bono publico,

but does not include:

- (C) **practice** carried on by a **solicitor** or **REL** in the course of employment with an employer other than a **firm**; or
- (D) **practice** carried on through a **non-SRA firm** or by an **REL** through an **Exempt European Practice**; or
- (E) discharging the functions of any of the following offices or appointments:
 - (I) judicial office;
 - (II) Under Sheriffs;
 - (III) members and clerks of such tribunals, committees, panels and boards as the **Council** may from time to time designate but including those subject to the Tribunals and Inquiries Act 1992, the Competition Commission, Legal Services Commission Review Panels, Legal Aid Agency Review Panels and Parole Boards;
 - (IV) Justices' Clerks;
 - (V) Superintendent Registrars and Deputy Superintendent Registrars of Births, Marriages and Deaths and Registrars of Local Crematoria; or
 - (VI) such other offices as the **Council** may from time to time designate;
- (F) **practice** consisting only of providing professional services without remuneration for friends, relatives, or to companies wholly owned by the **solicitor** or **REL's** family, or registered charities; or
- (G) in respect of a sole **solicitor** or a sole **REL**, **practice** consisting only of:
 - (I) providing professional services without remuneration for friends, relatives, or to companies wholly owned by the **solicitor** or **REL's** family, or registered charities; and/or

- (II) administering oaths and statutory declarations; and/or
 - (III) activities which could constitute **practice** but are done in the course of discharging the functions of any of the offices or appointments listed in paragraphs (E)(I) to (VI) above.
- (ii) for the purposes of the **SRA Indemnity Rules** “private practice” shall be deemed to include:
- (A) the acceptance and performance of obligations as trustees; and
 - (B) notarial practice where a solicitor notary operates such notarial practice in conjunction with a solicitor's practice, whether or not the notarial fees accrue to the benefit of the solicitor's practice;

but does not include:

- (C) practice to the extent that any fees or other income accruing do not accrue to the benefit of the **practice** carrying on such practice (except as provided by paragraph (B) in this definition);
- (D) practice by a **solicitor** or **REL** in the course of his or her employment with an employer other than a **solicitor, REL, recognised body, licensed body** or **partnership** such as is referred to in Rule 6.1(d) to 6.1(f); in which connection and for the avoidance of doubt:
 - (I) any such **solicitor** or **REL** does not carry on private practice when he or she acts in the course of his or her employment for persons other than his or her employer;
 - (II) any such **solicitor** or **REL** does not carry on private practice merely because he or she uses in the course of his or her employment a style of stationery or description which appears to hold him or her out as a **principal** or **solicitor** or **foreign lawyer** in private practice; or
 - (III) any practice carried on by such a **solicitor** outside the course of his or her employment will constitute private practice;
- (E) discharging the functions of the following offices:
 - (I) judicial office;
 - (II) Under Sheriffs;
 - (III) members and clerks of such tribunals, committees, panels and boards as the **Council** may from time to time designate but including those subject to the Tribunals and Inquiries Act 1992, the Competition Commission, Legal Services Commission Review Panels and Parole Boards;

- (IV) Justices' Clerks;
- (V) Superintendent Registrars and Deputy Superintendent Registrars of Births, Marriages and Deaths and Registrars of Local Crematoria;
- (VI) such other offices as the **Council** may from time to time designate.

professional activity

means a professional activity which is regulated by the **SRA**.

professional contact

means professional contact which is regulated by the **SRA**.

professional disbursement

means, in respect of those activities for which the practice is regulated by the **SRA**, the fees of counsel or other **lawyer**, or of a professional or other agent or expert instructed by **you**, including the fees of interpreters, translators, process servers, surveyors and estate agents but not travel agents' charges.

professional principles

are as set out in section 1(3) of the **LSA**:

- (i) that authorised persons should act with independence and integrity;
- (ii) that authorised persons should maintain proper standards of work;
- (iii) that authorised persons should act in the best interests of their **clients**;
- (iv) that persons who exercise before any **court** a right of audience, or conduct litigation in relation to proceedings in any **court**, by virtue of being authorised persons should comply with their duty to the **court** to act with independence in the interests of justice; and
- (v) that the affairs of **clients** should be kept confidential,

and in this definition "authorised persons" has the meaning set out in section 18 of the **LSA**.

professional services

means, for the purposes of the **SRA Financial Services (Scope) Rules**, services provided by a **firm** in the course of its **practice** and which do not constitute carrying on a **regulated activity**.

prohibited referral fee

means

- (i) a **payment** prohibited by section 56 of **LASPO**; or
- (ii) a **payment** made to or by you which appears to the **SRA** to be a referral fee for the purposes of section 57(7) of **LASPO**, unless you show that the **payment** was made as consideration for the provision of services or for another reason and not as a referral fee.

property

includes an interest in property.

property selling

means things done by any person in the course of a business (including a business in which they are **employed**) pursuant to instructions received from another person (in this definition referred to as the "**client**") who wishes to dispose of or acquire an interest in land:

- (i) for the purpose of, or with a view to, effecting the introduction to the **client** of a third person who wishes to acquire or, as the case may be, dispose of such an interest; and
- (ii) after such an introduction has been effected in the course of that business, for the purpose of securing the disposal or, as the case may be, the acquisition of that interest.

provisional accreditation

means accreditation to conduct **criminal advocacy** under the **SRA QASA Regulations** but which requires further steps to be taken to obtain **full accreditation**, and references to "provisionally accredited" should be construed accordingly.

PSC

means the Professional Skills Course, namely, a course normally completed during the training contract, building upon the **LPC**, providing training in Financial and Business Skills, Advocacy and Communication Skills, and Client Care and Professional Standards. Satisfactory completion of the PSC is recognised by **us** as satisfying, in part, the vocational stage of training.

publicity

includes all promotional material and activity, including the name or description of your **firm**, stationery, advertisements, brochures, websites, directory entries, media appearances, promotional press releases, and direct approaches to potential **clients** and other **persons**, whether conducted in person, in writing, or in electronic form, but does not include press releases prepared on behalf of a **client**.

pure protection contract

means:

- (i) a **long-term insurance contract**:
 - (A) under which the benefits are payable only in respect of death or of incapacity due to injury, sickness or infirmity;
 - (B) which has no surrender value or the consideration consists of a single premium and the surrender value does not exceed that premium; and
 - (C) which makes no provision for its conversion or extension in a manner which would result in its ceasing to comply with (A) or (B);
or
- (ii) a **reinsurance contract** covering all or part of a risk to which a **person** is exposed under a **long-term insurance contract**.

QASA

means the Quality Assurance Scheme for Advocates (Crime) developed by the Joint Advocacy Group and described in full in the QASA Handbook published from time to time and available at: <http://www.sra.org.uk>.

QLD

means a qualifying law degree, namely, a degree or qualification awarded by a body approved by the JASB for the purposes of completing the **academic stage of training**, following a course of study which includes:

- (i) the study of the **foundations of legal knowledge**; and
- (ii) the passing of appropriate assessments set in those foundations.

QLTR

means the Qualified Lawyers Transfer Regulations 1990 and 2009.

QLTSR

means the **SRA** Qualified Lawyers Transfer Scheme Regulations 2010 and 2011.

QLTS assessments

means the suite of assessments approved by **us** and provided by the **assessment organisation**.

QLTT

means the Qualified Lawyers Transfer Test, namely, the test which some lawyers are required to pass under the **QLTR**.

qualified lawyer

means either:

- (i) a lawyer whose qualification **we** have determined:
 - (A) gives the lawyer rights of audience;
 - (B) makes the lawyer an officer of the court in the **recognised jurisdiction**; and
 - (C) has been awarded as a result of a generalist (non-specialist) legal education and training; or
- (ii) any other lawyer to whom **we** determine Directive 2005/36/EC on the recognition of professional qualifications applies.

qualified to supervise

means a person complying with the requirements of Rule 12.2 of the **SRA Practice Framework Rules**.

qualifying insurance

means a **policy** that provides professional indemnity insurance cover in accordance with the **MTC** but only to the extent required by the **MTC**.

re-accreditation

means the process by which a **solicitor** or an **REL** demonstrates their competence and renews their **accreditation** under the **SRA QASA Regulations** at their existing level for a further five years.

recognised body

means a body recognised by the **SRA** under section 9 of the **AJA**.

recognised jurisdiction

means a jurisdiction where **we** have determined that:

- (i) to become a **qualified lawyer** applicants have completed specific education and training at a level that is at least equivalent to that of an English/Welsh H-Level (e.g. Bachelor's) degree;
- (ii) members of the **qualified lawyer's** profession are bound by an ethical code that requires them to act without conflicts of interest and to respect their client's interests and confidentiality; and
- (iii) members of the **qualified lawyer's** profession are subject to disciplinary sanctions for breach of their ethical code, including the removal of the right to practise, and

all European jurisdictions to which Directive 2005/36/EC on the recognition of professional qualifications apply are "recognised jurisdictions" for the purposes of the **QLTSR**.

recognised sole practice

means the *practice* of a sole *solicitor* or *REL* which is recognised by the *SRA* under section 9 of the *AJA*.

recognised sole practitioner

means a *solicitor* or *REL* authorised by the *SRA* under section 1B of the *SA* to practise as a *sole practitioner*.

recognised training

means training required under *SRA Training Regulations* Regulation 5.1, and “period of recognised training” and “recognise training” should be construed accordingly.

reconciled accounts

means that all elements of the accounting records of an *intervened practitioner's practice* are consistent with each other.

reconciled list

means a list of beneficial entitlements to *statutory trust monies* created from a set of *reconciled accounts*.

record of training

means a record created and maintained by a *trainee*, which contains details of the work he or she has performed, how the *trainee* has acquired, applied and developed his or her skills by reference to the *Practice Skills Standards* and the *Principles*, and the *trainee's* reflections on his or her performance and development plans, and is verified by the individual(s) supervising the *trainee*.

referral

includes any situation in which another person, business or organisation introduces or refers a *client* to your business, recommends your business to a *client* or otherwise puts you and a *client* in touch with each other.

register of European lawyers

means the register of European lawyers maintained by the *SRA* under regulation 15 of the European Communities (Lawyer's Practice) Regulations 2000 (SI 2000/1119).

register of foreign lawyers

means the register of foreign lawyers maintained by the *SRA* under the Courts and Legal Services Act 1990.

regular payment

has the meaning given in Rule 19 of the *SRA Accounts Rules*.

Regulated Activities Order

means the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.

regulated activity

means:

- (i) subject to sub-paragraph (ii) below:
 - (A) any **reserved legal activity**;
 - (B) any **non-reserved legal activity** except, in relation to an **MDP**, any such activity that is excluded on the terms of the licence;
 - (C) any other activity in respect of which a **licensed body** is regulated pursuant to Part 5 of the **LSA**; and
- (ii) in the **SRA Financial Services (Scope) Rules**, an activity which is specified in the **Regulated Activities Order**.

regulated collective investment scheme

means:

- (i) an investment company with variable capital;
- (ii) an authorised unit trust scheme as defined in section 237(3) of **FSMA**; or
- (iii) a scheme recognised under sections 264, 270 or 272 of **FSMA**.

regulated consumer hire agreement

has the meaning given by article 60N(3) of the **Regulated Activities Order**.

regulated credit agreement

has the meaning given by article 60B(3) of the **Regulated Activities Order**.

regulated home purchase plan

has the meaning given by article 63F(3) of the **Regulated Activities Order**.

regulated home reversion plan

has the meaning given by article 63B(3) of the **Regulated Activities Order**.

regulated individual

means:

- (i) a solicitor;
- (ii) an REL; and
- (iii) a manager, member or owner of an **overseas practice**.

regulated mortgage contract

has the meaning given by article 61(3) of the *Regulated Activities Order*.

regulated person

- (i) in the *SRA Indemnity Rules* has the meaning given in section 21 of the *LSA*;
- (ii) means, in the *SRA Disciplinary Procedure Rules*:
 - (A) a *solicitor*;
 - (B) an *REL*;
 - (C) an *RFL*;
 - (D) a *sole practitioner* in a *recognised sole practice*;
 - (E) a *recognised body*;
 - (F) a *manager* of a *recognised body*;
 - (G) a *licensed body*;
 - (H) a *manager* of a *licensed body*;
 - (I) an *employee* of, or in, an *authorised body*, a *solicitor*, or an *REL*;
or
 - (J) to the extent permitted by law, any person who has previously held a position or role described in (A) to (I) above;
- (iii) for the purposes of the *SRA Cost of Investigations Regulations* means the persons at paragraph (ii) (A) to (J) above and also includes a *person who has an interest in a licensed body* and, to the extent permitted by law, any person who has previously held an interest in a *licensed body*.

regulated sale and rent back agreement

has the meaning given by article 63J(3) of the *Regulated Activities Order*.

regulatory arrangements

has the meaning given to it by section 21 of the *LSA*, and includes all rules and regulations of the *SRA* in relation to the authorisation, practice, conduct, discipline and qualification of persons carrying on *legal activities* and the accounts rules and indemnification and compensation arrangements in relation to their practice.

regulatory objectives

has the meaning given to it by section 1 of the *LSA* and includes the objectives of protecting and promoting the public interest, supporting the constitutional principle of the rule of law, improving access to justice, protecting and promoting the interests of

consumers, promoting competition in the provision of **legal activities** by **authorised persons**, encouraging an independent, strong, diverse and effective legal profession, increasing public understanding of the citizen's legal rights and duties, and promoting and maintaining adherence to the **professional principles**.

reinsurance contract

means a **contract of insurance** covering all or part of a risk to which a **person** is exposed under a **contract of insurance**.

reinsurance distribution

has the meaning given in Article 2(1)(2) and Article 2(2) of the **IDD**.

REL

means registered European lawyer, namely, an individual registered with the **SRA** under regulation 17 of the European Communities (Lawyer's Practice) Regulations 2000 (SI 2000/ no.1119).

REL-controlled body

means an **authorised body** in which **RELS**, or **RELS** together with **lawyers of England and Wales** and/or European lawyers registered with the **BSB**, constitute the national group of lawyers with the largest (or equal largest) share of control of the body, either as individual **managers (overseas)** or by their share in the control of bodies which are **managers (overseas)**, and for this purpose **RELS** and European lawyers registered with the **BSB** belong to the national group of England and Wales.

related authorised body

means an **authorised body** which has a **manager, owner** or **sole practitioner** in common with another **authorised body**.

related body

in relation to **in-house practice** means a body standing in relation to your **employer** as specified in Rule 4.7(a) to (d) or 4.15(c) of the **SRA Practice Framework Rules**.

relevant claim

means a claim made on or after 1 September 2000 against a **relevant successor practice**.

relevant indemnity period

in relation to **contributions** or indemnity means that **indemnity period** in respect of which such **contributions** are payable or such indemnity is to be provided in accordance with the **SRA Indemnity Rules**.

relevant insolvency event

occurs in relation to a body if:

- (i) a resolution for a voluntary winding up of the body is passed without a declaration of solvency under section 89 of the Insolvency Act 1986;
- (ii) the body enters administration within the meaning of paragraph 1(2)(b) of Schedule B1 to that Act;
- (iii) an administrative receiver within the meaning of section 251 of that Act is appointed;
- (iv) a meeting of creditors is held in relation to the body under section 95 of that Act (creditors' meeting which has the effect of converting a **members'** voluntary winding up into a creditors' voluntary winding up);
- (v) an order for the winding up of the body is made;
- (vi) all of the **managers** in a body which is unincorporated have been adjudicated bankrupt; or
- (vii) the body is an overseas company or a **societas Europaea** registered outside England, Wales, Scotland and Northern Ireland and the body is subject to an event in its country of incorporation analogous to an event as set out in paragraphs (i) to (vi) above.

relevant licensed body

means a **licensed body** other than:

- (i) an unlimited company, or an **overseas** company whose members' liability for the company's debts is not limited by its constitution or by the law of its country of incorporation; or
- (ii) a nominee company only, holding **assets** for clients of another **practice**; and
 - (A) it can act only as agent for the other **practice**; and
 - (B) all the individuals who are **principals** of the **licensed body** are also **principals** of the other **practice**; and
 - (C) any fee or other income arising out of the **licensed body** accrues to the benefit of the other **practice**; or
- (iii) a **partnership** in which none of the **partners** is a limited company, an **LLP** or a legal person whose **members** have limited liability.

relevant recognised body

means a **recognised body** other than:

- (i) an unlimited company, or an **overseas** company whose members' liability for the company's debts is not limited by its constitution or by the law of its country of incorporation; or
- (ii) a nominee company only, holding **assets** for clients of another **practice**; and
 - (A) it can act only as agent for the other **practice**; and
 - (B) all the individuals who are **principals** of the **recognised body** are also **principals** of the other **practice**; and
 - (C) any fee or other income arising out of the **recognised body** accrues to the benefit of the other **practice**; or
- (iii) a **partnership** in which none of the **partners** is a limited company, an **LLP** or a legal person whose **members** have limited liability; or
- (iv) a **sole practitioner** that is a **recognised body**.

relevant successor practice

means in respect of a **previous practice**, a **successor practice** or a "successor practice" (as defined in Appendix 1 to the **SIIR**) (as may be applicable) against which a **relevant claim** is made.

relevant work-based experience

means experience which an **authorised training provider** may recognise as satisfying up to six months of the period of **recognised training**, and which:

- (i) has been gained in the preceding three years;
- (ii) was in English and Welsh law and practice and in one or more areas of law;
- (iii) enabled the acquisition of one or more of the **Practice Skills Standards** and/or the **Principles**; and
- (iv) was adequately supervised and appraised.

remuneration

means any commission, fee, charge or other payment, including an economic benefit of any kind or any other financial or non-financial advantage or incentive offered or given in respect of **insurance distribution activities** and references to "remunerate" and "remunerated" shall be construed accordingly.

representative

in the **SRA Compensation Fund Rules**, means the personal representative of a deceased **defaulting practitioner**; the **trustee** of a bankrupt **defaulting practitioner**; the administrator of an insolvent **defaulting practitioner**, or other duly appointed representative of a **defaulting practitioner**.

reserved legal activity

has the meaning given in section 12 of the **LSA**, and includes the exercise of a right of audience, the conduct of litigation, reserved instrument activities, probate activities, notarial activities and the administration of oaths, as defined in Schedule 2 to the **LSA**.

reserved work

means activities which **persons** are authorised by the **SRA** to carry out, or prohibited from carrying out, under the **SRA Practice Framework Rules**.

responsible authorised body

in respect of an **overseas practice** means the **authorised body** referred to in whichever of paragraph (i)(A) to (F) of the definition of "overseas practice" is applicable to that practice.

retail investment product

has the meaning given in the Financial Conduct Authority Handbook.

reversion seller

has the meaning given by article 63B(3) of the **Regulated Activities Order**.

revocation

in relation to a practising certificate or registration under the **SRA Practising Regulations** includes withdrawal of a practising certificate or registration for the purposes of the **SA** and cancellation of registration for the purposes of Schedule 14 to the Courts and Legal Services Act 1990.

RFL

means registered foreign lawyer, namely, an individual registered with the **SRA** under section 89 of the Courts and Legal Services Act 1990.

running account credit

means a facility under a **credit agreement** under which the borrower or another person is enabled to receive from time to time from the lender, or a third party, cash, goods or services to an amount or value such that, taking into account payments made by or to the credit of the borrower, the credit limit (if any) is not at any time exceeded.

SA

means the Solicitors Act 1974.

secondment

means the temporary transfer of a **trainee** to an organisation other than his or her **authorised training provider**, the **authorised training provider** remaining

responsible for ensuring that the requirements of the **SRA Training Regulations** are met.

section 43 investigation

means an investigation by the **SRA** as to whether there are grounds for the **SRA**:

- (i) to make an order under section 43(2) of the **SA**; or
- (ii) to make an application to the **Tribunal** for it to make such an order.

security

has the meaning given by article 3(1) of the **Regulated Activities Order** but does not include an **investment** which falls within the definition of a packaged product.

separate business

means a business, wherever situated, which you **own**, are **owned by, actively participate in** or are **connected with** and which is not any of the following:

- (i) an **authorised body**, an **authorised non-SRA firm**, or an **overseas practice**; or
- (ii) an **in-house practice** or practice overseas which is permitted by the **SRA Practice Framework Rules**.

separate designated client account

has the meaning given in Rule 13.5(a) of the **SRA Accounts Rules**.

separate practice

means:

- (i) a **practice** in which the number and identity of the **principals** is not the same as the number and identity of the **principals** in any other **practice**. When the same **principals** in number and identity carry on **practice** under more than one name or style, there is only one **practice**;
- (ii) in the case of a **practice** of which more than 25% of the **principals** are **foreign lawyers**, any **overseas** offices shall be deemed to form a separate practice from the offices in England and Wales;
- (iii) in the case of an **overseas** office of a **practice**, the fact that a **principal** or a limited number of **principals** represent all the **principals** in the **practice** on a local basis shall not of itself cause that **overseas** office to be a separate practice provided that any fee or other income arising out of that office accrues to the benefit of the **practice**; and
- (iv) in the case of a **recognised body** or **licensed body** the fact that all of the shares in the **recognised body** or **licensed body** (as the case may be) are beneficially owned by only some of the **principals** in another **practice**, shall

not, of itself, cause such a **recognised body** or **licensed body** (as the case may be) to be a separate practice provided that any fee or other income arising out of the **recognised body** or **licensed body** accrues to the benefit of that other **practice**.

shareowner

means:

- (i) a **member** of a company with a share capital, who owns a share in the body; or
- (ii) a **person** who is not a **member** of a company with a share capital, but owns a share in the body, which is held by a **member** as nominee.

SIF

means the Solicitors Indemnity Fund.

SIIR

means the Solicitors' Indemnity Insurance Rules 2000 to 2010, the SRA Indemnity Insurance Rules 2011 to 2012 or the **SRA Indemnity Insurance Rules** or any rules subsequent thereto.

societas Europaea

means a European public limited liability company within the meaning of Article 1 of Council Regulation 2157/2001/EC.

Society

means the Law Society, in accordance with section 87 of the **SA**.

sole practitioner

means a **solicitor** or an **REL practising** as a sole principal in a **practice** (other than an incorporated **practice**) and does not include a **solicitor** or an **REL practising in-house**, save for the purposes of:

- (i) the **SRA Accounts Rules** and **SRA Indemnity Insurance Rules** where references to "practising" are to be given their natural meaning; and
- (ii) the **SRA Authorisation Rules** where it includes (as the context may require) a **solicitor** or **REL** intending to **practise** as a sole principal in a **practice** (other than incorporated **practice**).

solicitor

means a person who has been admitted as a solicitor of the Senior Courts of England and Wales and whose name is on the roll kept by the **Society** under section 6 of the **SA**, save that in the **SRA Indemnity Insurance Rules** includes a person who practises as a solicitor whether or not he or she has in force a practising

certificate, and also includes practice under home title of a former **REL** who has become a solicitor.

SRA

means the Solicitors Regulation Authority, and reference to the SRA as an **approved regulator** or **licensing authority** means the SRA carrying out regulatory functions assigned to the **Society** as an **approved regulator** or **licensing authority**.

SRA Accounts Rules

means the SRA Accounts Rules 2011.

SRA Admission Regulations

means the SRA Admission Regulations 2011.

SRA Authorisation Rules

means the SRA Authorisation Rules 2011.

SRA Code of Conduct

means the SRA Code of Conduct 2011.

SRA Compensation Fund Rules

means the SRA Compensation Fund Rules 2011.

SRA Cost of Investigations Regulations

means the SRA Cost of Investigations Regulations 2011.

SRA Disciplinary Procedure Rules

means the SRA Disciplinary Procedure Rules 2011.

SRA European Cross-border Practice Rules

means the SRA European Cross-border Practice Rules 2011.

SRA Financial Services (Scope) Rules

means the SRA Financial Services (Scope) Rules 2001.

SRA finding

means:

- (i) for the purposes of the **SRA Disciplinary Procedure Rules**, a decision that the **SRA** is satisfied:

- (A) that a **regulated person** (which for the avoidance of doubt, shall include a **solicitor**) has failed to comply with a requirement imposed by or made under the **SA**, the **AJA** or the **LSA**;
- (B) in relation to a **solicitor**, that there has been professional misconduct; or
- (C) that a **HOLP, HOFA, manager, employee, person who has an interest in a licensed body**, or any other person has (intentionally or through neglect) caused or substantially contributed to a significant breach of the terms of the **licensed body's** licence, or has failed to comply with duties imposed by section 90, 91, 92 or 176 of the **LSA** as appropriate,

and for the avoidance of doubt does not include:

- (D) investigatory decisions such as to require the production of information or **documents**;
- (E) directions as to the provision or obtaining of further information or explanation;
- (F) decisions to stay or adjourn;
- (G) authorisation of the making of an application to the **Tribunal**;
- (H) authorisation of an **intervention** pursuant to the **SA**, the **AJA**, the Courts and Legal Services Act 1990 or Schedule 14 to the **LSA**;
- (I) a letter of advice from the **SRA**;

and

- (ii) for the purposes of the **SRA Cost of Investigations Regulations**, a decision that the **SRA** is satisfied:
 - (A) that a **regulated person** has failed to comply with a requirement imposed by or made under the **SA**, the **AJA** or the **LSA**;
 - (B) in relation to a **solicitor**, that there has been professional misconduct.

SRA Handbook

means the handbook published from time to time by the **SRA** and containing its **regulatory arrangements**.

SRA Handbook Glossary

means the SRA Handbook Glossary 2012, and references to the "Glossary" shall be interpreted accordingly.

SRA Higher Rights of Audience Regulations

means the SRA Higher Rights of Audience Regulations 2011.

SRA Indemnity Insurance Rules

means the SRA Indemnity Insurance Rules 2013.

SRA Indemnity Rules

means the SRA Indemnity Rules 2012.

SRA Insolvency Practice Rules

means the SRA Insolvency Practice Rules 2012.

SRA Overseas Rules

means the SRA Overseas Rules 2013.

SRA Practice Framework Rules

means the SRA Practice Framework Rules 2011.

SRA Practising Regulations

means the SRA Practising Regulations 2011.

SRA Principles

means the SRA Principles in the ***SRA Handbook*** and "Principles" shall be interpreted accordingly.

SRA QASA Regulations

means the SRA Quality Assurance Scheme for Advocates (Crime) Regulations 2013.

SRA Quality Assurance Scheme for Advocates (Crime) Notification Regulations

means the SRA Quality Assurance Scheme for Advocates (Crime) Notification Regulations 2012.

SRA Statutory Trust Rules

means the SRA Intervention Powers (Statutory Trust) Rules 2011.

SRA Suitability Test

means the SRA Suitability Test 2011.

SRA Training Regulations

means the SRA Training Regulations 2014.

stakeholder pension scheme

means a scheme established in accordance with Part I of the Welfare and Pensions Reform Act 1999 and the Stakeholder Pension Scheme Regulations 2000.

statement of standards

means the "statement of standards for solicitor higher court advocates" issued by **us**.

statutory trust

means the trust created by Schedule 1 of the **SA**, or Schedule 14 of the **LSA**, over monies vesting in the **Society** following an **intervention**.

statutory trust account

means an account in which **statutory trust monies** are held by the **Society**.

statutory trust monies

means the monies vested in the **Society** under the **statutory trust**.

statutory undertakers

means:

- (i) any persons authorised by any enactment to carry on any railway, light railway, tramway, road transport, water transport, canal, inland navigation, dock, harbour, pier or lighthouse undertaking or any undertaking for the supply of hydraulic power; and
- (ii) any licence holder within the meaning of the Electricity Act 1989, any public gas supplier, any water or sewerage undertaker, the Environment Agency, any public telecommunications operator, the Post Office, the Civil Aviation Authority and any relevant airport operator within the meaning of Part V of the Airports Act 1986.

subsidiary company

has the meaning given in the Companies Act 2006.

substantially common interest

for the purposes of Chapter 3 of the **SRA Code of Conduct**, means a situation where there is a clear common purpose in relation to any matter or a particular aspect of it between the **clients** and a strong consensus on how it is to be achieved and the **client conflict** is peripheral to this common purpose.

successor practice

- (i) means a **practice** identified in this definition as 'B', where:
 - (A) 'A' is the **practice** to which B succeeds; and

- (B) 'A's owner' is the owner of A immediately prior to transition; and
 - (C) 'B's owner' is the owner of B immediately following transition; and
 - (D) 'transition' means merger, acquisition, absorption or other transition which results in A no longer being carried on as a discrete legal **practice**.
- (ii) B is a successor practice to A where:
- (A) B is or was held out, expressly or by implication, by B's owner as being the successor of A or as incorporating A, whether such holding out is contained in notepaper, business cards, form of electronic communications, publications, promotional material or otherwise, or is contained in any statement or declaration by B's owner to any regulatory or taxation authority; and/or
 - (B) (where A's owner was a **sole practitioner** and the transition occurred on or before 31 August 2000) - the **sole practitioner** is a **principal** of B's owner; and/or
 - (C) (where A's owner was a **sole practitioner** and the transition occurred on or after 1 September 2000) - the **sole practitioner** is a **principal** or **employee** of B's owner; and/or
 - (D) (where A's owner was a **recognised body** or a **licensed body** (in respect of its **regulated activities**)) - that body is a **principal** of B's owner; and/or
 - (E) (where A's owner was a **partnership**) - the majority of the **principals** of A's owner have become **principals** of B's owner; and/or
 - (F) (where A's owner was a **partnership** and the majority of **principals** of A's owner did not become **principals** of the owner of another legal **practice** as a result of the transition) - one or more of the **principals** of A's owner have become **principals** of B's owner and:
 - (I) B is carried on under the same name as A or a name which substantially incorporates the name of A (or a substantial part of the name of A); and/or
 - (II) B is carried on from the same premises as A; and/or
 - (III) the owner of B acquired the goodwill and/or **assets** of A; and/or
 - (IV) the owner of B assumed the liabilities of A; and/or
 - (V) the majority of staff employed by A's owner became **employees** of B's owner.

- (iii) Notwithstanding the foregoing, B is not a successor practice to A under paragraph (ii) (B), (C), (D), (E) or (F) if another **practice** is or was held out by the owner of that other **practice** as the successor of A or as incorporating A, provided that there is insurance complying with the **MTC** in relation to that other **practice**.

sum insured

means the **insurer**'s limit of liability under a **policy** in respect of any one **claim** (exclusive of **defence costs**).

supplementary run-off cover

means run-off cover provided by the Solicitors Indemnity Fund following the expiry of run-off cover provided to a **firm** in accordance with the **SRA Indemnity Insurance Rules** or otherwise under a **policy** (but subject to compliance with the **MTC**).

temporary practice overseas

means the situation where:

- (i) a **solicitor** is practising but not established overseas; or
- (ii) an **REL** is practising from an office in Scotland or Northern Ireland,

but the solicitor or REL is not **practising overseas**.

trainee solicitor

means any person receiving **recognised training** with the express purpose of qualification as a **solicitor**, at an **authorised training provider** and "trainee" should be construed accordingly.

training principal

means a **solicitor** or **barrister** nominated by an **authorised training provider** and who meets the requirements of regulation 13 of the SRA Training Regulations 2014 - Qualification and Provider Regulations to oversee **recognised training** within that organisation.

transaction

means the purchase, sale, subscription or underwriting of a particular **investment**.

Tribunal

means the Solicitors Disciplinary Tribunal which is an independent statutory tribunal constituted under section 46 of the **SA** but references to the Tribunal do not include the Tribunal when it is performing any function as an **appellate body**.

trustee

includes a personal representative, and "trust" includes the duties of a personal representative.

turnover

in the **SRA Compensation Fund Rules** means the amounts derived from the provision of goods and services in the most recent financial year, after deduction of:

- (A) trade discounts,
- (B) value added tax, and
- (C) any other taxes based on the amounts so derived.

UK

means United Kingdom.

UK qualified lawyer

in the **QLTSR**, means solicitors and barristers qualified in Northern Ireland, solicitors and advocates qualified in Scotland and **barristers** qualified in England and Wales.

unadmitted person

means a person who:

- (i) has requested us to assess a **character and suitability** issue under regulation 6 of the SRA Training Regulations 2014 – Qualification and Provider Regulations;
- (ii) has commenced a period of **recognised training** under regulation 5 of the SRA Training Regulations 2014 – Qualification and Provider Regulations;
- (iii) is seeking to establish eligibility to apply for admission under regulation 2 of the **QLTSR**; or
- (iv) is seeking admission pursuant to Directive 2005/36/EC;

but who has not been admitted as a **solicitor**, and “unadmitted persons” should be construed accordingly.

undertaking

means a statement, given orally or in writing, whether or not it includes the word “undertake” or “undertaking”, made by or on behalf of you or your **firm**, in the course of **practice**, or by you outside the course of **practice** but as a **solicitor** or **REL**, to someone who reasonably places reliance on it, that you or your **firm** will do something or cause something to be done, or refrain from doing something.

us

means the **SRA**, and “our” and “ourselves” should be construed accordingly.

vocational stage

means:

- (i) the **LPC**;
- (ii) a required period of **recognised training**; and
- (iii) the **PSC**.

voting rights

in a body includes the right to vote in a partners', members', directors' or shareholders' meeting, or otherwise in relation to the body, and "control the exercise of voting rights" shall be interpreted as including de facto as well as legal control over such rights.

we

means the **SRA**, and "our" and "ourselves" should be construed accordingly.

without delay

means, in normal circumstances, either on the day of receipt or on the next working day.

you

means:

- (i) for the purposes of the **SRA Training Regulations** any person intending to be a **solicitor**, other than those seeking admission under the **QLTSR**;
- (ii) for the purposes of the SRA Training Regulations 2011 Part 3 a **solicitor** or an **REL**;
- (iii) for the purposes of the **SRA Admission Regulations** any person intending to be a **solicitor**;
- (iv) for the purpose of the **QLTSR** a person seeking admission as a **solicitor** via transfer in accordance with those regulations;
- (v) for the purpose of the **SRA Suitability Test** any individual intending to be a **solicitor**, and any person seeking authorisation as an **authorised role holder** under the **SRA Authorisation Rules**;
- (vi) for the purposes of the **SRA Accounts Rules** (save for Part 7 (Overseas practice)):
 - (A) a **solicitor**, or
 - (B) an **REL**;

in either case who is:

- (l) a **sole practitioner**;

- (II) a **partner** in a **partnership** which is a **recognised body, licensed body** or **authorised non-SRA firm**, or in a **partnership** which should be a **recognised body** but has not been recognised by the **SRA**;
 - (III) an assistant, associate, professional support lawyer, consultant, locum or person otherwise employed in the practice of a **recognised body, licensed body, recognised sole practice** or **authorised non-SRA firm**; or of a **partnership** which should be a **recognised body** but has not been recognised by the **SRA**, or of a **sole practitioner** whose **practice** should be a **recognised sole practice** but has not been authorised by the **SRA**; and "employed" in this context shall be interpreted in accordance with the definition of "employee" for the purposes of the **SRA Code of Conduct**;
 - (IV) employed as an in-house lawyer by a **non-solicitor employer** (for example, in a law centre or in commerce and industry);
 - (V) a **director** of a **company** which is a **recognised body, licensed body** or **authorised non-SRA firm**, or of a **company** which is a **manager** of a **recognised body, licensed body** or **authorised non-SRA firm**;
 - (VI) a member of an **LLP** which is a **recognised body, licensed body** or **authorised non-SRA firm**, or of an **LLP** which is a **manager** of a **recognised body, licensed body** or **authorised non-SRA firm**; or
 - (VII) a **partner** in a **partnership** with separate legal personality which is a **manager** of a **recognised body, licensed body** or **authorised non-SRA firm**;
- (C) an **RFL** practising:
- (I) as a **partner** in a **partnership** which is a **recognised body, licensed body** or **authorised non-SRA firm**, or in a **partnership** which should be a **recognised body** but has not been recognised by the **SRA**;
 - (II) as the **director** of a **company** which is a **recognised body, licensed body** or **authorised non-SRA firm**, or as the **director** of a **company** which is a **manager** of a **recognised body, licensed body** or **authorised non-SRA firm**;
 - (III) as a member of an **LLP** which is a **recognised body, licensed body** or **authorised non-SRA firm**, or as a

member of an **LLP** which is a **manager** of a **recognised body, licensed body** or **authorised non-SRA firm**;

- (IV) as a **partner** in a **partnership** with separate legal personality which is a **manager** of a **recognised body, licensed body** or **authorised non-SRA firm**;
 - (V) as an employee of a **recognised body, licensed body** or **recognised sole practice**; or
 - (VI) as an employee of a **partnership** which should be a **recognised body** but has not been authorised by the **SRA**, or of a **sole practitioner** whose **practice** should be a **recognised sole practice** but has not been authorised by the **SRA**;
- (D) a **recognised body**;
 - (E) a **licensed body**;
 - (F) a **manager** or employee of a **recognised body** or **licensed body**, or of a **partnership** which should be a **recognised body** but has not been authorised by the **SRA**; or
 - (G) an employee in a **recognised sole practice**, or in a **sole practitioner** whose **practice** should be a **recognised sole practice** but has not been authorised by the **SRA**;
- (vii) for the purposes of the **SRA Higher Rights of Audience Regulations** means a **solicitor** or an **REL**;
 - (viii) for the purposes of the **SRA Insolvency Practice Rules** means a **solicitor** or an **REL**;
 - (ix) for the purposes of the **SRA Quality Assurance Scheme for Advocates (Crime) Notification Regulations** means a **solicitor** or an **REL**; and
 - (x) for the purposes of the **SRA QASA Regulations** means a **solicitor** or an **REL**;

and references to “your” and “yourself” should be construed accordingly.

Rule 3: General Interpretation

3.1 Unless the context otherwise requires:

- (a) the singular includes the plural and vice versa;
- (b) words importing the masculine gender include the feminine and vice versa and references to the masculine or feminine include the neuter;
- (c) the word “body” includes a **sole practitioner**, and a special body within the meaning of section 106 of the **LSA**;

- (d) any explanatory notes, guidance notes and/or commentary are for the purposes of guidance only;
- (e) any headings are for ease of reference only;
- (f) any appendices to the provisions within the *SRA Handbook* will form part of the *SRA Handbook*;
- (g) "in writing" includes any form of written electronic communication normally used for business purposes, such as emails;
- (h) references to certificates, letters or other forms of written communication include references to those in both electronic and hard copy format; and
- (i) a reference to any statute, statutory provision, code or regulation includes any subordinate legislation (as defined by section 21(1) of the Interpretation Act 1978) made under it.