



# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

## Section 1

### INTRODUCTION

CLC practices operate within a range of business models (such as sole principals, partnerships, LLPs and limited companies). Some practices provide specialist services within a wider group structure, providing for example, a combination of legal, financial and/or professional services.

Our approach to regulation is designed to meet the needs of a diverse commercial market. This is why we encourage prospective practice applicants to start discussions about their current or intended business arrangements with us at an early stage.

Our focus is on the ability of the owners and managers to provide compliant legal services and manage the risks associated to the legal services they provide.

The CLC is the regulator of choice for businesses intending to offer conveyancing and probate activities. CLC practices may only deliver those legal services which the CLC has expressly licensed them to provide.

To help you think about whether becoming CLC regulated is right for you, we have explained some of our key compliance principles under the four simple headings below:

#### **About the business**

##### ***As a condition of being licensed the business should:***

- a. have a registered office in England and Wales;
- b. conveyancing and/or probate services provided within England and Wales;
- c. have in place professional indemnity insurance (PII) to indemnify it for any civil liability incurred arising out of regulated services provided. Business

# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

must obtain Professional Indemnity Insurance from an Insurer that has signed up to the CLC's Participating Insurers Agreement and be valid each year from 01 July to 30 June. [Details of Insurers](#) and background documents can be found here.

## About the key personnel

### *As a condition of being licensed the business should:*

- a. Employ an appropriately qualified and skilled individual, such as a CLC Licensed Conveyancer/Licensed Probate Practitioner, a Solicitor, or a Fellow of the Chartered Institute of Legal Executives (FCILEX), who is Authorised under the Legal Services Act 2007 to supervise the conveyancing and/or probate work and be appointed as the HoLP.
- b. Employ an appropriately qualified and skilled individual to supervise the office and client account and be appointed as the HoFA.  
[Details of the threshold level of experience for appointees](#)
- c. be prepared for the HoLP, HoFA and any owners and officers of the business to complete standard suitability checks, including identity, FCA and criminality checks.

## About the legal services

From the outset it's important that there is clear definition of the legal services that the business intends for the CLC to regulate. This is quite straight forward for practices seeking to offer conveyancing services. Most often when considering granting a Probate licence the CLC considers the standard limit of the licence permission to include the below after death services (including all reserved and non-reserved work).

- a. Obtaining the Grant of Probate or a grant of letters of administration
- b. The administration of the Estate

# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

Of course, businesses have the option to expand the Probate licence permission to include bundles of non-reserved work that are often form part of the before death legal services, such as

- a. Will writing
- b. Estate Planning
- c. Tax Planning
- d. Trust work
- e. Lasting Powers of Attorney
- f. Court of Protection Services (i.e. the administration assisting an individual to make an application)

## **The important principles to bear in mind are that:**

- the business has appropriately qualified and skilled individuals supervising the totality of these services;
- the services provided are billed for from the office account regulated by the CLC and all client monies are accounted for in the client account regulated by the CLC;
- the income granted from the services listed under the CLC licence permission is declared to (a) the CLC PII broker and (b) the CLC annual for the purpose of calculating premiums and annual licence fees and contributions respectively; and perhaps most importantly; and
- service information is displayed to the public in a way that is transparent and which enables them to easily identify those services provided by the business are covered by the protections afforded by CLC regulation.

# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

Prospective applicants may find it helpful to take a look at the [CLC regulatory frameworks](#) which set out in more detail our approach to approving and regulating practices.

## CLC Practice Licensing Outcomes

1. The CLC is able to license this business model.
2. The plan for the business indicates that it will provide legal services which protect the interests of clients.
3. The business can operate in a sustainable way.
4. The business has in place compliant governance arrangements to:
  - a. keep Client Money safe;
  - b. protect the interests of the business; and
  - c. protect the interests of clients.
5. The business has clear lines of accountability for managers.
6. The business has suitable (trustworthy, qualified, skilled, experienced) managers.

## Annual Licence/Registration Fees: [Annual Regulatory FEES](#)

The entity and individual licence fees are due at the point of first issue or renewal. Those fees are payable in full regardless of whether the individual or entity is active under CLC regulation for the whole of that year. Entity Licence holders may have applied to take advantage of the monthly payment instalment arrangements that are offered.



# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

Please be aware that the entity and ultimately its owners and registered managers remain liable for the total amount of fees for the year even if they are not in practice and should the entity cease to trade or exit CLC regulation (voluntarily surrender its licence) before the next standard licence renewal point, i.e. 01 November.

Any unpaid amounts are a debt to the CLC and will be pursued. Failure to pay the total entity licence fee is a breach of the Code and will render the entities owners and key personnel liable to disciplinary action.

The entity licence fee is based on the declared turnover of the previous year or in the instance of a new start up the forecast turnover for the 12 months of trading, verified by the CLC PII broker in advance of the licence being issued, and is a non-negotiable figure, based on the decision of the CLC's Council and as approved by the Legal Services Board.

## **It is not possible to pursue a licensing application when**

Any of the proposed registered managers/owners/investing bodies that are seeking to apply are subject to:

1. ongoing criminal or financial investigation or proceedings *taken by an enforcement body*;
2. ongoing regulatory and disciplinary allegations, investigations, proceedings and appeal processes *taken by a regulatory or licensing body before the outcome of the adverse event is known and any sanctions and financial penalties have been complied; and*
3. *a disqualification order applied by a regulatory or licensing body before the judgement has been successfully appealed.*

This includes but is not limited to:

### **a. Solicitors, FCILEx lawyers or FCA regulated Financial Controllers:**

- i. with unspent sanctions and or penalties;



# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

- ii. that have been removed from the Solicitors roll/CILEx or FCA register and who have not (at the time of applying) had their licence/registration reinstated (i.e. restored free of conditions) by the original licensing/enforcement body.
- b. Owners, Directors, Members, Partners, HoLP and HoFA of CLC regulated practices that have been formally notified that the practice is in continued non-compliance and or subject to disciplinary allegations, investigations or proceedings.**

## Section 2

### PERSONS / BODIES INTENDING TO HOLD A MATERIAL INTEREST

It is very important that a body providing legal services is able to meet its regulatory responsibilities. Having an accurate picture of those who control Licensed Bodies is an important part of the CLC recognising any risks to this. Therefore all Persons' and Bodies intending to hold a material interest must be declared as they are subject to our approval.

The individual completing this form should notify any registered Officers of the (investing) body that as a BOOM (Beneficial Owner/Officers/Managers) of the body intending to hold a material interest the CLC requires them to be identified and that they will need to undergo a suitability test; including criminality and sanctions checks, and where appropriate disciplinary checks with other regulatory bodies and verification of funds. Managers are listed on the CLC's Public Register.

Confirmation from the CLC that a body and its Officers have passed the suitability test is required **before** completion of the investment/merger/acquisition can be executed. Also applies to new practice, switching and hive-off applications. The CLC [ABS Framework](#) requires the CLC to be satisfied that owners are fit to own.

Where the beneficial owner is a corporate body the suitability test will broadly reflect the approach taken in respect of Licensed Body applications. **This may include governance arrangements, financial arrangements and application of the fit and proper test to its Officers (Members/Directors) and owners.**

# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

The CLC needs to be satisfied that the proposed owner arrangements do not demonstrate there is a significant risk of undue or improper influence risk.

## SUITABILITY TESTS

The CLC must be satisfied that each manager (Individual and/or the body with a restricted interest) is suitable ([S72 and S90, Legal Services Act](#)) and the provisions of [LSA Schedule 13, s6\(1\)](#) set out what the CLC must approve. In summary the CLC is seeking to satisfy itself of the following:

- a. the person's (or body) holding of that interest does not compromise the regulatory objectives,
- b. the person's (or body) holding of that interest does not compromise compliance with the duties imposed by section 176 by the licensed body or persons to whom sub-paragraph (2) applies, and
- c. the person (or body) is otherwise a fit and proper person to hold that interest.

In making its determination the CLC will have particular regard to—

- a. the person's (or body) probity and financial position,
- b. whether the person (or body) is disqualified as mentioned in section 100(1), or included in the list kept by the Board under paragraph 51,
- c. the person's (or body) associates, and) any other matter which may be specified in licensing rules.

The CLC will raise an objection to any one of the individuals and/or bodies not unsuitable. *The CLC's object will set out its reasons in a warning notice* (applies to new applicants and notifications concerning existing incoming parties into CLC licensed bodies).

In reference to the [CLC's ABS Framework](#), Warning notices can be served in the scenarios outlined at 8.17 (objecting to the material interest or issuing subject to conditions) or 13.2 (enforcement for non-compliance with regulatory arrangements).



# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

## Section 3

### THE PROCESS

**Most applications follow the steps below. We will discuss this with you in the telephone call.**

**Step 1.** Applicants should email into [licensing@clc-uk.org](mailto:licensing@clc-uk.org) outlining key information about the business, such as owners/key personnel and general information about the business, such as the source of set up funds/sources of work/proposed business model.

**Step 2. Come and meet us.** Applicants are invited to attend a virtual Microsoft Teams meeting with the CLC Licensing Team. It's important that owners and managers attend this meeting, because we will be discussing the investment and governance elements of your application and the associated authorisations and licences required for any key personnel.

We will discuss the financial and regulatory viability and sustainability of the proposed business. In addition we will explain the following documents and their importance in the application process together with what we expect from you.

**A. Sources of and evidence of investment and financing.** Corporate or personal.

Including details of the repayment terms or any conditions that would apply as a result of financial non-performance. You must also explain any relationship the proposed CLC business may have with other existing businesses, through common ownership or financing. We will be seeking to establish the appropriate AML checks and whether any due diligence is required on any related business or its owners/officers.

We may request to see copies of the following types of legal agreements:

- Corporate investment, loan, intercompany financing agreements
- Share Purchase/Share Holders agreements
- Exit/retirement packages

# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

- Agree Payment Plans, such as those relating to HMRC arrangements
- The contracts of employment for the key personnel
- Current employment contracts including restrictive covenants relating to key personnel, in particular the HoLP/HoFA.

*This is an entirely confidential discussion but in order for the meeting to be useful you must come prepared to share factual information.*

**B. Application Synopsis:** You will be asked to upload a 2-3 page synopsis explaining the investment, ownership, governance and operating models for the business including **financial, technological and operational provisions** to execute the start-up and those that manage the regulatory requirements in the event of a planned or unplanned closure/wind up. The synopsis should be a comprehensive summary about the investment model, the operating parameters of the business and its accountable qualified and unqualified key personnel. (whist trading and in the event of the business having to ceasing trading – including planned for and unplanned for closure events)

The CLC expects that business owners are able to identify the particular risks associated to the following areas of the business:

- Investment, governance and operating model and any limitation or risk to the business/clients as a result of its resources
- Start-up and early operational aspects
- Sources of work and ability to manage volumes of work
- The nature of the legal services the business intends to provide, transaction types, especially higher risk areas of practice
- The client base, nature and characteristics of clients

# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

- Post closure regulatory requirements – applicants are advised to prepare a risk analysis for un-planned closure identifying typical scenarios for **rapid response events** such as, failure to secure PII, death, terminal ill health, hospitalisation, dissolving business relationships, early foreclosure of investment.

**C. Replies to the CLC’s Licensing Outcomes:** Your replies should form the narrative to explain the context and logic behind the businesses policies and procedures. You will need to clearly demonstrate in your replies the owners and managers of business complete understanding of the risks associated to the business and how to operate a compliant legal services business.

**Please familiarise yourself with** <https://www.clc-uk.org/lawyers/risk-agenda/>

Your replies should explain how the Practice’s organisational structure and operating procedures will effectively identify and manage risk associated to the legal services provided, with particular reference to properly maintaining consumer protection and regulatory compliance. Typically, we would expect the HoLP/HoFA/MLRO and Practice Managers to contribute to the drafting this document.

## **Useful information.**

<https://www.clc-uk.org/lawyers/informed-choice/>

<https://www.clc-uk.org/lawyers/anti-money-laundering-toolkit/>

<https://www.clc-uk.org/cybercrime-fraud-toolkit/>

<https://www.clc-uk.org/the-customer-charter/>

<https://www.clc-uk.org/clc-customer-charter/>

<https://www.clc-uk.org/handbook/the-handbook/#Code-of-Conduct>

**D. An organisational chart**, you will be asked to upload an organisational chart which should include, non-operational individuals with a material interest and specify individual roles, such as



# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

HoLP, HoFA, GDPO, MLRO, together with other key responsibilities such as, complaints handling or specific areas of practice.

You must also specify which individuals are licensed or regulated professionals, including the name of the regulator and the individuals regulatory ID, for example SRA: 1234, ICAEW: 1234 and the date that their first licence was granted.

**E. Transaction and Financial forecast** (a break down by month for the first 12 months of trading).

This must be submitted in excel using the following tab format. Each tab must include the assumption used for to make any average calculations.

- **Tab 1:** Fee Structure
- **Tab 2:** Transaction volumes by types, including referral and conversion rates
- **Tab 2:** income/fee by type for 12 month forecasts, including any referral costs
- **Tab 4:** full 12 month profit and loss.

**F. Policies and Procedures.** The CLC is only seeking to verify that your client facing policies and procedures are compliant. We do not need you to submit any employer related documentation. The application form will ask for specific polices such as a Business Continuity Plan (more detail below), AML policy and a separate completed practice wide AML risk assessment.

Part of the test is that in addition to these you provide the relevant documents to ensure the provision of compliant legal services. Your policy documents should set out the systems and controls in place to mitigate risk. They should include reference to any accountable roles/individuals in the business and any legal or regulatory timeframes.

**Applicants should refer to the CLC's Handbook and toolkits, such as AML, GDPR and Informed Choice when thinking about the types of policies that are appropriate to their Practice licence application.**

# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

Applicants that are not able to provide sufficient detail in the above documents, in particular when explaining 'how to implement appropriate systems, controls and management processes to ensure the business can operate in a compliant way' risk being rejected on the basis that there is insufficient evidence.

**Important Note:** Guidance on our website relating to Business Continuity can be found via this link - <https://www.clc-uk.org/wp-content/uploads/2017/12/Management-and-Supervision-Arrangements-Guidance.pdf>

**Typically, the BCP should be explicit about the arrangements necessary to manage all aspects of any transaction in any event that triggers the following:**

- the absence of the Authorised Persons/HoLP/HoFA
- Short unplanned absences (*such as Locum arrangements*)
- Medium and long-term planned absences (*such as agreed cover with another named lawyer*)
- Rapid closure - triggered by death, external events and foreclosure (*such as agreed arrangements with another regulated law firm*)
- Orderly managed closure (triggered by retirement, company wind up, planned closure)

**Eventualities should include:**

- Incapacity, dealing with family emergencies, bereavements, death of key personnel or owners.
- External events that could trigger a rapid wind-up that means the proper conclusion of legal services is not possible, such as failure to secure PII cover

# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

In all instances Managers should plan a course of action and nominated individuals that will be accountable from the trigger event through to the conclusion of any post closure responsibilities; or a return to standard trading.

Specific arrangements for, but not limited to, access to banking facilities/funds to pay for cover and other professional services. As well as access to and licences for digital systems/files and post closure storage. Notification to PII brokers and seeking agreement for amended operating procedure or formal trigger of (and timescales) run off should be considered.

**Step 3. Preparing the information for your digital application.** You must obtain a quotation for professional indemnity insurance cover (PII) from an Insurer which is a signatory to the CLC Participating Insurance Agreement. Details of Insurers are in the box below. Click on the names to find out more about each scheme.

[Howdens CLC Scheme](#) [Marsh JLT CLC Scheme](#) [Miller CLC Scheme](#)

**Important information please read and download the relevant policies and documents.**

[CLC Professional Indemnity Insurance Terms \(effective 1st July 2016\)](#)

[Participating Insurers Agreement \(sample agreement\)](#)

[CLC Professional Indemnity Insurance Framework](#)

[CLC Professional Indemnity Insurance Code](#)

**Step 4. Complete, submit and pay for your digital application** through the online platform, [DocuSign](#), attaching all relevant supporting information. You will also need to simultaneously submit all associated individual applications.



# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

## [View the Universal Guidance for Individuals applying for a CLC Licence or Authorisation](#)

A nominated owner/manager will receive the email link to access the [DocuSign](#) form. The CLC will invoice for any associated application fees at this point, which will need to be paid before any application review. The CLC carries out Credit and Criminality screening on all applicants and additionally disciplinary checks on regulated professionals.

The CLC uses the screening agency [The Giant Group](#) to complete these checks and applicants will be sent separate links and email/text communication from Giant.

*Investors/owners and key personnel making applications for individual licences and authorisation MUST read the associated individual guidance to ensure they fully understand what documents are required to support the application before completing the online application form.*

**Step 5. We review your application.** We will have agreed a submission timeline with you at the licensing meeting. Straightforward applications are reviewed and determined within the timescales stated in the [licensing framework](#). **We will email you when your practice application filters into the review process. The CLC endeavours to process straightforward applications within 90 days of you receiving this email. More complex applications may take longer.**

*The review will not start until all the associated applications have been received and paid for and each individual has paid and completed the consent form in order for Giant to carry out the credit and criminality screening.*

### **Important notes about when we will contact you during the course of the application review.**

Applicants will only be contacted by the CLC during this time if the CLC believes that further investigation is needed to verify any supporting documentation or information provided by the applicant. Applicants not contacted during this time should presume

# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

their application is progressing satisfactorily. **We are not able to provide email updates on ad hoc basis.**

**Step 6. The CLC Determination.** The determination outcome is focused on an assessment of the ability of the owners, managers and key personnel to provide compliant legal services and manage the risks associated to the legal services.

***We will need all the relevant disciplinary, credit and criminality checks to be completed before we are able to make a determination.***

**Step 7. Informing you of the outcome of your application:** We will confirm the CLC's licensing decision by email.

**Step 8. When approved. Completing the final preparations before the practice licence can be issued.** If approved applicants will be required to complete the final steps before the licence can be generated and issued:

1. Ask the PII broker to confirm to the CLC in writing:
  - a. the annual turnover figure provided for the purpose of calculating the annual premium;
  - b. that the premium has been paid or that a third party financier agreement is in place for the payment of the premium; and
  - c. obtain the certificate of insurance from the PII broker (expiry date of 30 June) **\*the PII must incept before the practice licence can be issued.**
2. Pay the upfront portion of the annual Practice licence and contribution to the compensation fund together with any fees associated to individual licences.
3. Complete and return a Direct Debit Mandate for the remaining amount owed for the annual Practice Licence Fee.
4. Provide copies of all branding and marketing materials, including letter heads and email footers.

# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

5. Complete and sign a **Cooperation Inspection Agreement** and any final declarations associated to the key personnel.
6. Sign up to and have approved the CLC's Secure Badge. Which must appear in a prominent place on the Practice's website. *We will email you with instructions.*

**Important Note:** The acceptance of an offer in principle of a practice licence is limited in that the CLC expects applicants and all material arrangements (as set out in the application and which are fundamental to the approval) to remain broadly unchanged at the point the licence is issued. This means applicants must complete all the necessary steps required for the CLC to issue the practice licence and individual authorisations within a reasonable timeframe following receipt of the offer letter confirming the CLC's decision in principle to provide regulation.

The CLC considers a reasonable timeframe to be, within 3 months from the date of the formal letter of approval and where possible in the same licensing year. Please note the CLC universal PII renewal date is 01 July and in order to remain viable a practice should have a minimum of 3 months cover from the date the licence is issued.

Applicants seeking to defer the issue of the practice licence must submit their representations to support their request together with a confirmed date for the issue of the licence (supported by a PII inception date and where possible a certificate of insurance) to the licensing team within 3 months. In order to agree any extension to the standard timeframes the CLC may require the applicant to submit revised application information, such as financial forecasts, synopsis, and evidence from the PII provider that terms continue to be offered to provide eligible insurance cover.

Applicants will be charged an administration fee of £80 per hour (capped at 3 hours) for the CLC to review the revised information.

## Section 4

### 1. BEFORE SUBMITTING YOUR CLC PRACTICE APPLICATION

**1.1 Provision of adverse information:** Does not necessarily mean the CLC will reject an application.

Where adverse information is provided it will be discussed with the applicant to determine the risk posed to the Code of Conduct's Outcomes; resource implications for the CLC; and the individual/body's willingness or capacity to address the issue.

**1.2 Declarations: The designated owner/manager completing the form will be asked to sign the declaration on behalf of all owners/managers.**

*A CLC 'manager' is defined as a person (lawyer and non-Lawyer) who is:*

*a. if the body is a limited company, a director registered at Companies House; or*

*b. if the body is a Limited Liability Partnership, an LLP member registered at Companies House;*

*or*

*c. if the body is a partnership, a person held out as a partner who may be an equity or salaried partner e.g. listed as a partner on the Practice's headed paper; or*

*d. Sole Practitioner; or*

*e. HoLP and HoFA; or*

*f. Private or Corporate Investors (Beneficial Owners)*

## Section 5

### 2. HOW TO SUBMIT YOUR CLC PRACTICE APPLICATION

Application forms will be emailed through the online platform, DocuSign. Instructions on how to complete the DocuSign form will be emailed with the link to the application.

# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

## 2.1 Preparing the documentation to upload with your application

Below is a list of the documents you will be asked to upload when you complete the digital form.

Please have this information ready to upload before you start to complete the form.

Section ID	Document Type	Source
A3	Evidence of the rent or lease agreement.	Applicant to source.
A5	Evidence to show how the CLC Business will be formed.	Applicant to source.
A7	Policy quote from a CLC Participating Insurer.	Applicant to source.
A8	If applicable, evidence that the Business or its Owners/ Managers have been: <ol style="list-style-type: none"> <li>1. Refused Professional Indemnity Insurance</li> <li>2. Is the subject of a relevant insolvency event</li> <li>3. Is subject to any ongoing, pending or previous investigation by any statutory, regulatory or governing body</li> </ol>	Applicant to source.
A10	If applicable, upload letters of agreement of services from any bookkeeping and accountancy arrangements.	Applicant to source.
B1	A complete copy of the Owners and Managers Template	<a href="#">Owners and Managers Template</a>
B2	Evidence of source of funds, such the company bank or savings accounts.	Applicant to source.
B3	An organisational chart including non-operational individuals with a material interest.	Applicant to source.
C1	A 2-3 page synopsis explaining the investment, ownership, governance and operating models for the Business.	Applicant to source.
D1-D4	Business' client facing policy documents AML Business Wide Risk Assessment	Applicant to source.

# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

	Business Continuity Plan Terms of Engagement	
<b>E1</b>	Responses to demonstrate how the proposed CLC Business will meet each CLC Licensing Outcome.	<a href="#">Responses to demonstrate how the proposed CLC business will meet each CLC Licensing Outcomes</a>
<b>F1</b>	Financial and transactional forecast (excel sheet).	Applicant to source.
<b>F2</b>	Evidence of sources of work.	Applicant to source.

## 2.2 Applications will be rejected when:

- a) they are completed incorrectly, please note 'not applicable' is NOT an acceptable response;
- b) the form is incomplete because the mandatory supporting documentation is missing, or not labelled correctly, i.e. not accurately indicating the question it relates to;
- c) The DocuSign link expires, and no submission has been made. DocuSign will email weekly reminders.

**The CLC does not issue email or text reminders.**

## Section 6

### 3 INDIVIDUAL APPLICATIONS for Key Personnel/Owners/Investors

**3.1** Once we have received the practice application form, individual application forms will be emailed through the online platform DocuSign, to everyone associated to the application. Instructions on how to complete the DocuSign form will be emailed with the link to the application.



# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

**3.2** Each individual will need to provide 3 certified proofs of ID and Address for the Criminality and DBS checks. Please ensure everyone expected to make an individual application has prepared these documents in readiness to complete their applications.

[View how to correctly certify a document and a list of acceptable proofs here.](#)

**3.3** Remote certification. Proving your Identity:

## **Temporary changes to certifying documents for a licence application:**

In line with the Government's new temporary guidance on certifying documents, from Tuesday 24 March, the CLC will accept certification of documents where the facial recognition/verification has been carried out online through a video call. Any electronic means such as, Skype, Microsoft Teams, Whatsapp video, Facetime etc can be used to make the video call.

**There is no change to who can certify your documents. Documents must be certified by an authorised person, such as, a Licensed Conveyancer, Solicitor or FCILEx.**

Note: In addition to the standard wording the lawyer certifying your documents MUST include the following wording when facial recognition/identification has been verified using a video call: ***'I certify that facial recognition/verification took place by video call on (date) and that the ID documentation provide is a true likeness of the applicant (name).'***

## **How to have your documents certified via a video link:**

Step 1: Email your documents to the authorised person

Step 2: Arrange a video call with the authorised person. The authorised person will verify that the photo ID provided matches the face of the person on the video chat

Step 3: the lawyer can then certify the documents and email copies back to you

Step 4: Upload your certified documents to support your CLC application through DocuSign.



# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

## 4. FEES

### 4.1 All licence applications: [Application FEES](#)

Are subject to a non-refundable administration and screening charges.

**4.2 Payment:** All Application and screening fees must be paid prior to the CLC reviewing a practice application. Note: A credit or debit card held in ANY name can be used to make payment; such as a company or employer bank account.

**4.3 Additional administration charges:** If an application requires significant further investigation, any additional charge will be at the rate of £80.00 per hour. You will be notified before the extra work is undertaken by the CLC.

**4.4 The CLC may use external advisers when considered necessary:** You will be notified of any additional charge before the CLC commissions the services of an external adviser.

### 4.5 Summary of other charges:

Guidance for costs.

- a. Contribution to the CLC's Compensation Fund (based on the turnover declared to the insurers)*
- b. Practice Fee (based on the turnover declared to the insurers)*
- c. Licence Fee (if an individual licence is required as part of your application)*
- d. Professional Indemnity Insurance Premium (as advised by your insurance provider).*

*Please note that the CLC will require confirmation from the insurers for the amount of turnover as declared to them for your PII.*

## 5. CHANGES AND HOW TO NOTIFY THE CLC



# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

You must notify the CLC immediately of any changes to the information provided in the Business Information Form and the Licensing Application. **Failure to do so will result in delaying the processing of your application or result in a review of any decision made by the CLC.**

## 6. USING YOUR PERSONAL DATA

Your details will be held by the CLC in accordance with the General Data Protection Regulations (GDPR). For the purposes of GDPR, if you provide any information to us, we will be the data controller.

For further information about how your information is used, how we maintain the security of your information, and your rights to access information we hold about you, please see our [privacy policy](#) which is kept under regular review. You can contact our Data Protection Officer via email at [privacy@clc-uk.org](mailto:privacy@clc-uk.org) or in writing to: *Council for Licensed Conveyancers, We Work, 131 Finsbury Pavement, London EC2A 1NT*

## Section 7

### 7. DEFINITIONS

'**Reserved legal activities**' are as defined in s.12 and Schedule 2 of the Legal Services 2007 Act. Currently, there are six reserved legal activities: the exercise of a right of audience (advocacy), the conduct of litigation, reserved instrument activities, probate activities, notarial activities and the administration of oaths. The CLC currently licenses and regulates Conveyancing Services which are include in reserved instrument activities, probate activities and the administration of oaths.

An '**approved regulator**' is a body which is authorised to regulate providers of legal services and includes the Law Society, Bar Council, The Chartered Institute of Legal Executives, The Council for Licensed Conveyancers, The Chartered Institute of Patent Attorneys, The Institute of Trade Mark



# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

Attorneys, The Association of Law Costs Draftsman, The Master of Faculties, The Institute of Chartered Accountants in Scotland and the Association of Chartered Certified Accountants

An 'authorised person' is a person who has been authorised by an approved regulator to carry out reserved legal activities, for example: -

- a) Licensed Conveyancer
- b) Licensed Probate Practitioner
- c) Solicitor
- d) A Fellow of the Chartered Institute of Legal Executives

A '**non-authorised person**' is a person who has not been authorised by an approved regulator to carry out reserved legal activities.

A '**beneficial owner**' is an individual or body which has all the benefits and entitlements of a legal owner, even if not named or registered as the legal owner, i.e. an investor/shareholder/board member

A person or body holds a '**material interest**' in a Licensed Body if the person, legal Practice (or any of the person's associates or the person and any of the person's associates together):

- a) holds at least 10% or more shares in the body (or in a parent undertaking);
- b) is someone able to exercise significant influence over the management of the body (or a parent undertaking) due to their entitlement to exercise, or control the exercise of voting rights;
- c) is entitled to exercise, or control the exercise of, voting powers in the body (or a parent undertaking), which, if it consists of voting rights, constitutes at least 10% or more of the voting rights;
- d) is a partner having at least 10% interest in the capital or profits of the partnership; and includes any ultimate beneficial owner of more than 10%.



# Guidance for CLC Practice Registrants

(Seeking to make an application to become a CLC regulated practice)

2022/23

'**Key Personnel**' includes: authorised persons, non-authorised persons with 10% or more material interest, HoLPs and HoFAs, named managers.

A '**Registered Manager**' is an individual notified to the CLC because they are

- i held out as a Partner (equity or salaried),
- ii an appointed Member, LLP
- iii an appointed Director (shareholding and non-shareholding), LTD, or
- iv nominated officer of a corporate investor; or
- v individual investor.

These individuals are listed on the CLC Public Register. Some investors or nominated officers of Corporate investors will be treated as Registered Managers and subject to standard due diligence (financial, disciplinary, sanctions and criminality checks) but will not be listed on the CLC's Public Register.

An '**insolvency event**' is defined as:-

- a) resolution for a voluntary winding up of the body is passed without a solvency declaration  
  
(under s.89 of the Insolvency Act 1986);
- b) the body enters administration under the meaning of Schedule B1, para 1(2)(6) of that Act;
- c) an administrative receiver within s.251 of that Act is appointed;
- d) a meeting of creditors – which has the effect of converting a members' voluntary winding up into a creditor's voluntary winding up – is held in relation to the body under s.95 of that Act;
- e) an order winding up the body is made.

An '**individual voluntary arrangement**' (**IVA**) is an agreement between a debtor and their creditors. The agreement sets out how creditors will be repaid and normally entails setting up monthly payments over a certain period of time, such as five or six years. Alternatively, if an asset such as property can be sold, the agreement may specify that a lump sum is raised and distributed to creditors of the debtor.



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(Seeking to make an application to become a CLC regulated practice)

2022/23

**'Lenders panel'** comprises of lawyers who have been approved by lenders to carry out legal work on their behalf in relation to property purchases and re-mortgages.