
Changes to legislation: There are currently no known outstanding effects for the Legal Services Act 2007, Cross Heading: Power to impose share limit, voting limit etc. (See end of Document for details)

SCHEDULES

SCHEDULE 13

OWNERSHIP OF LICENSED BODIES

PART 4

ADDITIONAL RESTRICTIONS

Power to impose share limit, voting limit etc

- 38 (1) Licensing rules may provide that—
- (a) a non-authorised person may not have a shareholding in a licensed body, or in a parent undertaking of a licensed body, which exceeds a limit specified in the rules (“the share limit”);
 - (b) a non-authorised person may not have an entitlement to exercise, or control the exercise of, voting rights in a licensable body, or a parent undertaking of a licensable body, which exceeds a limit specified in the rules (“the voting limit”);
 - (c) the total proportion of shares in a licensed body, or a parent undertaking of a licensed body, held by non-authorised persons may not exceed a limit specified in the rules;
 - (d) the total proportion of voting rights in a licensed body, or a parent undertaking of a licensed body, which non-authorised persons are entitled to exercise or control the exercise of, may not exceed a limit specified in the rules.
- (2) Rules made under any paragraph of sub-paragraph (1) in relation to a licensed body and a parent undertaking may specify different limits in relation to the licensed body and the parent undertaking.
- (3) Licensing rules made under sub-paragraph (1)(a) or (b) may provide that references in those rules to a person, in relation to a person's shareholding or entitlement to exercise or control the exercise of voting rights, are to—
- (a) the person,
 - (b) any of the person's associates, or
 - (c) the person and any of the person's associates taken together.
- (4) In relation to a licensed body which is a partnership, for the purposes of section 34 of the Partnership Act 1890 (c. 39) (dissolution by illegality) a breach of licensing rules made under sub-paragraph (1) does not make it unlawful for the business of the partnership to be carried on, or for the partners to carry it on in partnership.

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Commencement Information

II Sch. 13 para. 38 in force at 1.10.2011 by S.I. 2011/2196, **art. 2(1)(d)**

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