

## OUR BASIC PRINCIPLES FOR APPLICANT FIRMS

Those seeking authorisation should be able to demonstrate their specialism in the field for which they are seeking approval as a law firm.

### Non-ABS Applicant Entities

They are required to be 100% owned by authorised persons. These can include:

- CILEx Practitioners,
- Fellows (approved for ownership only alongside another authorised person)
- Solicitors, Barristers, Conveyancers

Any minority shareholding by non-lawyer owners will be considered as an ABS.

### ABS Applicant Entities

They can offer the chance to add non-lawyer(s) with additional experience and skills.

We expect the following from ABS applicant entities:

- No Multi-Disciplinary Practices
- Legal services ring fenced in separate companies
- Legal services to be connected to core business
- Intention that Head of Legal Practice is a manager / owner
- Encouraging diversity in provision of legal services – CILEx members

ABS structured as an investment model with a predominantly non-lawyer ownership are not the type of ABS that we are seeking to regulate.

### Firms looking to Switch Regulators

We will want them to demonstrate the expectations that we have for our Non-ABS and ABS applicants. Firms seeking our authorisation to be a good fit with us as a regulator, both from size, structure and services offered.

**All applicants** - If an applicant is not able to meet the expectations above, then it is unlikely that their application will be authorised.

Further information can be found in our Approach to Applicant Entities seeking Authorisation by CILEx Regulation in the Risk Management section of our website.