



Procedures for authorisation to act as an Insolvency Practitioner

Education and Training Unit
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Contents

1.	Authorisation.....	2
2.	Scope of the authorisation	2
3.	How to obtain initial authorisation.....	3
4.	Criteria for initial authorisation as a licensed insolvency practitioner	3
5.	How to obtain reauthorisation	3
6.	Criteria for reauthorisation as a licensed insolvency practitioner	3
7.	Fit and proper	4
8.	Education and practical training and experience	5
9.	Technical insolvency work	5
10.	Application procedure	6
11.	Adjudicators.....	6
12.	Assessors	7
13.	Submission of the applications.....	7
14.	Authorisation/reauthorisation	8
15.	Refusal or deferral of initial authorisation or reauthorisation or suspension or revocation of authorisation	8
16.	Appeals.....	8
17.	Complaints regarding the application process.....	10
18.	Regulatory and/or disciplinary action against authorised insolvency practitioners	10
19.	SRA policy on career breaks.....	11
20.	Policy regarding experience gained in other jurisdictions	11
21.	Exchange of information	12

Annex A - conditions of authorisation by the SRA to act as an insolvency practitioner 13

Annex B – guidance on completion of applications

1. Authorisation

- 1.1 The Law Society is a Professional Body recognised under the Insolvency Act 1986 and associated legislation for the purpose of authorising solicitors to act as Licensed Insolvency Practitioners. The Council of the Law Society has devolved this function to the Solicitors Regulation Authority (SRA).

2. Scope of the authorisation

- 2.1 Under Section 388 of the Insolvency Act 1986 (the Act) an individual authorised as a Licensed Insolvency Practitioner can undertake appointments to certain insolvency offices. These are:-
- 2.1.1 in relation to a company, as its liquidator, provisional liquidator, administrator or administrative receiver or as supervisor of its voluntary arrangement ("company" means a company incorporated under the present or former companies legislation of Great Britain (as defined by Section 735(1) of the Companies Act 1985) or an unregistered or overseas company which may be wound up under Part V of the Insolvency Act 1986)
 - 2.1.2 in relation to an individual, as his trustee in bankruptcy or interim receiver of his property, or (in Scotland) as permanent or interim trustee in the sequestration of his estate, or as trustee under a deed of arrangement for the benefit of his creditors, or in Scotland, a trust deed for his creditors or supervisor of his volunteers arrangement or, in the case of a declared individual, as administrator of his estate
 - 2.1.3 in relation to an insolvent partnership, as its liquidator, provision liquidator or administrator, as trustee of the partnership under article 11 of the Insolvency Partnerships Order 1994 or as supervisor of its voluntary arrangement.
- 2.2 The Act states that it is a criminal offence for any unauthorised person to act as an insolvency practitioner. The Act also disqualifies from acting, any person who is at the time:-
- 2.2.1 an undischarged bankrupt or subject to a current sequestration order in respect of his/her estate
 - 2.2.2 subject to a disqualification order made under the Company Directors Disqualification Act 1986
 - 2.2.3 a patient within the meaning of Part VIII of the Mental Health Act 1983 or Section 125 (1) of the Mental Health (Scotland) Act 1984.
- 2.3 Authorisation may only be granted for a maximum of three years. The date to which any current licence is valid is given on the Licensed Insolvency Practitioner certificate issued to each practitioner.
- 2.4 There is no provision for authorisation to be granted to firms, partnerships or companies.

3. How to obtain initial authorisation

- 3.1 Where an applicant is seeking initial authorisation to become a Licensed Insolvency Practitioner the application form must be completed and returned with the fee to the SRA. (See Section 13 for details).
- 3.2 The SRA will only authorise solicitors and Registered European Lawyers who comply with the criteria set out below to be Licensed Insolvency Practitioners.

4. Criteria for initial authorisation as a licensed insolvency practitioner

4.1 Solicitors applying to the SRA for authorisation must:

4.1.1 be a fit and proper person (see paragraph 7) and;

4.1.2 meet the following requirements with respect to education, professional status and practical training and experience:-

- admission as a solicitor for at least three years and holding a current practising certificate
- significant involvement in technical insolvency work over the three years immediately preceding the application, accumulating normally a minimum of 600 chargeable hours. The quality of the work is as important as the quantity of work and this will be taken into consideration when the application is assessed.
- pass the Joint Insolvency Examination

5. How to obtain reauthorisation

- 5.1 An existing Licensed Insolvency Practitioner will be sent an application form for reauthorisation three months prior to the date of expiry of the existing licence; the application form should be completed in accordance with these guidance notes and returned with the stipulated application fee to the SRA. (See Section 13 for details).
- 5.2 The insolvency licence must be renewed by 31 December of the year in which reauthorisation is required. Failure to submit an application in time to enable the SRA to issue reauthorisation may result in the licence being terminated.
- 5.3 If licensed insolvency practitioners allow their licences to lapse then they might be required to fulfil all the criteria for a new applicant including passing the Joint Insolvency Examination if they wish to be reauthorised.
- 5.4 If the SRA is unable to finalise an application for reauthorisation by 31 December, a temporary licence will be issued.

6. Criteria for reauthorisation as a licensed insolvency practitioner

6.1 An applicant for reauthorisation must satisfy the SRA that he/she:

6.1.1 is a fit and proper person and

6.1.2 meets prescribed requirements with respect to education, professional status and practical training and experience.

7. Fit and proper

- 7.1 In determining whether an applicant meets the fit and proper criterion the SRA will take into account all matters relevant to the question of the applicant's suitability to act as an insolvency practitioner.
- 7.2 It is clear from the wide interpretation that the courts have given to the concept of "fit and proper" in the context of other statutes, that not merely is the personal character of the applicant to be taken into account but also the conduct of the business for which he/she seeks to be authorised. Accordingly, the SRA will consider both the personal character of an applicant for authorisation i.e. his/her honesty and integrity etc. and whether his/her competence and efficiency in the conduct of his/her practice and the offices he/she holds in the course of it are adequate to ensure the proper performance of his/her duties in respect of those offices.
- 7.3 The SRA will examine whether the applicant's past record reveals that he/she has committed any offences involving fraud or other dishonesty or violence. The SRA will also consider the applicant's record of compliance with the provisions in both primary and subordinate legislation governing the conduct of insolvency and with Statements of Insolvency Practice, and the Practice of Insolvency: a guide to Professional Conduct and Ethics adopted by the SRA and the Solicitors' Code of Conduct.
- 7.4 The SRA will also be concerned with any practice in which an applicant has engaged in the course of any business or employment whether or not related to the practice of insolvency (and whether or not those practices are unlawful in themselves) which do not conform with the best standards of professional conduct.
- 7.5 Evidence showing delays in dealing with cases, failure to answer correspondence and failures or delays in responding to enquiries from regulatory and revenue authorities will raise doubts as to the suitability of the applicant and the adequacy of his/her arrangements for carrying on his/her insolvency practice.
- 7.6 The SRA attaches considerable importance to the requirement that insolvency practitioners show a high standard of independence and integrity in carrying on their practices.
- 7.7 The SRA emphasises that every matter relevant to the question of an applicant's fitness and competence will be considered and applicants are required to disclose to the SRA any special factors affecting their application or their past record, in answering Question 29.
- 7.8 The assessment of fitness is not a mechanical exercise whereby compliance with a number of specific requirements ensures the grant of an authorisation: it is rather a judgement based on the review of an applicant's whole record and individual circumstances. If any answer to the questions in Part C of the application form is YES then full disclosure of all relevant facts on a separate sheet is required.
- 7.9 The requirement that an applicant must be a fit and proper person to act as an insolvency practitioner is an ongoing one. As the regulator of the solicitors' profession,

the SRA is under a duty, during the currency of any authorisation, to investigate any matter which may call into question the fitness and propriety of a licensed insolvency practitioner. This will include individual complaints made against a solicitor insolvency practitioner by any party. (see Section 18).

- 7.10 If the SRA, with due regard to the rules of procedural fairness, determines that a licensed insolvency practitioner is not, or has ceased to be, a fit and proper person to act as an insolvency practitioner or that his/her fitness or propriety to act as such has been compromised, then it may revoke or suspend his/her authorisation or attach such conditions thereto as it sees fit.

8. Education and practical training and experience

- 8.1 The SRA recognises that some applicants for authorisation will not have held office themselves but will have advised office holders. In deciding whether or not to grant authorisation the SRA will seek to ensure that the applicant's past experience has prepared him/her sufficiently for the responsibilities of holding office.
- 8.2 Where an applicant for authorisation has not acted as an office holder, the application will be considered on evidence of experience of assisting or advising an office holder.
- 8.3 The SRA requires details on each applicant's education and practical training, with particular reference to insolvency, during the three years preceding an initial application or application for reauthorisation.

9. Technical insolvency work

- 9.1 The application form for authorisation to act as an insolvency practitioner refers to 'technical insolvency work'. This term has led to a number of enquiries and some further explanation may be helpful.
- 9.2 An application for authorisation to act as an insolvency practitioner is an application for authority to accept appointments as an office holder. Any assessment of the experience of an applicant must be directed towards ascertaining the extent to which that experience of insolvency work is directly relevant to the performance of the functions of an office holder.
- 9.3 Almost any type of legal problem can arise in the context of insolvency. It does not follow that experience gained in dealing with the problem is relevant to the duties of an office holder even if the solicitor has acted on the instructions of an office holder. Thus, for example, a conveyancer may be involved with a property transaction where one or more of the parties are insolvent or general litigation may be undertaken for or against an insolvency practitioner. Such experience is not necessarily relevant to the duties of an office holder.
- 9.4 The test of 'technical insolvency advice' requires the applicant to make some assessment of the relevance of his experience to the performance of the functions of an office holder. Generally speaking, relevance can be legitimately claimed where the subject matter is either: insolvency law and procedure (including regulatory requirements of the licensing body or authority) or close to an office holder's decision making which substantially affects the course of the insolvency. For example, experience of a preference claim is 'technical insolvency work' and so are asset

sales where the solicitor has been involved in negotiating the terms of the transaction or in choosing between competing offers. No categories of work undertaken in an insolvency context should be automatically excluded from 'technical insolvency work'. Applicants should attempt to be objective and ask themselves whether the particular work in question gave them any insight into the work of insolvency practitioners.

10. Application procedure

10.1 The majority of applications are decided under powers delegated to designated staff in the SRA. Where the application does not satisfy the criteria for exercise of delegated powers it will be referred to an assessor appointed by the SRA. Assessors will make recommendations which will be considered by the SRA under delegated powers as set out below:

- Grant authorisation
- Grant authorisation subject to conditions
- Grant reauthorisation for a period of less than three years
- Where an application for reauthorisation cannot be determined in time to meet the 31 December deadline, recommend that an interim authorisation be issued for a period not exceeding 3 months. This option will not be used simply because the insolvency practitioner has failed to submit an application in time to meet the deadline.
- In the case of initial applications only, defer an application for a specific period, normally a minimum of six months and a maximum of 12 months. This recommendation will normally only be used where the applicant will need time to comply with the recommendations made by the assessor as to what action is needed to bring the applicant up to the standard required
- Refuse an application.

10.2 A right of appeal arises where an application is refused. Details of the appeals process are set out in Section 16 below.

10.3 Where the assessor's recommendation is; grant authorisation, defer the application for a specific period or to refuse the application an officer of the SRA will make a decision in accordance with powers delegated from time to time by the SRA Board. When making this consideration the officer will have regard for all other issues relevant to the suitability and fit and proper status of the applicant. Other recommendations do not constitute decisions as to the final disposal of an application and will be dealt with administratively.

10.4 The applicant will be notified of the decision in writing. Where the decision taken by the officer of the SRA is other than grant authorisation, the applicant will be provided with a copy of the assessor's report or reports where more than one assessor has been involved.

11. Adjudicators

11.1 Adjudicators are solicitors, appointed by the SRA who consider casework arising from a range of matters within the Education and Training Unit. Casework may include such matters as character and suitability, appeals, and complaints. As

adjudicators may not be specialists in insolvency law and practice they may be advised by a specialist insolvency assessor.

11.2 The functions of the adjudicator include:

- consideration, with written decisions, on a range of matters including authorisation applications (with the assistance of a specialist assessor where required)
- the conduct of interviews, with written decisions, on a range of matters including authorisation applications (with the assistance of a specialist assessor where required)

12. Assessors

12.1 Assessors are appointed to assist the SRA in dealing with matters objectively and impartially and will carry out their duties in accordance with SRA procedures and policy. Assessors will normally be experienced insolvency practitioners but may not in all cases be solicitors.

12.2 The functions of the assessor include:

- the conduct of interviews with written recommendations as required
- to consider and make recommendations on applications
- to provide written reasons for recommendations which will assist the applicant to achieve the required standard within a reasonable time
- to provide advice and assistance to the SRA adjudicators and staff on relevant issues, including on insolvency monitoring reports.

12.3 The assessor will provide a report and make recommendations on each application or monitoring report.

12.4 If an assessor recognises that there might be a conflict of interest in dealing with an application, the SRA must be notified immediately.

The SRA will decide whether the assessor should continue with the assessment or appoint another assessor. This decision will be recorded on the assessor's and the applicant's file.

13. Submission of the application

13.1 The fee for authorisation or reauthorisation is £450. Cheques should be made payable to The Law Society and must accompany the completed application form

Applications should be returned to:

The Finance Department, SRA, Ipsley Court, Berrington Close, Redditch. B98 0TD
or DX 19114 Redditch

13.2 Enquiries regarding the progress of applications or arising from the criteria or application process should be addressed to: Education and Training Unit, Solicitors Regulation Authority, Ipsley Court, Berrington Close, Redditch, B98 0TD, or use DX 19114, REDDITCH Tel. +44 (0) 0870 606 2555.

14. Authorisation/reauthorisation

- 14.1 An applicant who is authorised or reauthorised will be notified in writing. The Insolvency Service will be notified of the SRA's decision to authorise or re-authorise.
- 14.2 The period of authorisation or reauthorisation will be for a maximum of three years. The SRA is empowered to approve a lesser period of authorisation or reauthorisation and/or to impose conditions on the authorisation.
- 14.3 Where the SRA authorises for a period of less than three years a reason will be given to the licensee. Where a period of less than three years authorisation is granted the licensee will be required to comply with whatever conditions may be attached to the authorisation or reauthorisation.
- 14.4 It should be noted, however, that under the provisions of the Memorandum of Understanding between the Secretary of State and Recognised Professional Bodies a licence can only be valid from 1 January (Year 1) to 31 December (Year 3). An applicant applying for authorisation during, for example, June (Year 1) will only receive a two and a half year authorisation.
- 14.5 Authorised Insolvency Practitioners will be subject to the Conditions of Authorisation as set out in Annex A to these Procedures.

15. Refusal or deferral of initial authorisation or reauthorisation or suspension or revocation of authorisation

- 15.1 An insolvency practitioner who is refused reauthorisation or whose current authorisation is suspended or revoked under the SRA's disciplinary process, will be notified in writing with reasons for the decision. There is a right of appeal against such decisions (see Section 16 below).
- 15.2 When an applicant does not exercise the right of appeal he/she may, at a later date, seek the grant of initial authorisation under the criteria for authorisation which apply at the time.
- 15.3 There is no refund of the authorisation or reauthorisation fee under any circumstances.

16. Appeals

- 16.1 An applicant may exercise the right of appeal to an SRA adjudicator.
- 16.2 Notice of intention to appeal together with the outline grounds for appeal, the election of mode of appeal and the appropriate fee (£258.00 inc of VAT) must be lodged with Education and Training Unit, The Solicitors Regulation Authority, Ipsley Court, Redditch, B98 0TD or DX 19114 Redditch in writing within 28 days of the notification of the SRA's decision.

- 16.3. Appeals will be heard by a SRA adjudicator who may be assisted by a specialist assessor.
- 16.4 The appeal is by way of re-consideration of the application for authorisation or reauthorisation or of the matters leading to revocation or suspension of the license and may be supported by either oral or written representations from the appellant.
- 16.5 Where the applicant elects for appeal by way of oral representations:
- A bundle of relevant papers is prepared by the office for use by the adjudicator and assessor. A full copy of this bundle will be provided to the appellant
 - The appellant may submit written arguments or additional information within 14 days of receipt of the papers bundle. Any written arguments will be attached to the adjudicator's and assessor's bundles
 - A date for the hearing will be set by the SRA and notified to the appellant together with details of the adjudicator and assessor considering the appeal
 - The appellant may lodge objections to any person sitting as either the adjudicator or assessor within 14 days
 - At the hearing the adjudicator will introduce all present and outline their particular roles in the hearing
 - The appellant may then make oral representations. Such representations should be restricted to the issues raised by previous assessors and may also be used to introduce additional relevant material in support of the application
 - It is expected that the appellant will present his/her case personally and there should be no need to instruct counsel or call witnesses. However, the adjudicator may, on a written request from the appellant or the SRA, decide otherwise
 - The appellant should be aware that the adjudicator and assessor may ask questions on issues arising from their original application, the first consideration assessor reports and general experience and knowledge of insolvency law and practice. The adjudicator may, where appropriate, ask questions relating to the appellant's suitability to undertake insolvency work.
- 16.6 Where the applicant elects for appeal by way of written representations
- From the date the election for mode of appeal is acknowledged by the SRA the appellant will have 14 days in which to submit written detailed grounds for the appeal
 - The written grounds for appeal together with the original application form, the first consideration assessor's reports and other relevant materials will be considered by an assessor not previously involved with the application (the appeal assessor). The appeal assessor will provide a written report and may make recommendations for consideration by the SRA adjudicator
 - A copy of the appeal assessor's report will be sent to the appellant who will have 14 days to submit written comment on the report and recommendations

- On receipt of the appellant' comments or following the expiration of the 14 days reply period the papers bundle will be prepared and submitted for consideration by a SRA adjudicator who will decide the appeal and provide written reasons for the decision.

16.7 All decisions will where practical be notified to the appellant in writing within 14 days of the hearing.

17. Complaints regarding the application process

17.1 Complaints regarding the application process must be submitted in writing with full details of the issues complained of. Such complaints may arise from procedural irregularities, delays or other issues arising from the handling of the application.

17.2 Such complaints should be made in writing and addressed to the Education and Training Unit, Solicitors Regulation Authority, Ipsley Court, Redditch, B98 0TD. or use DX 19114, REDDITCH.

18. Regulatory and/or disciplinary action against authorised insolvency practitioners

18.1 All solicitor insolvency practitioners are subject to the Solicitors' Code of Conduct – 2007 and to the disciplinary powers of the SRA and Legal Complaints Service (LCS). In addition, the SRA has the power to revoke or suspend authorisation to act as an insolvency practitioner or to make such authorisation subject to conditions. Regulatory or disciplinary action may arise following complaints, unsatisfactory monitoring reports or notification to the SRA of any matter relating to the practitioner's conduct which may call into question whether the insolvency practitioner is fit and proper to act

18.2 Any complaint regarding the conduct of, or services provided by a solicitor or a solicitor Authorised Insolvency Practitioner will normally be received in the first instance by LCS in accordance with the published complaints procedure . The nature of the complaint will be assessed and the LCS will liaise with the SRA about complaints involving the conduct of Authorised Insolvency Practitioners. If the matter is serious, the SRA may decide to refer it to an adjudicator to suspend authorisation on public protection grounds, pending a full investigation.

18.3 On conclusion of the LCS investigation and any disciplinary proceedings arising from the complaint, the matter may be referred to an SRA adjudicator to decide whether the solicitor's suitability to remain an Authorised Insolvency Practitioner has been compromised and if so what sanction should be applied. The Adjudicator may be assisted by a specialist advisor when considering matters involving insolvency practice.

18.4 Under the terms of the Memorandum of Understanding the SRA is required to make a report to the Insolvency Service on the investigation into and the outcome of any complaint made against a solicitor arising out of work as an Authorised Insolvency Practitioner.

19. SRA policy on career breaks

- 19.1 Where it is established that an applicant's inability to comply with the experience criteria for authorisation as an insolvency practitioner is caused by a career break resulting from maternity leave, long illness, unemployment or sabbatical for a period not exceeding 12 months during the three years preceding the date of the application, that applicant will be permitted to discount that period and take into consideration relevant experience gained immediately prior to the three years.
- 19.2 Where an Authorised Insolvency Practitioner takes an extended break from practice due to maternity leave, long illness, unemployment or sabbatical during the period of their authorisation the SRA must be informed where ever possible before the start of the career break. If the practitioner is an office holder full information must be provided as regards the measures taken by the practitioner to ensure that the offices held have been correctly transferred. The authorisation may then be suspended for the period of the break or for a period not exceeding 12 months whichever is the lesser. Where the break exceeds a period of 12 months the authorisation may be revoked and the practitioner required to submit a fresh application for reauthorisation on his/her return to practice.
- 19.3 If reauthorisation falls due during the period of suspension the authorisation will lapse and the reauthorisation procedure must be completed immediately following that licensee's return to practice. The licensee may rely upon experience gained prior to de-authorisation or suspension and appropriate updates or other relevant training undertaken during the period of de-authorisation, suspension or within six months of the his/her return to practice.
- 19.4 If reauthorisation falls due after the period of suspension the practitioner will be required to apply for reauthorisation on the due date but the period of suspension can be discounted from the consideration of relevant experience.
- 19.5 In both circumstances the practitioner will be required to comply with all other criteria for reauthorisation.

20. Policy regarding experience gained in other jurisdictions

- 20.1 The Memorandum of Understanding requires that solicitors applying for authorisation as insolvency practitioners in England and Wales must have relevant insolvency experience. It has been confirmed by the Insolvency Service that such experience may not necessarily be gained within the United Kingdom.
- 20.2 The SRA can only authorise lawyers from other jurisdictions who are registered with it as Registered European Lawyers (REL) or have been admitted as solicitors in England and Wales under the Qualified Lawyer Transfer Regulations to act as insolvency practitioners. It must however be satisfied that insolvency education and training and experience relied upon is comparable to that which a solicitor of England and Wales could rely upon. A solicitor who wishes to rely on training and experience gained outside of England and Wales must support the application with sufficient details and appropriate evidence to enable an assessor to form a view as to its comparability and relevance. It is the SRA's current view that overseas experience can be relied upon only partly, and not exclusively, in counting the minimum requirements specified in 4.1.2 above. Of those minimum requirements, the applicant must have had sufficient UK practical experience to be able to cope with

some inevitable legal, substantive, procedural and regulatory variations between the two jurisdictions.

- 20.3 The SRA will not undertake research into relevance and comparability of experience gained in other jurisdictions. The applicant must provide all necessary evidence in the form of certified extracts from relevant law books and procedural documents relating to the jurisdiction. Where appropriate such extracts must be translated into English by an approved translator and certified as a true translation.
- 20.4 Applicants relying on such experience are not exempt from the requirement to pass the Joint Insolvency Examination; but those who hold a comparable authorisation or licence in a recognised overseas jurisdiction may be authorised in England & Wales upon their successfully passing an aptitude test demonstrating a level of knowledge equivalent to that attested by a pass in the Joint Insolvency Examination.

21. The SRA's duty to exchange information

- 21.1 Applicants must be aware that under the terms of the Memorandum of Understanding, the SRA is required to disclose information about the applicant or decisions on applications and any disciplinary complaint or action against a practitioner to the Secretary of State, other Recognised Professional Bodies and Competent Authorities in other EEA member states under the provisions of various EC Directives.
- 21.2 If an Authorised Insolvency Practitioner chooses to transfer to another Recognised Professional Body, the SRA is required to disclose any information regarding fitness or professional competence to the new Recognised Professional Body.
- 21.3 The SRA will provide such data to other organisations in accordance with the Memorandum of Understanding and the Data Protection Act.

Annex A - conditions of authorisation by the SRA to act as an insolvency practitioner

A solicitor granted initial authorisation or reauthorisation by the SRA is required to comply with the conditions set out below throughout the period of authorisation or reauthorisation. Failure to comply with these conditions may result in referral to an SRA Adjudicator and sanctions being applied.

Conditions

1. Solicitors of England and Wales who are authorised by the SRA must hold a current Practising Certificate free of conditions at the time of application and throughout the period of authorisation or reauthorisation. If a condition is attached to the insolvency practitioners Practising Certificate full details must be sent in writing to Education and Training Unit, The Solicitors Regulation Authority, Ipsley Court, Redditch, B98 0TD; or use DX 19114, REDDITCH. Dependant on the condition applied the matter may be referred to a SRA Adjudicator for consideration of issues regarding suitability to remain authorised.
2. A REL registered with and authorised by the SRA must maintain their registration or become admitted as a solicitor of England and Wales for the period of their authorisation or reauthorisation. If the registration is discontinued or lapses during the period of authorisation the practitioner must notify in writing Education and Training Unit, The Solicitors Regulation Authority, Ipsley Court, Redditch, B98 0TD; or use DX 19114, REDDITCH. If the REL is an office holder at the time of deregistration with the SRA full details regarding the disposal and transfer of all appointments held must be notified to the SRA.
3. Agree to be the subject of monitoring by the SRA's contracted insolvency monitors, currently the Insolvency Practitioners Association (IPA) and co-operate fully with the monitoring officers.
4. Agree to pay to the Law Society the annual fee, to cover the pro-rata cost of monitoring and various levies that may be required from time to time by Government and the Insolvency Practices Council.
5. Remain a fit and proper person to carry out the duties of an Authorised Insolvency Practitioner throughout the period of authorisation or reauthorisation. (See paragraph 7 of the Procedures for Authorisation to act as an Insolvency Practitioner.)
6. To immediately inform the SRA of any matters that may affect suitability to remain authorised as an insolvency practitioner.
7. Agree to make an application for reauthorisation by the due date as notified by the SRA or inform the SRA if reauthorisation is not required. Failure to apply for authorisation by the due date may result in revocation or suspension of authorisation or a restricted period of reauthorisation.
8. Notify the SRA immediately if an enabling bond is taken out or terminated.
9. To immediately inform the SRA if an application for authorisation is made to another Recognised Professional Body

10. Submit a Cover schedule (previously referred to as bordereau) in accordance with the provisions of Schedule 2 part 3 13(1) of the Insolvency Practitioners Regulations 2005. Cover schedules are required to reach the SRA by no later than the 20th of each month. All authorised insolvency practitioners who hold a bond as required by Schedule 2 Part 2 of the Insolvency Practitioners Regulations 2005 must submit a monthly cover schedule, whether or not they hold any offices. It should be noted that failure to submit a cover schedule by the due date may result in the suspension or revocation of authorisation or such delays may be taken into account by the SRA when it considers an application for reauthorisation.

Annex B - Guidance Notes

1. Guidance on completion of the application for initial authorisation

- 1.1 Q9(a) - If the applicant has held numerous appointments then only details of the last 10 are necessary.
- 1.2 Q11(a) - Please note that this question relates to the number of unconnected insolvencies in which applicants have acted on behalf of an office holder, not the number of office holders for whom they have acted, nor the total number of matters dealt with in one insolvency.
- 1.3 Q13 - Taking the number of total hours of insolvency work carried out in the last three years, please give an estimate of how much of that time is spent on the categories of insolvency work as indicated. The percentage figure required will only be approximate. This question is designed to discover whether the experience in insolvency work has arisen in matters requiring expertise in insolvency or whether it has arisen in the course of other work such as conveyancing, debt collection or general litigation.
- 1.4 Q33(d) - Removal would not include circumstances where a receiver's appointment was terminated because the relevant debenture had been redeemed.

2. Guidance on completion of the application for reauthorisation

- 2.1 Q7 - The SRA needs information about the practitioner's enabling bond in order to ensure compliance with the Insolvency Practitioners Regulations 2005. This information is passed to the Insolvency Service as part of the SRA's obligation as a Recognised Professional Body. The SRA recommends that every insolvency practitioner should hold a bond at all times. It is necessary to hold an enabling bond to act as an insolvency practitioner i.e. take appointments. Practitioners who decide not to arrange a bond are advised to give serious consideration to the question of whether or not they will hold office, as arranging a bond at short notice may prove to be difficult.
- 2.2 Q8 - If the applicant has held numerous appointments then only details of the last 10 are necessary.
- 2.3 Q9 (a) - Please note that this question relates to the number of unconnected insolvencies in which applicants have acted on behalf of an office holder, not the number of office holders for whom applicants have acted, nor the total number of matters dealt with in one insolvency.

- 2.4 Q12 - Taking the number of total hours of insolvency work carried out in the last three years, applicants should give an estimate of how much of that time is spent on the categories of insolvency work as indicated. The percentage figure required will only be approximate. This question is designed to discover whether the experience in insolvency work has arisen in matters requiring expertise in insolvency or whether it has arisen in the course of other work such as conveyancing, debt collection or general litigation.
- 2.5 Q31(d) - Removal would not include circumstances where a receiver's appointment was terminated because the relevant debenture had been redeemed.