

# Acquisition/Merger Checklist

## 2016/2017

This checklist is to guide firms through the steps needed to notify the SRA and comply with regulatory requirements when acquiring or merging with other SRA authorised firms. It does not need to be submitted to us.

Where an acquisition takes place, the SRA does not need to approve the change, however you may need to make updates to your firm's record, provide us with notifications or submit applications.

For a merger, the new body will need to apply to the SRA for authorisation as a Recognised or Licensed Body. Application forms and guidance can be found on our website here [www.sra.org.uk/solicitors/firm-based-authorisation/authorisation-recognition.page](http://www.sra.org.uk/solicitors/firm-based-authorisation/authorisation-recognition.page). (Sections 2 - 4 of the checklist do not apply).

For our purposes we apply the following meanings to acquisition and merger:

|                    |                                                                                                                                                                                                                                                                                                               |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Acquisition</b> | a firm is acquired by or amalgamates with one or more continuing firm(s). This may include the taking of good will and client base, absorbing some or all of the offices and/or incorporating the firm name into the continuing firm. The acquired firm will cease to practise as a separate authorised body. |
| <b>Merger</b>      | two or more firms come together to form a new authorised body. The new body is a separate entity and will often trade under a new name. The merged firms will cease to practise as separate authorised bodies.                                                                                                |

### Section 1 - Closing Firm(s)

Any firm which closes or ceases to practise as a result of the acquisition/merger is required to notify the SRA of its closure to achieve Outcome 10.13 of the SRA Code of Conduct. This should be done by submitting a Firm Closure Notification form.

This form should be completed by a manager or Compliance Officer for Legal Practice of the closing firm. To ensure that the information provided is up to date and accurate, we advise it is submitted no more than 30 days before the intended date of closure.

When we receive the Firm Closure Notification form from the closing firm(s) indicating that it has been acquired, we will contact you to seek your verification.

### Section 2 - mySRA Updates

When the acquisition takes place your firm's Authorised Signatories (AUS) or Organisation Contacts (ORC) may need to amend the details of the organisation through their mySRA profile. A mySRA User Guide for AUSs and ORCs can be found on our website here [www.sra.org.uk/mysra/what-is-mysra/my-sra-user-guide.page](http://www.sra.org.uk/mysra/what-is-mysra/my-sra-user-guide.page). The following updates may be required:

#### General Details

Change your organisation's name\*  
Add a trading name(s)

#### Office Details

Edit office address details\*  
Add or remove branch offices\*

#### Related Individuals

Add individuals as employees  
Add deemed approved individual managers

#### Organisation Contacts

Add or remove ORCs

\* These changes will be processed by the SRA within 30 days. You will receive confirmation by email. All other changes will take effect immediately on mySRA and within 48 hours on Find a Solicitor.

## Section 3 - Owners, Authorised bodies and Non-deemed Managers

You need to notify the SRA in advance of any new deemed approved individual owners or authorised body managers/owners. These details cannot be added through mySRA.

An FA4 Advance Notification form should be completed. The form and guidance can be found on our website at [www.sra.org.uk/fa4](http://www.sra.org.uk/fa4).

Once received, we will update your firm's profile within 30 days.

As part of the acquisition you may take on managers or owners who are not deemed approved. Individuals who do not meet the criteria in Rule 13.2 of the SRA Authorisation Rules 2011 must be given approval before they can take up their position in your firm.

To apply for approval the firm should submit an FA2 form for each affected manager. The FA2 form and guidance can be found on our website at [www.sra.org.uk/solicitors/firm-based-authorisation/approval-corporate-manager-owner.page](http://www.sra.org.uk/solicitors/firm-based-authorisation/approval-corporate-manager-owner.page). This form should also be used if you require approval of a new COLP/COFA. Timescales for approval are set out on our website.

**If you are a licensed body and require new Corporate Manager/Owner approval please visit the Firm-based authorisation section of our website.**

## Section 4 - Trainees

As part of the acquisition you may take on trainees from the closing firm. If your firm is already authorised by the SRA as a training provider, no further action is required as we will transfer the trainees to your firm.

If your firm is not authorised by the SRA as a training provider and you wish to take on trainees from the closing firm you will need to submit an application for authorisation as a training provider and a notification of a period of recognised training.

The forms and guidance notes can be found on our website at [www.sra.org.uk/trainees/trainees.page](http://www.sra.org.uk/trainees/trainees.page). Timescales for these applications are set out on our website.

If you have any queries regarding trainees email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk).

## Section 5 - Notice of Succession (NS1)

The NS1 form is used to provide the SRA with a successor turnover figure for firms affected by an acquisition or merger. This ensures that the turnover recorded is apportioned to reflect the impact of the change. The turnover of an authorised body is used to determine its periodical fee.

Rule 8.3(f) of the SRA Authorisation Rules 2011 states an authorised body which has succeeded to the whole or part of one or more authorised bodies must submit an NS1 within 28 days of the change taking place.

The NS1 form and guidance can be found on our website at [www.sra.org.uk/solicitors/firm-based-authorisation/notice-succession.page](http://www.sra.org.uk/solicitors/firm-based-authorisation/notice-succession.page). The NS1 must be agreed and signed by a manager from each affected firm.

## Section 6- Checklist

|                                                                |                          |
|----------------------------------------------------------------|--------------------------|
| Firm Closure Notification form(s) submitted                    | <input type="checkbox"/> |
| mySRA updates complete                                         | <input type="checkbox"/> |
| FA4 notification(s) submitted                                  | <input type="checkbox"/> |
| FA2 application(s) for approval submitted                      | <input type="checkbox"/> |
| Application for authorisation as a training provider submitted | <input type="checkbox"/> |
| Notification of a period of recognised training                | <input type="checkbox"/> |
| NS1 completed and submitted                                    | <input type="checkbox"/> |

For further guidance and advice on the SRA Handbook and your regulatory requirements you can contact our Professional Ethics advisers on 0370 606 2577. Phone lines are open 09.00 to 17.00 Monday to Friday. You can also email [professional.ethics@sra.org.uk](mailto:professional.ethics@sra.org.uk).