

## Notes on Form NM1

### Notification of a manager change

#### About form NM1

Please use this form to notify us of a new manager joining your firm or an existing manager leaving your firm. You can also use this form to notify us of a new corporate manager (legally qualified bodies) joining your firm or an existing corporate manager (legally qualified bodies) which is ceasing to be manager of your firm.

All solicitor, registered European lawyer (REL) and registered foreign lawyer (RFL) non-managers (e.g. Assistants, Consultants, Associates, Employees, etc.), should notify us of changes to their professional details by updating their SRA online account at [www.sra.org.uk/mysra](http://www.sra.org.uk/mysra). Alternatively, your firm's organisation contact or authorised signatory can update us of these changes on behalf of the firm, through the My Organisations section of their SRA online account at [www.sra.org.uk/mysra](http://www.sra.org.uk/mysra).

#### How to use form NM1

Please photocopy this form if you are providing details for more than one manager.

- If you are notifying us of a new manager, please go straight to **section 1**.
- If you are notifying us of an existing manager that is leaving your firm, please go straight to **section 3**.

Please answer all questions and complete all the relevant sections.

If you make an error during completion of the form, please put a line through any deletions. Do not use liquid paper.

The declaration must be signed before submitting the form.

\*Please note Rule 18.2 (c) of the SRA Practice Framework Rules 2011.

*“(18.2)[...] A recognised body must notify the SRA within seven days of any change to its:*

*(c) managers;”*

For alternative formats, email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk) or telephone 0870 606 2555

## Manager

A manager of a firm is a

- partner in a partnership
- member of an LLP
- director of a company.

## How to contact us and where to return the form (and any additional information)

You can contact us at

- 0870 606 2555
- +44 (0) 1527 504450, if calling from overseas, or
- [operations@sra.org.uk](mailto:operations@sra.org.uk)

Lines are open 09.00 - 17.00, Monday to Friday. Calls may be monitored/recorded for training purposes.

Operations  
Solicitors Regulation Authority  
Ipsley Court  
Berrington Close  
Redditch  
Worcestershire  
B98 0TD

or

DX 19114 Redditch

## **Section 1 – Notification of a new manager**

### **Manager details**

This section must be completed in all cases when you are notifying us of a new manager joining your firm.

### Individual managers

If your firm's new manager is an individual manager, please ensure each field and tick box is completed in this section.

### **Date became manager of firm**

For the purpose of our records, please provide a specific date.

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**Name of firm**

Please give the name of the firm they are joining as a manager.

**Firm SRA number**

Please give the SRA number of firm they are joining.

**Name of previous SRA regulated firm/Date left previous SRA regulated firm**

If they have previously been employed by another SRA regulated firm, please provide the name of this firm and the specific date they ceased to be employed at this firm.

**\*If the individual manager is a solicitor, REL, or RFL, section 2 does not have to be completed. Please go straight to section 4 – Firm’s declaration.**

**Corporate managers (legally qualified bodies)**

If your firm’s new manager is a corporate manager (a legally qualified body), please complete the following fields in this section.

**Surname/Forename**

Please complete either field to provide the name of the legally qualified body.

**Date became manager of firm**

Please provide the specific date the legally qualified body became a corporate manager at the firm.

**Name of firm**

Please give the name of the firm where the legally qualified body will be a corporate manager.

**Firm SRA number**

Please give the SRA number of firm where the legally qualified body will be a corporate manager.

**Name of previous SRA regulated firm/Date left previous SRA regulated firm**

If the legally qualified body has previously been a corporate manager of another SRA regulated firm, please provide the name of this firm and the specific date it ceased to be a manager at this firm.

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## Section 2 – Manager details – continued

This section is split into four separate sections: 2(a), 2(b), 2(c) and 2(d).

You must fully complete ONE of these sections if the new manager named in section 1 is either;

### Section 2(a) – Exempt European lawyer

A member of an Establishment Directive profession

- (a) registered with the Bar Standards Board; or
- (b) based entirely at an office or offices outside England and Wales,

who is not a lawyer of England and Wales (whether entitled to practise as such or not).

A member of an Establishment Directive profession will be exempt from registration as an REL or RFL (i.e. can be an EEL) if he or she is registered as the equivalent of an REL with the Bar Standards Board, or is based entirely outside of England and Wales, provided he or she is not also a lawyer of England and Wales.

“Exempt European lawyer” or EEL (formally “non-registered European lawyer” (non-REL)) is defined above, but note in particular:

- a European lawyer who is also qualified as a lawyer of England and Wales (e.g. as a notary public) is not an EEL;
- a European lawyer who is registered with the Bar Standards Board is an EEL (provided he or she is not a lawyer of England and Wales).

### Registered with the Bar Standards Board?

A European lawyer can be an EEL if he or she is registered with the Bar Standards Board as the equivalent of a REL, unless he or she is also a lawyer of England and Wales.

### Lawyer of England and Wales?

A European lawyer cannot be an EEL if he or she is also a lawyer of England and Wales. This is the case, wherever the lawyer is based, and even if the lawyer is not entitled to practise as a lawyer of England and Wales.

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## Section 2(b) – Other lawyer

“Other lawyer” refers to a lawyer of England and Wales (other than a solicitor) who is regulated by at least one of the approved regulators.

### Lawyers who can be managers

Type of lawyer	Approved regulator
Barrister	Bar Council (through the Bar Standards Board)
Legal executive	Institute of Legal Executives (through ILEX Professional Standards Ltd)
Licensed conveyancer	Council for Licensed Conveyancers
Patent agent	Chartered Institute of Patent Attorneys (through the Intellectual Property Regulation Board)
Trade mark agent	Institute of Trade Mark Attorneys (through the Intellectual Property Regulation Board)
Law costs draftsman	Association of Law Costs Draftsman
Notary public	Faculty Office of the Archbishop of Canterbury
Lawyers approved by the Association of Chartered Certified Accountants	Association of Chartered Certified Accountants
Lawyers approved by the Institute of Chartered Accountants of Scotland	Institute of Chartered Accountants of Scotland

### Is the individual entitled to practise and not subject to a condition or restriction?

We are seeking confirmation that the firm has complied with the requirements of Regulation 4.1(b) of the SRA Recognised Bodies Regulations 2011.

*“(4.1) A recognised body must not take on a new manager without first being satisfied of that manager’s eligibility, by [...]*

- (b) obtaining (and retaining, for production to the SRA if required) in respect of any lawyer authorised by an approved regulator but not by the SRA, written confirmation from the approved regulator to the effect that the lawyer is authorised by that approved regulator, entitled to practise and not subject to a condition or other restriction which would preclude that person becoming a manager”.*

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If you answer “no” to this question on the form, we will be unable to proceed with this notification until such information (above) has been obtained. To add a new “other” lawyer manager to your firm, you must demonstrate that you have obtained the relevant information in compliance with Regulation 4.1(b).

**Please note** – if an “other lawyer” is authorised by more than one approved regulator, please give details of all legal qualifications and approved regulators. This would include, for example, a legal executive who is also a member of an Establishment Directive profession and is registered with the Bar Standards Board. In this case, please also provide the European professional title and jurisdiction of qualification.

## Section 2(c) – Approved non-lawyer

**The section is only for use by firms that were existing recognised bodies which had non-lawyer managers(s) on the date of commencement of the SRA Practice Framework Rules 2011 [6 October 2011].**

The SRA's move to outcomes-focused regulation and the new SRA Handbook came into effect on 6 October 2011. Part 5 of the Legal Services Act 2007 (LSA) also came into effect on this date. This is the section of the LSA which allows the introduction of Alternative Business Structures (ABS).

This means that on 6 October 2011, the door to new non-lawyer manager Legal Disciplinary Practices (LDPs) closed and all bodies that are "licensable" need to apply to a Licensing Authority to become authorised as an ABS.

ABS will need to have a license in order to operate. The SRA has applied (on behalf of the Law Society) to the Legal Services Board (LSB) to become a Licensing Authority for ABS. On 13 June 2011, the LSB approved the SRA's application and recommended to the Lord Chancellor the SRA's designation as a Licensing Authority. When the SRA will formally be designated to license ABS is dependant upon the parliamentary timetable. It is hoped that the SRA will be designated before the end of 2011. You can access further information about ABS on our website at [www.sra.org.uk/abs](http://www.sra.org.uk/abs).

If however, your firm was an existing recognised body which did not comply with Rule 13.1(b) of the SRA Practice Framework Rules 2011 at the time they came into force [6 October 2011], (i.e. that up to 25% of the body's managers were individual non-lawyers approved by the SRA under Regulation 3 of the Recognised Bodies Regulations), it can continue to be treated as a recognised body, until:

- it ceases to comply with the management and control requirements set out in transitional provisions and grace period of the SRA Practice Framework Rules 2011 (Rule 22); or
- the end of the transitional period under Part 2 of Schedule 5 of the LSA, or until it elects to become a licensed body.

If your firm is covered by the transitional provisions and grace period set out in Rule 22 of the SRA Practice Framework Rules 2011 and you would like to apply for an individual to be approved under Regulation 5 of the SRA Recognised Bodies Regulations 2011, please contact us to obtain an application form for approval of a non-lawyer as suitable to be a manager of a recognised body (NL1).

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An individual **MUST** be approved under the above regulations to be a non-lawyer manager of a firm regulated by the SRA.

**Individuals needing approval under Regulation 5 of the SRA Recognised Bodies Regulations 2011 fall into three categories:**

- non-lawyers, i.e. individuals who are not members (practising or non-practising) of a legal profession of England and Wales, an Establishment Directive profession, or a foreign legal profession whose members are eligible to become RFLs;
- members of a foreign legal profession whose members are not eligible to become RFLs;
- non-practising barristers and non-practising members of other legal professions, who are prevented by professional rules or training regulations from changing status so as to be able to seek approval as practising lawyers.

**Regulation 4.1(c) of the SRA Recognised Bodies Regulations 2011**

*"(4.1) A recognised body must not take on a new manager without first being satisfied of that manager's eligibility, by:*

- (c) obtaining (and retaining, for production to the SRA if required), in respect of any individual who is entitled to be a manager only by virtue of approval under regulation 5, written confirmation:*
  - (i) from the SRA that the individual concerned is approved under regulation 5; and*
  - (ii) from the individual concerned details of any event which the body will have to declare when next renewing its recognition, which has occurred in relation to that individual since he or she was last a manager of a recognised body renewing its recognition."*

If you answer 'no' to this question on the form, we will be unable to proceed with this notification until such information (above) has been obtained. To add a new non-lawyer manager to your firm, you must demonstrate that you have obtained the relevant information in compliance with Regulation 4.1(c).

**Section 2(d) – Legally qualified body**

A legally qualified body can be a recognised body, an authorised non-SRA firm or a European corporate practice.

**Structure and composition**

The SRA is able to recognise a firm with a relatively complex structure, involving various tiers of ownership, provided that the structure and composition of all bodies in the firm satisfy the requirements of Rule 15 and 16 of the SRA Practice Framework Rules 2011.

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**Rule 16.1(e)** of the SRA Practice Framework Rules 2011 permits a body corporate which is a legally qualified body to be a manager. Rule 23 of the SRA Practice Framework Rules 2011 defines a legally qualified body as:

*“(23.01) [...] legally qualified means any of the following:*

- (i) a lawyer;*
- (ii) a recognised body;*
- (iii) an authorised non-SRA firm of which all the managers and interest holders are lawyers save that where another body ("A") is a manager of or has an interest in the firm, non-authorised persons are entitled to exercise, or control the exercise of, less than 10% of the voting rights in A;*
- (iv) European corporate practice of which all the managers and interest holders are lawyers;*

*and reference to a "legally qualified body" shall be construed accordingly."*

### **European corporate practice**

This is defined in Rule 23 of the SRA Practice Framework Rules 2011 but is essentially a body corporate (including in this context a partnership with legal personality) which was formed and functions in an Establishment Directive state but not in England and Wales.

### **Type of body**

Only a company, an LLP incorporated in England and Wales, Scotland or Northern Ireland, or a partnership with legal personality (see below) can be a legally qualified body. Please specify the type of body.

### **Partnership with legal personality**

Whether a partnership has its own legal identity will depend on the jurisdiction under whose law it is formed. Examples of partnerships which have separate legal identities are a general partnership formed under the law of Scotland, a limited liability partnership formed under the law of Jersey, and a general partnership or limited liability partnership formed under the law of Texas or California. Examples of partnerships which do not have separate legal identities are a general partnership or a limited partnership formed under the law of England and Wales, and a general partnership or limited liability partnership formed under the law of New York. A general partnership or limited liability partnership formed under Delaware law has legal personality unless the partners exercise their right to opt out of that status.

### **Authorised non-SRA firm**

If the legally qualified body is an authorised non-SRA firm, please specify the approved regulator of the body.

### **Main office address**

For alternative formats, email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk) or telephone 0870 606 2555

Please give the main office address of the body, which should be the registered office (including country of incorporation) of a corporate body. If the body does not practise from its registered office, please write “non-practising office” against that address and provide details separately of the main practising address. Please note that the registered office of a recognised body must be a practising address of the firm.

### **Contact details**

We do not ask for a contact name or details about the composition of legally qualified bodies, but ask for the website address so that, if we need to make contact or find out more about the body, we can obtain details from the website. If the body does not have a website, please write N/A – we will contact you for further details of the legally qualified body if we need them.

## **3. Managers leaving Manager details**

This section must be completed in all cases when you are notifying us of an existing manager leaving your firm.

### **Individual managers**

If the manager leaving your firm is an individual manager, please ensure each field is completed in this section.

#### **Date ceased to be a manager**

For the purpose of our records, please provide a specific date.

#### **Name of firm**

Please give the name of the firm they are leaving as a manager.

#### **Firm SRA number**

Please give the SRA number of firm they are leaving.

### **Corporate managers (legally qualified bodies)**

If the manager leaving your firm is a corporate manager (a legally qualified body), please complete the following fields in this section.

#### **Surname/Forename**

Please complete either field to provide the name of the legally qualified body which is ceasing to be a corporate manager at the firm.

#### **Date ceased to be a manager**

Please provide the specific date the legally qualified body is ceasing to be a corporate manager at the firm.

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**Name of firm**

Please give the name of the firm where the legally qualified body is ceasing to be a corporate manager.

**Firm SRA number**

Please give the SRA number of firm where the legally qualified body is ceasing to be a corporate manager.

**4. Firm's declaration**

Knowingly or recklessly giving the SRA information which is false or misleading in a material particular, or failure to inform the SRA of materially significant information of which the firm is aware, may lead to disciplinary action by the SRA or revocation of the body's recognition.

The SRA reserves the right to carry out or to request you to carry out fresh checks in relation to the firm's compliance with the SRA's rules and relevant legal requirements.

**Who may sign?**

The form must be signed by a solicitor or an REL who is an existing manager in the firm and who is authorised by all partners of the firm to make the declarations in section 4.

If there are no individual managers in the firm, the form may be signed by a solicitor or an REL manager of a body corporate manager of the firm, similarly authorised by all managers.

**Signing the form**

When you have completed the form on behalf of the firm, please clearly and accurately state your full name and SRA number, and sign and date the declaration.