

## **Solicitors' Financial Services (Amendment) Regulations 2014 No 2**

The Council of the Law Society of Northern Ireland in the exercise of the powers conferred on it by Articles 74(1) and 75 of the Solicitors' (Northern Ireland) Order 1976, Section 332 of the Financial Services and Markets Act 2000 (the Act) and all other powers enabling it in that behalf, with the concurrence of the Lord Chief Justice of Northern Ireland, hereby make the following Regulations:

1.1. These Regulations may be cited as the Solicitors' Financial Services (Amendment) Regulations 2014 No 2 and shall come into effect on 1 April 2014 (the Amendment Regulations No 2).

1.2 These Solicitors' Financial Services (Amendment) Regulations 2014 are hereby repealed from 1 April 2014.

1.3. The Solicitors' Financial Services Regulations 2012 (the principal Regulations) are hereby amended as set out herein.

1.4. The principal Regulations are amended as follows:

a. Regulation 2.2. shall be amended as set out below:

(1) The definition of 'Authority' shall be replaced with 'Authority' means the Financial Conduct Authority;

b. Regulation 2.2 shall be further amended to include:

(1) After the existing definition of client, 'Consumer Credit Sourcebook' (CONC) means the specialist source book for credit-related regulated activities in the Authority's handbook of rules and guidance.

(2) Regulation 2.2 shall be amended to include after the existing definition of 'regulated mortgage activities' the following:

Credit related regulated activities:

'Credit related regulated activities' mean:

- (i) entering in to a regulated credit agreement as lender;
- (ii) exercising or having the right to exercise, the lender's rights and duties under a regulated credit agreement;
- (iii) credit broking;
- (iv) debt adjusting;
- (v) debt counselling;
- (vi) debt collecting;
- (vii) debt administration;
- (viii) providing credit information services;

each credit related regulated activity as defined in the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 as amended.

1.5 The following provisions shall be inserted as Part 4 of the principal Regulations:

Part 4:

20.1. When carrying on any credit related regulatory activity or an activity connected to that regulated activity, a solicitor must comply with the provisions of the Consumer Credit Act 1974, any secondary legislation made thereunder and all other statutory obligations which continue.

20.2. When carrying on a credit related regulated activity, or an activity connected to that regulated activity, a solicitor must comply with the Authority's Consumer Credit sourcebook (CONC), (except CONC 10) and the Principles for Businesses referred to in CONC 1.1.4G in relation to that activity as if it were authorised under the Act with a permission under Part 4A of the Act to carry on that activity.

20.3. Where a solicitor claims to and carries on any credit related regulated activity, or an activity connected to that regulated activity pursuant to these Regulations, the solicitor shall be supervised and regulated by the Law Society of Northern Ireland as the appropriate professional body designated under Part XX of the Act, part of whose function is to continue to supervise and ensure compliance in general with their regulatory and statutory obligations, including with the provisions of the Consumer Credit Act 1974 and secondary legislation made thereunder where they continue to apply.

20.4 Each solicitor shall be required to provide annually to the Law Society of Northern Ireland such information about its credit related regulated activity or connected activities thereto as is necessary to enable the Law Society of Northern Ireland to comply with its obligations as a professional body designated under Part XX of the Act.

1.6 Nothing in the principal Regulations or the Amendment Regulations No 2 shall affect or dilute the general power and function of the Law Society of Northern Ireland under the Solicitors' (Northern Ireland) Order 1976.

Made by the Council on the 24 day of March 2014.