

# SRA Overseas and Cross-border Practice Rules

[<https://www.sra.org.uk/solicitors/standards-regulations/overseas-cross-border-practice-rules/?docId=987067715>]

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## *Introduction*

Part A of these rules sets out provisions for those who have established to provide legal services outside of England and Wales, for example as an overseas representative, or a branch office or subsidiary of an authorised firm. The rules set out in Part A are a modified version of the SRA Principles, together with key standards relating to client money and assets, and information and reporting requirements.

Authorised firms are required to ensure that those overseas practices for which they are responsible, and those who manage and own those overseas practices, meet the principles and standards set out in Part A of these rules. Regulated individuals who are established overseas must also meet the principles and standards set out in Part A of these rules, in place of the SRA Principles and Code of Conduct for Individuals. These rules do not apply to those who are providing services on a temporary basis from outside the jurisdiction; instead, the SRA Principles and Code of Conduct for Individuals will apply to them.

This reflects the fact that detailed regulatory requirements are less appropriate in a situation where the services are being provided from outside the jurisdiction, and where there will be different legal, regulatory and cultural practices. However, authorised firms will themselves be required to meet the full requirements of our regulatory arrangements and individuals established overseas will need to meet those requirements of our other rules and regulations which apply to them as solicitors or RELs (for example in respect of their character and suitability, and authorisation requirements).

The Cross-border Practice Rules set out in Part B of these rules apply to those who are engaged in professional activities in another State that is a member of the Council of the Bars and Law Societies of Europe (CCBE) and those who are in professional contact with a lawyer of another CCBE State whether or not they are physically present in that State.

This introduction does not form part of the SRA Overseas and Cross-border Practice Rules.

## *Part A: Overseas rules*

### *Rule 1: Application*

**1.1** The Overseas Rules apply to you:



- (a) as a regulated individual [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#regulated-individual>] who is practising overseas [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#practising-overseas>] , in place of the SRA Principles and the SRA Code of Conduct for Individuals [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#SRA-Code-of-Conduct-for-Individuals>] ; OR
- (b) as a responsible authorised body [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#responsible-authorised-body>] in that you must ensure that your overseas practice [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#overseas-practice>] and the individual managers [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#managers>] , members [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#members>] and owners [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#owners>] that are involved in the day to day or strategic management of your overseas practice [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#overseas-practice>] , comply with the Overseas Rules. Your overseas practice [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#overseas-practice>] and these individual managers [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#managers>] , and members [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#members>] and owners [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#owners>] your overseas practice [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#overseas-practice>] are together referred to as those "for whom you are responsible" for the purposes of these rules.

**1.2** In the event of any conflict between the Overseas Rules and any requirements placed on you or on those for whom you are responsible by local law or regulation, then local law or regulation must prevail, with the exception of Overseas Principle 2 which must be observed at all times.

**1.3** Notwithstanding rule 1.1, the SRA Principles and the SRA Code of Conduct for Individuals [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#SRA-Code-of-Conduct-for-Individuals>] will apply instead of the Overseas Rules if you are a solicitor [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#solicitor>] or an REL [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#REL>] , and your practice predominantly comprises the provision of legal services to clients [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#client>]



within England and Wales, or in relation to assets

[<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#asset>]

located in England and Wales.

## *Rule 2: Overseas Principles*

### **2.1** You act:

- 1.** in a way that upholds the constitutional principle of the rule of law and the proper administration of justice in England and Wales.
- 2.** in a way that upholds public trust and confidence in the solicitors [https://www.sra.org.uk/solicitors/standards-regulations/glossary/#solicitor] ' profession of England and Wales and in legal services provided by authorised persons [https://www.sra.org.uk/solicitors/standards-regulations/glossary/#per]
- 3.** with independence.
- 4.** with honesty.
- 5.** with integrity.
- 6.** in a way that encourages equality, diversity and inclusion having regard to the legal, regulatory and cultural context in which you are practising overseas [https://www.sra.org.uk/solicitors/standards-regulations/glossary/#practising-overseas] .
- 7.** in the best interests of each client.

## *Rule 3: Dealings with client money*

### **3.1** In all dealings you have with client money (overseas)

[https://www.sra.org.uk/solicitors/standards-regulations/glossary/#client-

money-overseas] you must:

- (a)** safeguard client [https://www.sra.org.uk/solicitors/standards-regulations/glossary/#client] money and assets [https://www.sra.org.uk/solicitors/standards-regulations/glossary/#ass entrusted to you;
- (b)** keep client money (overseas) [https://www.sra.org.uk/solicitors/standards-regulations/glossary/#client money-overseas] , separate from money which belongs to
- (c)** on receipt, pay client money (overseas) [https://www.sra.org.uk/solicitors/standards-regulations/glossary/#client money-overseas] promptly into, and hold it in, an overseas client account [https://www.sra.org.uk/solicitors/standards-regulations/glossary/#overseas-client-account] , unless:



- (i) to do so would conflict with your obligations under regulation or with any obligation relating to office or appointment you hold; or
  - (ii) you agree in the individual circumstances an arrangement in writing with your client  
[<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#overseas-client-account>]  
the third party for whom the money is held;
- (d) only withdraw client money (overseas)  
[<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#overseas-client-account>] from an overseas client account  
[<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#overseas-client-account>] :
  - (i) for the purposes for which it is being held; or
  - (ii) following receipt of instructions from the client  
[<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#overseas-client-account>]  
or the third party for whom the money is held.
- (e) return client money (overseas)  
[<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#overseas-client-account>] promptly to the client  
[<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#overseas-client-account>]  
third party for whom money is held as soon as there is no longer any proper reason to retain those funds;
- (f) have effective accounting systems and proper controls in place of those systems in order to ensure compliance with these rules;
- (g) keep and maintain for at least six years accurate, contemporaneous and chronological accounting records  
[<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#accounting-records>] in order to provide details of all money received and paid from all overseas client accounts  
[<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#overseas-client-account>] and to show a running balance of all client money (overseas)  
[<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#overseas-client-account>] held in those accounts; and
- (h) account to clients  
[<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#client>] or third parties for a fair sum of interest  
[<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#interest>] on any client money (overseas)  
[<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#overseas-client-account>] held by you on their behalf, as required by



local law and customs of the jurisdiction in which you are practising and otherwise when it is fair and reasonable in all circumstances. You may by a written agreement come to a different arrangement with the client [\[https://www.sra.org.uk/solicitors/standards-regulations/glossary/#client\]](https://www.sra.org.uk/solicitors/standards-regulations/glossary/#client) the third party for whom the money is held as to the payment of interest [\[https://www.sra.org.uk/solicitors/standards-regulations/glossary/#interest\]](https://www.sra.org.uk/solicitors/standards-regulations/glossary/#interest) , but you must provide sufficient information to enable them to give informed consent.

**Rule 4: Reporting, cooperation and accountability**

**4.1** You must cooperate with the SRA

[\[https://www.sra.org.uk/solicitors/standards-regulations/glossary/#SRA\]](https://www.sra.org.uk/solicitors/standards-regulations/glossary/#SRA) , other regulators, ombudsmen and those bodies in England and Wales, with a role overseeing and supervising the delivery of, or investigating in relation to, legal services.

**4.2** You must monitor compliance with these rules, and report any serious breach to the SRA

[\[https://www.sra.org.uk/solicitors/standards-regulations/glossary/#SRA\]](https://www.sra.org.uk/solicitors/standards-regulations/glossary/#SRA) when this occurs, or as soon as reasonably practicable thereafter.

**4.3** You must notify the SRA [\[https://www.sra.org.uk/solicitors/standards-regulations/glossary/#SRA\]](https://www.sra.org.uk/solicitors/standards-regulations/glossary/#SRA) promptly if:

**(a)** you become aware that you or anyone for whom you are responsible is convicted by any court [\[https://www.sra.org.uk/solicitors/standards-regulations/glossary/#convicted\]](https://www.sra.org.uk/solicitors/standards-regulations/glossary/#convicted) a criminal offence or becomes subject to disciplinary action by another regulator; or

**(b)** you have grounds to believe that you or anyone for whom you are responsible is in serious financial difficulty.

**4.4** You must respond promptly to the SRA

[\[https://www.sra.org.uk/solicitors/standards-regulations/glossary/#SRA\]](https://www.sra.org.uk/solicitors/standards-regulations/glossary/#SRA) and:

**(a)** provide full and accurate explanations, information and documentation in response to any requests or requirements and

**(b)** ensure that relevant information which is held by you, or third parties carrying out functions on your behalf which are critical to the delivery of your legal services, is available for inspection by the SRA [\[https://www.sra.org.uk/solicitors/standards-regulations/glossary/#SRA\]](https://www.sra.org.uk/solicitors/standards-regulations/glossary/#SRA) .

**4.5** If you are a responsible authorised body

[\[https://www.sra.org.uk/solicitors/standards-regulations/glossary/#SRA\]](https://www.sra.org.uk/solicitors/standards-regulations/glossary/#SRA)



regulations/glossary/#responsible-authorised-body] , the SRA  
[<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#SRA>]  
may, on reasonable notice, require you to obtain an  
accountant's report in respect of your overseas practice  
[<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#overseas-practice>] . The report must:

- (a) confirm whether the report should be qualified on the basis of a failure to comply with these rules, such that money belonging to clients [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#client>] or third parties is, or has been, or is likely to be placed, at risk; and
- (b) be signed by a qualified accountant approved by the SRA [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#SRA>]

**4.6** Any obligation under this section to notify or provide information to the SRA [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#SRA>] will be satisfied if you provide information to your firm's COLP [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#COLP>] or COFA [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#COFA>] , as and where appropriate, on the understanding that they will do so.

## *Part B: Cross-border Practice Rules*

### *Rule 5: Cross-border Practice Rules*

- 5.1** This Part applies to European cross-border practice [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#European-cross-border-practice>] from any office by:
- (a) solicitors [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#solicitor>] ;
  - (b) managers [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#manager>] of authorised bodies [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#authorised-body>] who are not authorised as an approved regulator [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#approved-regulator>] (other than the SRA [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#SRA>] under the LSA [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#LSA>] ; and
  - (c) authorised bodies [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#authorised-body>] .



**5.2** These rules apply to European cross-border practice [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#European-cross-border-practice>] from an office in England and Wales by:

- (a) RELs [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#REL>] ; and
- (b) RFLs [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#RFL>] who are managers [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#manager>] or employees [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#employee>] of an authorised body [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#authorised-body>] .

**5.3** When engaged in European cross-border practice [<https://www.sra.org.uk/solicitors/standards-regulations/glossary/#European-cross-border-practice>] you must ensure that you comply with any applicable provisions of the Council of the Bars and Law Societies of Europe's Code of Conduct for European lawyers.

## *Supplemental notes*

Made by the SRA Board on 30 May 2018.

Rules made under sections 31, 32, 33A and 34 of the Solicitors Act 1974, section 9 of the Administration of Justice Act 1985 and section 83 of, and paragraph 20 of Schedule 11 to, the Legal Services Act 2007.

### *SRA Overseas and Cross-border Practice Rules*

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*Guidance*

### *Guidance*

Reporting duties under the SRA Overseas Rules - Case studies  
[<https://www.sra.org.uk/solicitors/guidance/overseas-rules-case-studies/>]

Case studies: This case study should be read in conjunction with the guidance on reporting duties under the SRA overseas rules.

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