



**An tÚdarás Rialála  
Seirbhísí Dlí**

**Legal Services  
Regulatory Authority**

## **Limited Liability Partnerships**

### **Information for legal practitioners**

**September 2020**

## About this booklet

This booklet provides information to legal practitioners in relation to limited liability partnerships (LLPs). It should be read in conjunction with the Legal Services Regulation Act 2015 and with S.I. No. 519 of 2019 Legal Services Regulation Act 2015 (Limited Liability Partnerships) (Section 130) Regulations 2019.

## About the Legal Services Regulatory Authority

The Legal Services Regulatory Authority (“the LSRA”) is a statutory body which regulates the provision of legal services by legal practitioners and ensures the maintenance and improvement of standards in the provision of legal services in the State.

The LSRA is also empowered by legislation to take complaints against legal practitioners in relation to inadequate services, excessive costs, and alleged misconduct. The LSRA is also tasked with the establishment and maintenance of the Roll of Practising Barristers and the Register of Limited Liability Partnerships.

The LSRA is independent in the performance of its functions.

The functions of the LSRA are set out in the Legal Services Regulation Act, 2015.

## 1. General Information

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### 1.1 What is a limited liability partnership?

Under section 125 of the Legal Services Regulation Act 2015 (“2015 Act”), a relevant business can apply to the LSRA for authorisation to operate as a limited liability partnership (LLP). In an LLP, that has been properly authorised, each partner will not (as a result of being a partner in the LLP or being held out as a partner in that LLP) be *personally* liable directly or indirectly for the debts, obligations or liabilities arising in contract, tort or otherwise of:

- The LLP itself;
- Himself or herself;
- Another partner in that LLP;
- Or any employee, agent or representative of that LLP.

### 1.2 What is meant by a relevant business?

Section 99 of the Legal Services Regulation Act 2015 defines a relevant business as

- (a) a partnership of solicitors, or,
- (b) a legal partnership.

The relevant sections of the 2015 Act which allow for the introduction of legal partnerships have not yet been commenced. Therefore, the only type of relevant business that may currently apply for approval for authorisation to operate as an LLP is a partnership of solicitors.

The LSRA is liaising with the Department of Justice and Equality in relation to the introduction of legal partnerships.

### 1.3 Are there any exceptions to the limitation on liability?

Any applicant for LLP status should familiarise themselves with the 2015 Act, the Legal Services Regulation Act 2015 (Limited Liability Partnerships) (Section 130) Regulations 2019 and any other relevant regulations. In particular, the applicant should be aware of the exceptions to limited liability status under the 2015 Act.

These include where the relevant debt, obligation or liability arises from an act or omission of a partner which involves fraud or dishonesty and which was either the subject of a finding of misconduct or a criminal conviction or where the debt, obligation or liability was incurred by a partner for a purpose that is not related to the business of the LLP.

If the debt, obligation or liability incurred relates to any tax within the meaning of section 960A of the Taxes Consolidation Act 1997, the limitation on liability will not apply.

Section 124 of the 2015 Act provides that enforcement action can still be taken against the property of the LLP in respect of any debt, obligation or liability. Section 124(2) relates to the transfer of

property out of the joint ownership of the partners and states that this will constitute a conveyance for the purposes of section 74 of the Land and Conveyancing Reform Act 2009 and section 7 of the Bankruptcy Act 1988.

## 2. The Authorisation Process

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### 2.1 What is the first step in the LLP authorisation process?

The first step a relevant business must take is to request an application form from the Registration, Levy and Fees Unit of the LSRA.

The request can be made by email to [lsra-limitedpartnerships@lsra.ie](mailto:lsra-limitedpartnerships@lsra.ie) or by sending a letter requesting a form to:

Limited Liability Partnerships,  
Registration, Levy and Fees Unit,  
Legal Services Regulatory Authority,  
PO Box 12906,  
Dublin 7.

When the LSRA receives the request, the Registration, Levy and Fees Unit will issue an application form to the relevant business, with an allocated LLP application reference number. The LLP application reference number will be unique to the application and will be used to ensure that both a correctly completed form and the relevant fee have been received by the LSRA.

The LLP application form should be completed by a partner in the relevant business and returned by post or email to the addresses above.

The LSRA will also issue an Electronic Funds Transfer (EFT) Form which should be completed as well to aid in the tracking of the payment of the application fee.

The application fee of €175.00 should also be sent to the LSRA by EFT citing the unique LLP application reference number as reference for the payment.

### 2.2 What happens when the relevant business submits their application form?

An application for authorisation to operate a relevant business as a limited liability partnership must be made in the form prescribed under the Legal Services Regulation Act 2015 (Limited Liability Partnerships) (Section 130) Regulations 2019 and must be accompanied by the application fee of €175.00 as prescribed under the regulations.

When the LSRA receives a completed application form and the relevant fee, an email acknowledging receipt of the form will be issued by the Registration, Levy and Fees Unit.

The form will be checked to ensure all fields have been completed. If the form has not been correctly completed, the form will be returned to the applicant and they will be requested to provide any missing information.

When a correctly completed application form has been received, the LSRA will check that the details provided for the relevant business match the details held by the Law Society of Ireland. If there is a difference in the name of the partnership of solicitors, or the partners within that partnership, the LSRA may request clarification from the relevant business.

The LSRA will, using the details provided on the EFT form, confirm whether payment has been received to the LSRA bank account. The reference provided on this form and during the payment process will be used to track the payment.

The LSRA will confirm that the relevant business has professional indemnity insurance in place which complies with the 2015 Act and with the relevant regulations.

If the details provided pass the verification process and payment has been confirmed, the LSRA will add the details for the LLP to the Register of Limited Liability Partnerships. An email will then issue to the relevant business informing them of the decision regarding authorisation and confirming whether they have been added to the register or not.

The relevant business will also be informed of the date from which the authorisation to operate as an LLP will have effect. Any debt, obligation or liability that arises from an act or omission of a partner which took place before the date of authorisation will not be subject to the limitation on liability.

A hard copy letter will then be issued, signed by the Chief Executive of the LSRA, to the LLP in question, informing them of their entry to the register.

### 2.3 What are the cost associated with LLPs?

There have been 3 fees prescribed by regulations for LLPs. These are the costs for initial authorisation as an LLP, for membership alteration and for cessation of the LLP. The costs are:

<b>Application Fee</b>	€175
<b>Cessation Notification Fee</b>	€130
<b>Membership Alteration Fee</b>	€65

The 2015 Act states that the prescribed forms shall be accompanied by such fee as may be prescribed.

The LSRA will provide an EFT Form which should be completed and returned with the relevant form.

### 2.4 How long will the authorisation process take?

Section 125(9) of the 2015 Act requires the LSRA to make a decision on whether to authorize a relevant business to operate as an LLP within 60 days of receipt of a properly completed application form and the application fee as prescribed by the regulations.

### 2.5 What are the obligations on an LLP once it has been authorised?

#### (a) Notification of Clients and Creditors of LLP status.

Once the authorisation to operate as an LLP has been received, the LLP is then required under section 125(7) of the 2015 Act to notify its clients and creditors of the fact that it is operating as an LLP and setting out the information as prescribed under regulation 5 of the Legal Services Regulation Act 2015 (Limited Liability Partnerships) (Section 130) Regulations 2019.

#### (b) Professional Indemnity Insurance

An LLP is required under the 2015 Act to maintain professional indemnity insurance (PII) which complies with regulations made under section 26 of the Solicitors (Amendment) Act 1994. If an LLP fails to maintain PII, its authorisation to operate as an LLP will be deemed to have been revoked.

#### (c) The Name of the Limited Liability Partnership

An LLP is required to conduct the business of the partnership using a name that ends with either the expression “limited liability partnership” or the abbreviation “LLP.”

This name must be used on all contracts, invoices, negotiable instruments, orders for goods and services, advertisements, invitations to treat, websites or any other publications published in any format by or on behalf of the limited liability partnership.

#### (d) The Register of Limited Liability Partnerships

The LLP must ensure that the entry on the LSRA’s Register of LLPs is up to date and correct. The LLP must inform the LSRA upon coming aware that any particular entered on the register is incorrect.

### 3. The Register of Limited Liability Partnerships

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#### 3.1 What information is on the Register of Limited Liability Partnerships?

Section 126(2) of the 2015 Act specifies that the following details shall be entered on the register:

- a) The name and address of each of the partners in that partnership;
- b) The full name of the partnership and address at which the partnership ordinarily carries on business;
- c) The date on which authorisation is to take effect under section 125(6);
- d) Details of any order under section 128 suspending an authorisation issued under section 125, the period for which suspension is to operate and any conditions imposed by the High Court under that section;
- e) Details of any order under section 128 which revokes an authorisation issued under section 125.

The LSRA will be interpreting the address of the partner in Section 126(2)(a) to be the address in which the partner conducts business.

Where an LLP intends to cease operating as an LLP and has notified the Authority of its intention and the date on which it intends to cease to so operate, the Authority will record the date listed in

Section 1 of the Cessation Notification Form (i.e. the date from which an authorisation stands revoked under section 129(2)) in the Register of LLPs.

### **3.2 Where is the register available for viewing?**

The LSRA first uploaded the register to its website on 29 November 2019. The register is updated on the LSRA website on a regular basis and can be found on the LSRA website at <https://www.lsr.ie/for-law-professionals/limited-liability-partnerships/>

## **4. Amending an LLP's details on the register**

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### **4.1 How does an LLP request an amendment to their details?**

Section 126(3) requires the LLP to inform the LSRA if the details entered on the Register of Limited Liability Partnerships is incorrect.

The LLP should ensure that the details on the register remain current and up to date.

The LLP should contact the Registration, Levy and Fees Unit by post or email and request the amendment to their details.

As stated in paragraph 2.3 above, there is a form and a fee prescribed under the regulations for the alteration of the membership of the partnership. Any change in the partners in the LLP should be notified to the LSRA without delay.

All other amendments can simply be requested by email or post. The LSRA will confirm by email when the amendment has been made.

Amendments can also be requested for data provided by the applicant on the application form which does not appear on the register i.e. telephone number, email, etc. The LSRA will confirm when this has been updated.

## **5. Ceasing to operate as an LLP**

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### **5.1 Is an LLP required to notify the LSRA if they cease trading?**

Yes. Section 129 of the 2015 Act specifically deals with an LLP that intends to cease operating. An LLP that intends to cease operating must notify the LSRA of its intention and the date on which it intends to cease operating.

### **5.2 How does an LLP notify the LSRA of its intention to cease operating?**

A form and fee have been prescribed for those LLPs who want to notify the LSRA of their intention to cease operating. This form is available from the Registration, Levy and Fees Unit. The form should be completed and returned to the Registration, Levy and Fees Unit along with a completed EFT form confirming payment of the fee.

The authorisation to operate as an LLP will stand revoked from the date listed in Section 1 of the Cessation Notification Form.

The Authority will record the date listed in Section 1 of the Cessation Notification Form (i.e. the date from which an authorisation stands revoked under section 129(2)) in the Register of LLPs.



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