**D5: Incorporated Practices**

**Interpretation**

5.1  In this rule 5, unless the context otherwise requires, terms listed in the first column of rule 5.1 shall have the meanings respectively ascribed to them in the second column of that rule:

|  |  |
| --- | --- |
| **Term** | **Definition** |
| 1986 Act | the Company Directors Disqualification Act 1986 and shall include that Act as applied to [limited liability partnership](https://www.lawscot.org.uk/rules-and-guidance/glossary/limited-liability-partnership)s and any legislation in any other jurisdiction having equivalent effect |
| incorporation documents | 1. in the case of a company, its Memorandum and Articles of Association; 2. in the case of a limited liability partnership, the limited liability partnership agreement between its members |
| Registrar of Companies | the registrar or other officer performing under the Companies Act 2006 the duty of registration of companies or of registration of [limited liability partnership](https://www.lawscot.org.uk/rules-and-guidance/glossary/limited-liability-partnership)s, as the case may be |

**Permission**

5.2 Subject to the provisions of rule 5, you may trade as a body corporate in terms of section 34(1A) of the [1980 Act](https://www.lawscot.org.uk/rules-and-guidance/glossary/1980-act) provided:-

(a) any such body corporate has been recognised by the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) as an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice);

(b) the control of any such body corporate is exclusively by [solicitor](https://www.lawscot.org.uk/rules-and-guidance/glossary/solicitor)s, firms of [solicitor](https://www.lawscot.org.uk/rules-and-guidance/glossary/solicitor)s, [registered European lawyer](https://www.lawscot.org.uk/rules-and-guidance/glossary/registered-european-lawyer)s, [registered foreign lawyer](https://www.lawscot.org.uk/rules-and-guidance/glossary/registered-foreign-lawyer)s or other [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice)s;

(c) the membership of any such body corporate is restricted to [solicitor](https://www.lawscot.org.uk/rules-and-guidance/glossary/solicitor)s, firms of [solicitor](https://www.lawscot.org.uk/rules-and-guidance/glossary/solicitor)s, [registered European lawyer](https://www.lawscot.org.uk/rules-and-guidance/glossary/registered-european-lawyer)s, [registered foreign lawyer](https://www.lawscot.org.uk/rules-and-guidance/glossary/registered-foreign-lawyer)s or other [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice)s;

(d) no person shall control such body or be a member or director of such body if he is prohibited from practising as a [manager](https://www.lawscot.org.uk/rules-and-guidance/glossary/manager) in terms of rule 2.1; and

(e)  the registered office of any such body corporate is situated in Scotland.

**Application**

5.3 If you wish to form an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) you shall, at least one month prior to the anticipated date of commencement of business as such [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice), submit to the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council):

(a) in all cases-

(i) the names, designations and business addresses (and, where appropriate, registered offices) of all persons who will be members of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice);

(ii) the proposed name, and address of the registered office, of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice);

(iii) a completed application for recognition as an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) in such form as may be prescribed from time to time by the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council);

(iv) a draft of the proposed final version of the incorporation documents; and

(v) the fee to be prescribed from time to time by the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council)  in connection with such application;

(b) in the case of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) which is to be a [company](https://www.lawscot.org.uk/rules-and-guidance/glossary/company), the names, designations and business addresses (and, where appropriate, registered offices) of all persons who will be directors of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice);

(c) in the case of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) to be incorporated with limited liability, an irrevocable undertaking to the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) by each of the persons  who will be members of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) that he or it or they will jointly and severally along with the other members of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) reimburse to the [Society](https://www.lawscot.org.uk/rules-and-guidance/glossary/society) grants paid out of the [Guarantee Fund](https://www.lawscot.org.uk/rules-and-guidance/glossary/guarantee-fund) to a person who has suffered pecuniary loss by reason of dishonesty on the part of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) or any member, director, [manager](https://www.lawscot.org.uk/rules-and-guidance/glossary/manager), secretary or other employee thereof and that to any extent to which the [Society](https://www.lawscot.org.uk/rules-and-guidance/glossary/society) shall have been unable to recover the amount of said grants from the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) or any liquidator or administrator thereof (which undertaking may provide that the granter shall have no liability in terms of the undertaking to reimburse the [Society](https://www.lawscot.org.uk/rules-and-guidance/glossary/society) for grants paid out in respect of dishonesty that takes place subsequent to the granter ceasing to be a member of the relevant [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice)).

**Incorporation Documents**

5.4.1  The incorporation documents of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) shall contain provisions which show that it complies and will continue to comply with this rule 5 (as in force from time to time) including, without prejudice to the foregoing generality, provisions to the following effect:-

(a) in the case of an incorporated practice which is a company:

(i) that no person shall be appointed or re-appointed or act as a director unless he is a member of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) duly qualified to be a member within the meaning of sub-paragraph (b) of this rule 5.4.1;

(ii) that no person other than a person duly qualified to act as a director may be appointed as an alternate director;

(iii)  that a director or alternate director shall vacate office if he ceases to be a member of the incorporated practice or to be qualified to act as a director;

(b) that no person shall be qualified to be a member of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) or (subject to sub-paragraph (d) of this rule 5.4.1) enjoy any of the rights of members (i) if that person is prohibited from practising as a [manager](https://www.lawscot.org.uk/rules-and-guidance/glossary/manager) in terms of rule 2.1 and (ii) unless he or it is a [solicitor](https://www.lawscot.org.uk/rules-and-guidance/glossary/solicitor), [registered European lawyer](https://www.lawscot.org.uk/rules-and-guidance/glossary/registered-european-lawyer) or [registered foreign lawyer](https://www.lawscot.org.uk/rules-and-guidance/glossary/registered-foreign-lawyer) or firm of [solicitor](https://www.lawscot.org.uk/rules-and-guidance/glossary/solicitor)s or an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice);

(c)  that (subject to sub-paragraph (d) of this rule 5.4.1) any member who ceases to be duly qualified within the meaning of sub-paragraph (b) of this rule 5.4.1 shall forthwith transfer his or its shares or other interest in the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) to another person who is so qualified, or otherwise cease to be a member of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice);

(d) that, in the case of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) which has a share capital, the executor of a deceased member of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) shall have no voting rights in respect of his membership of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice); and

(e) that, in the case of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) limited by guarantee, membership shall cease on death.

5.4.2 The incorporation documents of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) shall contain provisions to anticipate and to deal with the situation where for whatever reason there is no longer a person qualified to do so in terms of rule 5 exercising the day to day management and control of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice). Without prejudice to the foregoing, the incorporation documents shall contain specific provisions for:-

(a) the operation in the situation aforesaid of all client accounts in the name of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice); and

(b) suitable arrangements in the situation aforesaid for making available to its clients or to some other [regulated person](https://www.lawscot.org.uk/rules-and-guidance/glossary/regulated-person) instructed by its clients or itself:-

(i) all deeds, wills, securities, papers, books of account, records, vouchers and other documents in its possession or control which are held on behalf of its clients or which relate to any trust of which it is sole trustee or co-trustee only with one or more of its employees; and

(ii) all sums of money due from it or held by it on behalf of its clients or subject to any trust as aforesaid.

5.4.3  The incorporation documents of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) shall be only in terms previously approved by the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council), following submission of the draft thereof in terms of rule 5.3 (b)(ii), and thereafter no such [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) shall alter its incorporation documents without the prior consent of the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council).

5.4.4  The [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) may charge a fee to be prescribed from time to time by the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) in respect of its examination and, if thought fit, its approval of the incorporation documents of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) or any alteration thereof and such fee shall be in addition to the fee referred to in rule 5.3 (a)(v).

**Undertaking to Council**

5.5  Every person who becomes a member of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) which is incorporated with limited liability shall grant an undertaking to the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) on the same terms as the undertaking described in rule 5.3(c).

**Ongoing Provisions**

5.6.1  The members (and , where appointed, directors) of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) shall ensure that the conditions of its incorporation documents are given effect to at all times and without delay.

5.6.2  The [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) may at any time require the members of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) to demonstrate that the requirements of rule 5.4 are being complied with. In particular, where the incorporation documents of an incorporated practice contain provision for the nomination of any other regulated person to carry out functions necessary to secure compliance with rule 5.4, the Council may, at any time, require evidence of the continuing agreement of the person so nominated to exercise such functions. Such evidence shall be in a form reasonably required by the Council.

5.6.3  [Incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice)s shall notify the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council), within fourteen days of such change, of:-

(a)  any change in the address of the registered office of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice); and

(b)  any change in the members or directors of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) and, in the case of new members, the name, designation, business address (and where appropriate registered offices) of all such new members.

5.6.4  [Incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice)s shall send to the [Secretary](https://www.lawscot.org.uk/rules-and-guidance/glossary/secretary) a copy of all documents which require to be filed with the Registrar of Companies or the Accountant in Bankruptcy contemporaneously with the despatch of such documents to the Registrar of Companies or the Accountant in Bankruptcy.

5.6.5  [Incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice)s shall send to the [Secretary](https://www.lawscot.org.uk/rules-and-guidance/glossary/secretary) a copy of all certificates issued by the Registrar of Companies forthwith upon receipt thereof by the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice).

5.6.6  No person who is not a member of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) (and duly qualified to be such a member in terms of rule 5) shall enjoy any of the rights of membership except (subject to rule 5.4.1(d)) an executor of a deceased member of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) qua executor of that member.

5.6.7  Where a member of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) dies or for any other reason ceases to hold a current [practising certificate](https://www.lawscot.org.uk/rules-and-guidance/glossary/practising-certificate) or, as the case may be, has its certificate of recognition revoked the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) shall immediately take the necessary steps, whether in terms of its incorporation documents or otherwise, to ensure compliance with this rule 5.

5.6.8  No person shall be appointed or shall act as a director of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) which is a [company](https://www.lawscot.org.uk/rules-and-guidance/glossary/company) unless he is a member thereof.

5.6.9  Every [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) to which these rules apply shall require to be insured against such classes of professional liability as are indemnified by the Master Policy (as referred to in rule 7 in Section B) and the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) shall prescribe from time to time the limits of indemnity and self-insured amounts applicable to [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice)s and may prescribe different limits for different [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice)s or classes of [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice)s.

5.6.10  The [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) shall maintain a list containing the names and places of business of all [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice)s, which list shall be open for inspection at the office of the [Society](https://www.lawscot.org.uk/rules-and-guidance/glossary/society) during the office hours by any person without payment of any fee.

**Company Directors Disqualification Act 1986**

5.7.1  In the event that a disqualification order under the 1986 Act is made against a person who is a member or a director of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice), whether in respect of his conduct in relation to any [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) of which he is a member or director, or otherwise, that person shall, forthwith upon such order being made, notify the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) and shall supply a copy of the order to the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council).

5.7.2  Subject to rule 5.7.3, the consent of the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) shall be required:

(a)  for any such person as is referred to in rule 5.7.1 to become or remain a member or director of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice); and

(b)  for any other person against whom a disqualification order under the 1986 Act has been made to become a member or director of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice).

5.7.3  The consent of the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) shall not be required pursuant to rule 5.7.2 if, and to the extent that, the court has given its consent to any such person as is specified in rule 5.7.2 becoming or remaining a director of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) which is a [company](https://www.lawscot.org.uk/rules-and-guidance/glossary/company) or a member of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) which is a [limited liability partnership](https://www.lawscot.org.uk/rules-and-guidance/glossary/limited-liability-partnership).

5.7.4  Any person who requires the consent of the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) pursuant to rule 5.7.2 shall provide all reasonable co-operation with any request from the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) for information and documentation regarding the circumstances of the relevant disqualification order.

5.7.5  In giving or refusing its consent pursuant to rule 5.7.2, the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) shall have regard to the facts and circumstances surrounding the making of the relevant disqualification order and to the terms thereof, to the interests of the public in relation to the profession of the person concerned and to the effect of any refusal of consent on the person concerned and on any [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) of which he may be a member or director. Any consent may be given subject to such conditions as the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) considers it appropriate to impose.

5.7.6  In the event, and to the extent, that the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) shall refuse a consent pursuant to rule 5.7.2(a) or shall give such a consent subject to conditions which require the person to whom it is given to cease to be a member and/or a director of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) which is a [company](https://www.lawscot.org.uk/rules-and-guidance/glossary/company) and/or a member of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) which is a [limited liability partnership](https://www.lawscot.org.uk/rules-and-guidance/glossary/limited-liability-partnership)s, the person affected shall immediately cease to be such a member and/or director and/or member of such [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice).

5.7.7  For the avoidance of doubt, any person against whom a disqualification order under the 1986 Act is made which prohibits that person from being a director of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) which is a [company](https://www.lawscot.org.uk/rules-and-guidance/glossary/company) or from being a member of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) which is a [limited liability partnership](https://www.lawscot.org.uk/rules-and-guidance/glossary/limited-liability-partnership) shall immediately cease to be such a director or member and shall not seek to apply for the consent of the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) in respect of that particular disqualification pursuant to rule 5.7.2.

**Recognition**

5.8.1  The [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) shall consider every application made to it in terms of rule 5, and, if the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) is satisfied by the applicant(s) that a body corporate has complied in all respects with the requirements of rule 5, the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) shall issue to the applicant(s) a certificate recognising the proposed body corporate as an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) which certificate shall state:-

(a)  the name and registered number of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice);

(b)  whether the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) will carry on business with liability which is unlimited or limited by guarantee or limited by share capital or as a [limited liability partnership](https://www.lawscot.org.uk/rules-and-guidance/glossary/limited-liability-partnership); and

(c)  the date of the certificate of recognition.

5.8.2 The certificate of recognition or a true copy of it shall at all times be displayed at every place of business of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice).

5.8.3  An [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) which proposes to re-register as unlimited under section 102 or as limited under section 105 of the Companies Act 2006 shall, before applying for re-registration under section 103 or section 106 of that Act, as appropriate, submit to the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) an application to be allowed to re-register accordingly. Such application shall be in the form mutatis mutandis required by rule 5.3 for the recognition of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) in the form proposed after re-registration. If the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) is satisfied by the applying [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) that it has complied in all respects with the requirements of rule 5, the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) shall issue to the applying [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) a certificate entitling it to apply for or to resolve to be re-registered as aforesaid and containing the information specified in rule 5.8.1. The [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) shall not apply for or resolve to be re-registered as aforesaid until such certificate has been issued and shall so apply or resolve within one month of the date of such certificate. The certificate of authorisation for re-registration or a true copy of it shall at all times be displayed at every place of business of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) along with the certificate of recognition.

**Revocation of Certificate of Recognition**

5.9  A certificate of recognition of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) may be revoked by the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) if:

(a)  recognition of the [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) was granted by the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) by reason of error or fraud;

(b)  an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) goes into liquidation (other than members' voluntary liquidation approved by the [Council](https://www.lawscot.org.uk/rules-and-guidance/glossary/council) for the purpose of amalgamation or reconstruction) or if a provisional liquidator, receiver or judicial factor is appointed to such [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) or if an administrator within the meaning of the Insolvency Act 1986 is appointed to such [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) or if such incorporated practice enters into a voluntary arrangement under Part I of the Insolvency Act 1986, or if such [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) is struck off the register of companies or the register of [limited liability partnership](https://www.lawscot.org.uk/rules-and-guidance/glossary/limited-liability-partnership)s;

(c)  control of an [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) ceases for any reason, however temporarily, to be exclusively by persons duly qualified to exercise such control in terms of rule 5;

(d)  such [incorporated practice](https://www.lawscot.org.uk/rules-and-guidance/glossary/incorporated-practice) has failed to comply with any of the provisions of rule 5;

(e) such incorporated practice is a limited liability partnership which has carried on business without having at least two members for a period in excess of 6 months.