

**Direction 2 issued under Part 3 of Schedule 4 to the Legal Services Act 2007 to all  
Approved Regulators**

1. This is a direction issued pursuant to paragraph 19(3) of schedule 4 to the Legal Services Act 2007 (the “**Act**”).
2. Unless stated otherwise, words defined in the Act and in the internal governance rules made by the Board in accordance with section 30 of the Act (the “**Internal Governance Rules**”) have the same meaning when used in this direction.
3. In accordance with paragraph 19(3) of schedule 4 to the Act, the Board hereby directs that the following alterations to regulatory arrangements are exempt alterations for the purposes of paragraph 19(2)(c) of schedule 4: -
  - (a) any alteration to an approved regulator’s regulatory arrangements made in order to achieve compliance with the Internal Governance Rules; and
  - (b) any alteration that has been subject to the non-compliance notification requirements contained within Section E of the Internal Governance Rules provided that the alteration has been agreed by the Board as part of on-going implementation arrangements.
4. This direction is to be deemed made on and to be effective from 1 January 2010 and will expire on 31 December 2010.

**For and on behalf of the  
Legal Services Board**

**22 December 2009**