

**Direction 104 issued under Part 3 of Schedule 4 to the Legal Services Act 2007 to CILEx Regulation**

1. This is a direction issued pursuant to paragraph 19(3) to Schedule 4 of the Legal Services Act 2007 (the Act).
2. Unless stated otherwise, words in this direction are used as they are defined in the Act.
3. In accordance with paragraph 19(3) to Schedule 4 of the Act, the Board has directed that the following alterations by CILEx Regulation to its regulatory arrangements be treated as exempt alterations for the purposes of paragraph 19(2)(c) of Schedule 4:

*CILEx Regulation Compensation Fund contributions for the practicing year 2017*

**Proposed changes**

4. Each CILEx Regulation regulated entity pays a contribution to the Compensation Fund based on the reserved legal activity it undertakes, turnover and whether or not it holds client money. CILEx Regulation propose an increase in contributions to the fund for 2017 of 1.5%.

**Reason for exemption direction**

5. There is a very marginal change to the level of contribution for 2017, it is the first increase since January 2015 and in line with inflation. There are no proposals to alter the formula upon which entities must contribute.
6. A copy of the alteration was submitted to the Board on 28 September 2016.
7. This direction is to be deemed made on and effective from 20 October 2016.

**For and on behalf of the Legal Services Board  
20 October 2016**