



Department for  
Business, Energy  
& Industrial Strategy

## **REGISTER OF PEOPLE WITH SIGNIFICANT CONTROL**

### **GUIDANCE FOR REGISTERED AND UNREGISTERED COMPANIES, SOCIETATES EUROPÆAE, LIMITED LIABILITY PARTNERSHIPS, AND ELIGIBLE SCOTTISH PARTNERSHIPS (SCOTTISH LIMITED PARTNERSHIPS AND SCOTTISH QUALIFYING PARTNERSHIPS)**



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## Overview

This guidance explains what you must do to identify and register the People with Significant Control (PSCs) of your company, Societas Europaea (SE), Limited Liability Partnership (LLP), or eligible Scottish partnership<sup>1</sup> (a limited partnership in Scotland (SLP) or a qualifying general partnership in Scotland<sup>2</sup> (SQP)).

Since 6 April 2016 most companies, LLPs, and SEs have been required to hold a register of people with significant control and file the information on their register with Companies House. From 26 June 2017, unregistered companies and some listed companies will also be subject to these requirements. Also from 26 June 2017, eligible Scottish partnerships will be required to file information on their people with significant control (PSCs) with Companies House.

This guidance explains the law and is intended to help you comply with it. It is not a full statement of the law, which is set out in the sources referred to in section 1.1. Companies, SEs or partnerships<sup>3</sup> that fail to comply with their legal duties could be committing a criminal offence and could be fined; officers of companies, designated members of LLPs and partners of eligible Scottish partnerships who are in default could be committing a criminal offence and could be fined and/or imprisoned. If your circumstances are complex you might wish to seek professional advice.

### This guidance is directly addressed to you if you are:

- A director or secretary of a company or SE;
- A designated member of an LLP;
- A general partner of an eligible Scottish partnership; or
- Acting for a company, SE or partnership as an adviser.

It may also be of interest if you:

- Are otherwise involved in a company, SE or a partnership;

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<sup>1</sup> Under section 4 of the Partnership Act 1890, partnerships governed by the law of Scotland have a distinct legal status from their members. Limited and general partnerships elsewhere in the UK do not have a separate legal personality from their members.

<sup>2</sup> A general partnership constituted under the law of Scotland, during any period in which it is a qualifying partnership under regulation 3 of the Partnership (Accounts) Regulations 2008.

<sup>3</sup> For the purposes of this guidance reference to companies and partnerships should be understood as referring to those forms of company and partnership to which the PSC legislation applies.

- Could be a PSC; or
- Are interested in how PSC information is defined and recorded.

If you think you could be a PSC, please refer to the separate guidance for PSCs (see below).

Most chapters of this guidance explain requirements which apply to companies, SEs and partnerships, but Annex 4 specifically covers identification of a PSC in relation to an LLP (see paragraph 1.2.2) and Annex 5 specifically covers identification of a PSC in relation to an eligible Scottish partnership (see paragraph 1.2.2).

### Further guidance on the PSC register is available:

- Summary guidance on the PSC register for companies;
- Guidance for PSCs;
- Statutory guidance for companies on the meaning of 'significant influence or control';
- Statutory guidance for LLPs on the meaning of 'significant influence or control';
- Guidance for eligible Scottish partnerships on the meaning of 'significant influence or control'; and
- Guidance on the protection regime for suppressing PSC information in exceptional circumstances.

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# Chapter 1: The regime for registering People with Significant Control (PSCs)

## 1.1. The legal framework

- 1.1.1. Since 6 April 2016 most companies, Societates Europaeae (SEs) and Limited Liability Partnerships (LLPs) have been required to keep a register of individuals or legal entities that have control over them. This is in addition to keeping other information, such as a register of members and a register of directors.
- 1.1.2. Since 30 June 2016 onwards companies, SEs and LLPs have been required to deliver this information annually to the central register at Companies House when making a Confirmation Statement<sup>4</sup>. In addition, since 30 June 2016 those seeking to incorporate a new company, SE or LLP have had to send a statement of initial significant control to Companies House, alongside the other documents required for an application to incorporate.
- 1.1.3. From 26 June 2017, these requirements have been modified to require more frequent updating and will apply to some additional companies: unregistered companies and companies listed on prescribed markets such as AIM and NEX.
- 1.1.4. Additionally, requirements are being placed on eligible Scottish partnerships (limited partnerships in Scotland and general partnerships constituted under the law of Scotland that are qualifying partnerships).
- 1.1.5. The relevant legislation for companies, SEs and LLPs is:
  - Section 12A, Part 21A and Part 24 of the Companies Act 2006 (as inserted by the Small Business Enterprise and Employment Act 2015)
  - The Register of People with Significant Control Regulations 2016;
  - The European Public Limited-Liability Company (Register of People with Significant Control) Regulations 2016; and

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<sup>4</sup> The Confirmation Statement replaced the Annual Return from June 2016.

- The Limited Liability Partnerships (Register of People with Significant Control) Regulations 2016

as amended by The Information about People with Significant Control (Amendment) Regulations 2017.

- 1.1.6. The relevant legislation for eligible Scottish partnerships is the Scottish Partnerships (Register of People with Significant Control) Regulations 2017.

## 1.2. Where the requirements apply

1.2.1. The requirements in Part 21A and the Register of People with Significant Control Regulations 2016 as amended by the Information about People with Significant Control (Amendment) Regulations 2017, apply to UK incorporated companies<sup>5</sup> limited by shares, companies limited by guarantee, unlimited companies, unregistered companies and SEs. LLPs are also subject to the requirements.

1.2.2. The regime for eligible Scottish partnerships (SLPs and SQPs) is set out in The Scottish Partnerships (Register of People with Significant Control) Regulations 2017.

1.2.3. Most of this guidance explains requirements which apply to companies, SEs and partnerships, and should generally be read as applying to SEs and partnerships even though, for simplicity, the text mainly refers to companies. Chapters 2 (identifying people with significant control) and 7 (understanding the specified conditions in detail) apply only in part to LLPs and eligible Scottish partnerships. You will need to refer to Annex 4 for the detailed conditions for identifying the PSC of an LLP and to Annex 5 for the detailed conditions on identifying the PSC of an eligible Scottish partnership.

### **FOR COMPANIES, SES AND LLPS**

1.2.4. Companies, SEs and LLPs are required to keep a PSC register.

1.2.5. The requirement to maintain a PSC register does not apply to the following kinds of UK companies:

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<sup>5</sup> This includes companies which are dormant.



- Companies with voting shares admitted to trading on a regulated market in the UK or European Economic Area (other than the UK) or on specified markets in Switzerland, the USA, Japan and Israel<sup>6</sup>.

These companies are subject to other transparency rules. Overseas entities operating in the UK might be subject to requirements in their home country but are not subject to the requirements of Part 21A to hold a register.

- 1.2.6. Although these companies are not subject to the requirements to identify and register their PSCs, they might still be required to disclose their ownership or control of companies, SEs or partnerships which have to identify and register their PSCs.

## **ELIGIBLE SCOTTISH PARTNERSHIPS**

- 1.2.7. Eligible Scottish partnerships are not required to keep a PSC register but are required to deliver PSC information to Companies House for the central register.

## **1.3. The requirements at a glance**

1.3.1. On behalf of your company, you:

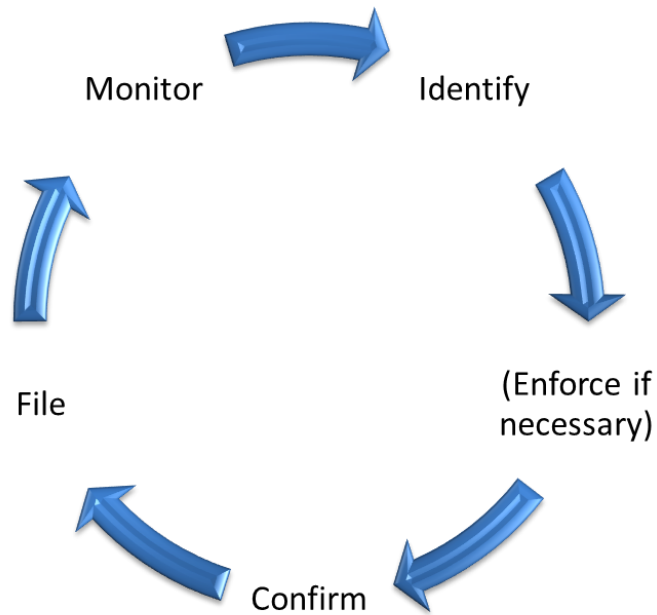
- Must take reasonable steps to find out if there are people who have significant control over the company; these steps are explained in Chapter 2;
  - PSCs are people who meet one or more of the five conditions outlined in section 2.1 and covered in more detail by Chapter 7;
- Should contact these people, or others who might know them, to confirm whether they meet one or more of the conditions and, if they do, get the relevant information (see section 3.2.1), to go on the company's PSC register;
  - PSCs, or anyone you have contacted on the basis they might know about a PSC, must respond to your requests for information. They are subject to requirements too; see Chapter 8 and the separate guidance for PSCs;
- Must put the information on your company's own PSC register; see Chapter 3;

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<sup>6</sup> For a list of the specified markets see Schedule 1 to The Register of People with Significant Control Regulations 2016.

- Must file the information at Companies House to be made available on the central public register; see Chapters 3 and 5;
- Must keep the information up-to-date; see Chapter 4.

**Figure 1: Actions a company must take to comply with the PSC regime**



## Chapter 2: Identifying People with Significant Control (PSCs)

**THIS CHAPTER APPLIES TO COMPANIES AND SES.**

**THIS CHAPTER APPLIES IN PART TO LLPS AND ELIGIBLE SCOTTISH PARTNERSHIPS. SEE ANNEX 4 FOR FURTHER GUIDANCE FOR LLPS AND ANNEX 5 FOR ELIGIBLE SCOTTISH PARTNERSHIPS.**

### 2.1. Your company's PSCs

2.1.1. A PSC is an individual who meets one or more of the following conditions in relation to your company<sup>7</sup>:

- (i) Directly or indirectly holding more than 25% of the shares (sections 7.1 and 7.4)<sup>8</sup>,
- (ii) Directly or indirectly holding more than 25% of the voting rights (sections 7.2 and 7.4),
- (iii) Directly or indirectly holding the right to appoint or remove a majority of directors (sections 7.3 and 7.4),
- (iv) Otherwise having the right to exercise, or actually exercising, significant influence or control (section 7.5),
- (v) Having the right to exercise, or actually exercising, significant influence or control over the activities of a trust or firm which is not a legal entity, but would itself satisfy any of the first four conditions if it were an individual (section 7.6).

2.1.2. You must take reasonable steps to identify your company's PSCs.

**'Reasonable steps'** is explained below in section 2.3. Some companies will not have anyone who meets any of the conditions, whereas other companies will have several people who meet one or more of the conditions and are PSCs.

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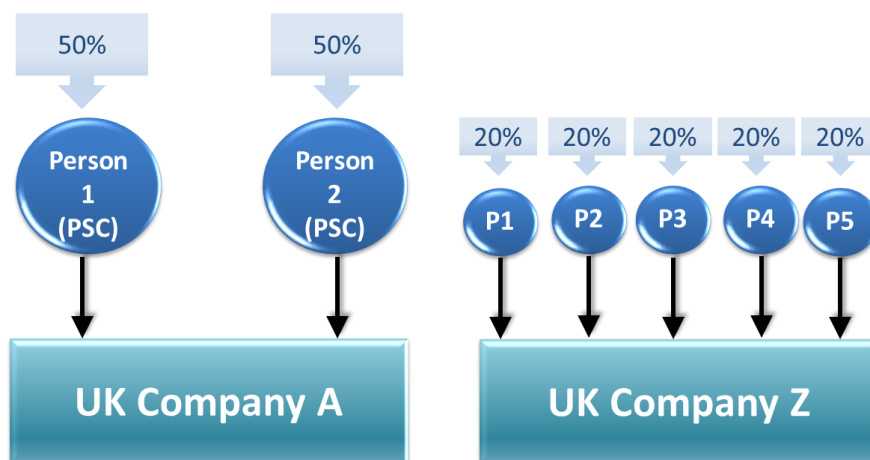
<sup>7</sup> Chapters 2 and 7 (understanding the specified conditions in detail) apply only in part to partnerships. You will need to refer to Annex 4 for the detailed conditions for identifying the PSC of an LLP and to Annex 5 for the detailed conditions for identifying the PSC of an eligible Scottish partnership.

<sup>8</sup> Companies without share capital should see section 7.1 on how to apply condition (i).

2.1.3. A company which has identified that it does not have any PSCs will still need to keep a PSC register, (see section 3.4).

2.1.4. For example, in **Figure 2** below, Company A has two PSCs and Company Z has no PSCs.

**Figure 2: A simple example of meeting the conditions for being a PSC**



2.1.5. Person 1 and Person 2 are both PSCs in respect of Company A because they each hold 50% of the shares in Company A. Each of those shares comes with 1 vote, so Person 1 and Person 2 also each hold 50% of the voting rights in Company A. Company A must enter Person 1 and Person 2 as PSCs meeting both conditions (i) and (ii) on its PSC register. Company A must use statements (j) and (m) from the official wording in Annex 2.

2.1.6. Assuming that there are no arrangements between the shareholders to exercise their rights together, and none of the shareholders meet any of the other conditions, Company Z will have no PSCs because none of its shareholders own enough shares. Company Z must enter the fact that it has no PSCs on its PSC register, using statement (a) from the official wording in Annex 2.

## 2.2. Companies owned or controlled by legal entities – when to enter legal entities on a PSC register

2.2.1. A PSC is by definition an individual<sup>9</sup>, and not a legal entity (such as a company or a Limited Liability Partnership (LLP)). But your company might be owned or controlled by a legal entity, not an individual. A legal entity's details must be put on your company's PSC register if it is both **relevant and registrable** in relation to your company.

2.2.2. A legal entity is **relevant** in relation to your company if it meets any one or more of the conditions (i) to (v) set out in paragraph 2.1.1 and:

- It keeps its own PSC register and is subject to the UK PSC regime; or
- It has voting shares admitted to trading on a regulated market in the UK or European Economic Area (other than the UK) or on specified markets in Switzerland, the USA, Japan and Israel<sup>10</sup>.

2.2.3. A relevant legal entity (RLE) is **registrable** in relation to your company if it is the first relevant legal entity in your company's ownership chain.

2.2.4. **Figures 3-5** below show the perspective of different companies in the same chain of ownership. In **Figure 3**, Company B is the registrable RLE in relation to Company A and its details must be entered on Company A's PSC register. This is because Company B owns 100% of the shares in Company A and Company B is a UK company that keeps a PSC register. Company A is not required to look further at its chain of ownership for any **indirect interests**<sup>11</sup> held via Company B as these are not registrable in relation to Company A. For this reason the details of Company C, which is also an RLE, and Person 1 will not be entered on Company A's PSC register.

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<sup>9</sup> Local or national government or a corporation sole (where the function of an office sits with a person) are the only exceptions. Further information on these circumstances is available in section 7.4.

<sup>10</sup> For a list of the specified markets see Schedule 1 to The Register of People with Significant Control Register Regulations 2016.

<sup>11</sup> See section 7.4 for an explanation of indirect interests.

Figures 3-5: When is an RLE registrable?

Figure 3: Company A's PSC register

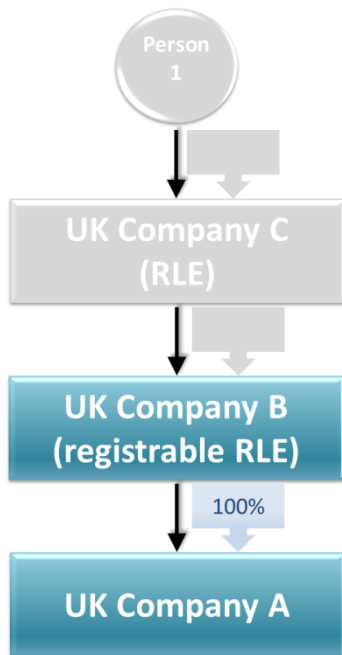


Figure 4: Company B's PSC register

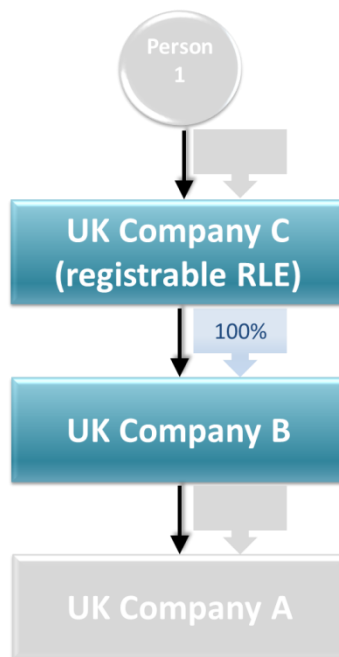
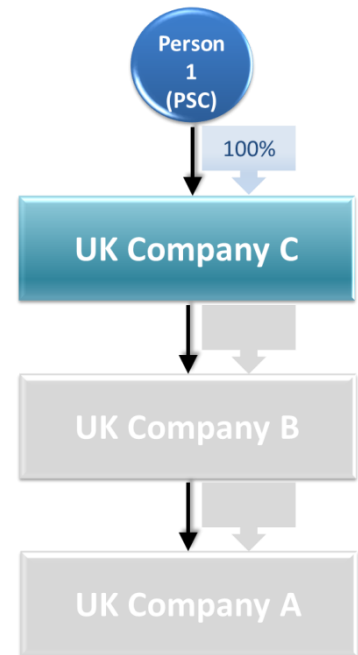


Figure 5: Company C's PSC register



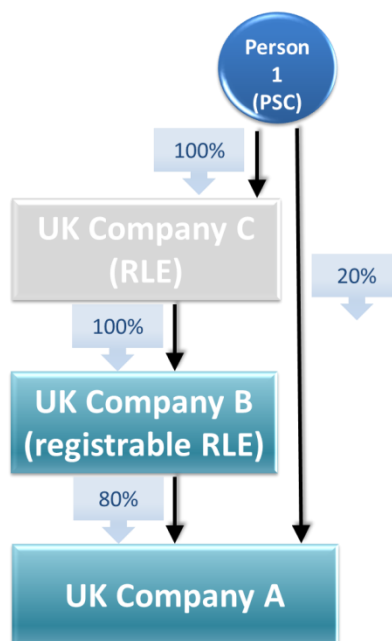
2.2.5. In **Figure 4**, Company C is a UK company and its details will be entered on Company B's PSC register. As the first RLE in Company B's chain of ownership, **Company C is registrable in relation to Company B only**. Person 1 also does not go on Company B's PSC register even though he or she again holds an interest in Company B indirectly. Instead, **Person 1 is only required to be entered on Company C's PSC register**, as per **Figure 5** above.

2.2.6. If Person 1, for example, were to hold a direct interest in Company A which, met one or more of the specified conditions, with an **indirect interest**<sup>12</sup> through Companies B and C, Person 1's details, in addition to Company B's details, must be entered on Company A's PSC register. Person 1 should be entered on Company A's PSC register as holding the total number of the shares held directly and indirectly. This is illustrated in **Figure 6** below. In this situation, it might be unreasonable to expect Company A to identify Person 1 as a PSC, and there is a separate obligation is on Person 1 to inform Company

<sup>12</sup> See section 7.4 for an explanation of indirect interests.

A that he or she must be entered on Company A's PSC register. Company A must then enter information about Person 1 on its PSC register (in this scenario Company A would use the statement 'The person holds, directly or indirectly, 75% or more of the shares in the company.' to show that person 1 holds 20% directly and 80% indirectly). Failure to inform the company is a criminal offence.

**Figure 6: When a PSC is obligated to inform the company of his or her status**



## When legal entities cannot be entered on a PSC register

2.2.7. When a legal entity is not a RLE it cannot be registrable and you cannot enter its details on your company's PSC register. What to do in these circumstances is explained under indirect interests in section 7.4.

2.2.8. Companies owned by corporations sole, national or local governments, or international organisations should see paragraphs 7.4.10 and 7.4.11, as these types of organisation may be treated as PSCs.

## 2.3. Reasonable steps

2.3.1. You must take reasonable steps to determine whether any individual meets the conditions for being a registrable person, or any legal entity meets the

conditions for being a registrable RLE in relation to your company, and if so, who that is. It may be that, having taken these steps, you cannot identify the person or if it is an individual confirm their details, but failure to take reasonable steps is a criminal offence.

2.3.2. If your company has a simple ownership and control structure, you will probably be able to work out quickly who is a PSC or a registrable RLE and should be entered on the PSC register. If the situation is more complex, you will need to consider the process you should go through to identify whether your company has a PSC or registrable RLE.

2.3.3. **Your PSC register cannot be empty.** While you are working through your reasonable steps you must enter this fact and, where appropriate, the stage you have reached on your PSC register and keep it up-to-date, see Chapter 4. New information must be entered on your company's PSC register within 14 days and filed with Companies House within a further 14 days. SLPs and SQPs are not obliged to hold their own PSC register and must file PSC information directly to Companies House within 14 days.

## Taking reasonable steps to identify PSCs

2.3.4. This section outlines the steps a company should typically take to identify its PSCs or registrable RLEs. You may not need to take all of them. They are also not definitive or exhaustive, and there might be further actions you should take depending on your own circumstances. For instance, if you have a particular lead you should follow it even if it is not included below. You should do what you think a reasonable person would do if he or she knew what you know. These steps will not apply to every situation, and you might consider and reject some of them. But you should make sure you have a good reason for doing so. You may wish to keep a record of the steps you have taken.

2.3.5. You should firstly consider all of the documents and information already available to you to identify if your company might have a PSC. You should consider interests in your company held by individuals, legal entities and trusts or firms (without legal personality). You should consider whether there is evidence of any joint arrangements or evidence of rights held through a variety of means that might ultimately be controlled by the same person.

2.3.6. If you are reading this guidance on behalf of an LLP, you should refer to Annex 4 to understand more about the steps you should take in relation to each of conditions (i) to (v) in the table below. If you are reading this guidance on behalf of a SLP and SQP, you should refer to Annex 5.



**Table 1: Summary of PSC conditions**

Condition:		What you need to consider:
(i)	Directly or indirectly holding more than 25% of the shares (sections 7.1 and 7.4)	You should review your register of members, articles of association and statement of capital to identify whether anyone holds more than 25% of the shares <sup>13</sup> .
(ii)	Directly or indirectly holding more than 25% of the voting rights (sections 7.2 and 7.4)	You should review your register of shareholders and articles of association to identify whether anyone holds more than 25% of the voting rights. You should identify any shareholder agreements which might result in shareholdings of more than 25% and consider whether voting patterns suggest some parties (for example members of the same family or groups of investors) might be acting together.
(iii)	Directly or indirectly holding the right to appoint or remove the majority of directors (sections 7.3 and 7.4)	You should review any provisions in the articles of association or other covenants or agreements which concern the appointment or removal of directors holding the majority of votes at board level.
<p>The following conditions will only apply in limited circumstances and are explained in Chapter 7 (sections 7.5 and 7.6)</p> <p>Your company will only need to identify where a PSC or RLE meets condition (iv) if they do not meet one or more of conditions (i) to (iii)</p>		
(iv)	Otherwise having the right to exercise, or actually exercising, <b>significant influence or control</b> (section 7.5)	You should consider whether anyone else who does not meet one or more of conditions (i) to (iii) has significant influence or control over the way your company is run, irrespective of any formal role. <b>Statutory guidance provides direction on the meaning of significant influence or</b>

<sup>13</sup> Companies without share capital should see section 7.1 for how to apply condition (i).

		<b>control.</b> You must have regard to this guidance when considering whether a person meets this condition.
(v)	Where a trust or firm would satisfy one or more of the first four conditions if it were an individual. Any individual holding the right to exercise, or actually exercising, <b>significant influence or control</b> over the activities of that trust or firm. (section 7.6)	You should consider whether there is a trust or firm (without legal personality) which would have met any of conditions (i) to (iv) if it were an individual. Where this is the case, the trustees would be entered on the PSC register and shown as meeting whichever of conditions (i) to (iv) apply. You then need to consider whether anyone has significant influence or control over the activities of that trust or firm. <b>Statutory guidance provides guidance on the meaning of significant influence or control over the activities of a trust or firm.</b> You must have regard to this guidance when considering whether a person meets this condition.

2.3.7. Once you have determined that your company has a PSC, you must make sure you have the relevant information you need (set out in Chapter 3) about him or her to enter on the PSC register. Information about individuals (PSCs) needs to be **confirmed**<sup>14</sup> before you can put it on your PSC register.

2.3.8. If you have determined that your company has a registrable RLE, you must also make sure that you have the information you need about that legal entity to enter it on the PSC register. Information about a registrable RLE, unlike a PSC, does not need to be confirmed before it can go on the PSC register. Nonetheless, this information must be accurate.

2.3.9. Information about both PSCs and registrable RLEs needs to be complete before you enter it on your PSC register. When the information about one PSC or registrable RLE is complete and ready to go on your PSC register (i.e. for an individual the information is confirmed) you must enter it within 14 days, even

<sup>14</sup> Chapter 3 explains what is meant by 'confirmed information'. The requirement to confirm PSC information does not apply to corporations sole, government bodies or international organisations (see paragraphs 7.4.10 and 7.4.11).

if you don't have all the information you need about any of your company's other PSCs or registrable RLEs. You should continue to take reasonable steps to identify those PSCs or registrable RLEs and may be required to record additional matters during that time.

- 2.3.10. If you have identified an individual as a PSC or legal entity as a registrable RLE but you don't have the information you need, or in the case of a PSC you don't have confirmed information, you must serve notice on the individual or legal entity. You might choose to do this by post or email; either way you should keep a record of your communications. Example notices are available in Annex 3.
- 2.3.11. When you write to an individual or legal entity you should ask them whether they hold the interest on their own behalf or on behalf of someone else. You should ask them to provide the contact details of any such other individual or legal entity. You should then serve notice on those individuals or legal entities if their information is not already recorded on your company's PSC register.
- 2.3.12. If the interest is held by a trust or firm then you must also make sure you have the information you need to enter on your company's PSC register. You should serve notice on the trustees or members of the firm to provide their own details and details of any individuals or legal entities with **significant influence or control**<sup>15</sup> over the activities of the trust or firm.
- 2.3.13. Your company might be contacted by an individual or a legal entity who knows that they should be entered on your company's PSC register. Individuals or legal entities must contact your company one month after becoming a PSC or registrable RLE if they are required to be on your company's PSC register but are not<sup>16</sup>. Failure to do so is a criminal offence. (They might choose to contact you more promptly.) You should then build on this contact to complete the information you need to enter on your company's PSC register<sup>17</sup>.

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<sup>15</sup> The statutory guidance, as described in section 7.6, sets out what is meant by 'significant influence or control' of a trust or firm.

<sup>16</sup> PSCs must contact you if they are registrable because they hold an interest in your company in addition to and/or separately from one or more RLEs.

<sup>17</sup> There might be some situations where the information about your company's PSC is not the information that must be entered on your PSC register, see section 2.2 on when to enter legal entities on the PSC register. Where the PSC's interest is held through a registrable RLE, it is the registrable RLE that

## 2.4. If you are unable to identify your PSCs

- 2.4.1. If you have reason to believe that there is a PSC or registrable RLE in relation to your company but have not been able to identify them you should consider serving notices requesting information, on anyone you know or have reasonable cause to believe knows the identity of the PSC or legal entity or trust or firm, or could know someone likely to have that knowledge. This could include intermediaries or advisers known to act for them, such as lawyers, accountants, banks, trust and company service providers or any other contacts such as family members, business partners or known associates.
- 2.4.2. The notices you have served require a response within one month. Anyone who fails to respond (without a valid reason) commits a criminal offence. If they also fail to respond to an additional warning notice and the addressee has a relevant interest in your company, you must consider whether it is appropriate to impose restrictions on any shares or rights they hold in your company. This process is explained in Chapter 8.
- 2.4.3. Applying restrictions is a significant step which can only be taken if the steps described in Chapter 8 have been properly taken. Your company is not required by law to impose restrictions, but you must seriously consider doing so as part of the legal requirement for you to take reasonable steps. If your company is in this situation and chooses not to impose restrictions, you should be able to justify your decision.
- 2.4.4. Imposing restrictions is not the end of taking reasonable steps. There may be other lines of investigation. Even if you have imposed restrictions you should continue to take reasonable steps until you have identified all PSCs and registrable RLEs in relation to your company or there is nothing more you can reasonably do.

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should be entered on your company's PSC register. The information about the PSC should be available on the registrable RLE's PSC register.

## Chapter 3: Information to be entered on the PSC register

**THIS CHAPTER APPLIES TO COMPANIES, LLPS AND SES. ESPS SHOULD CONSULT THE SPECIFIC GUIDANCE FOR THEM IN ANNEX 5.**

### 3.1. Entering information on the PSC register

3.1.1. Your company's PSC register must never be empty. When you are in the process of taking reasonable steps, this fact must be entered on your company's PSC register. The register must say that:

***“The company has not yet completed taking reasonable steps to find out if there is anyone who is a registrable person or a registrable relevant legal entity in relation to the company.”***

3.1.2. Unless you immediately know and can confirm the required information on your PSCs, companies that will come into scope of requirements to report PSC information from 26 June must enter this fact on your PSC register within 14 days of 24 July 2017 and file the information with Companies House within a further 14 days (see chapter 4) , After that date, you must always have information on your company's PSC register about your company's PSCs (or registrable RLEs) or your company's status in searching for its PSCs (or registrable RLEs). Further information on the details to be entered on your PSC register in different circumstances is available in Annex 2.

3.1.3. From 26 June 2017, the obligations on updating PSC registers will change. Companies must enter any changes to PSC information on the company's own PSC register within 14 days. You will then need to file the information at Companies House within a further 14 days, where it will be entered on the central register. Failure to comply with these requirements is a criminal offence. Companies that have elected to keep their PSC register at Companies House will simply have to file the information with Companies House within 14 days.

3.1.4. Chapter 5 contains more details about what information appears on the public register and which details you must protect on your company's PSC register.

## 3.2. People with Significant Control (PSCs)

3.2.1. Where you have identified a PSC you need to obtain, confirm and then enter the following details on your company's PSC register about the PSC:

- Name
- Date of birth
- Nationality
- Country, state or part of the UK where the PSC usually lives
- Service address
- Usual residential address
  - If the residential address has already been given because it is also the service address, then you do not need to give it again<sup>18</sup>
- The date when the individual became a PSC in relation to your company<sup>19</sup>
- Which of the five conditions for being a PSC the individual meets, with quantification of the interest where relevant
  - For a PSC who meets one or more of conditions (i) to (iii) your company is not required to identify whether they also meet condition (iv)
  - You must use the official wording, (see Annex 2)
- Any restrictions on disclosing the PSC's information that are in place

### Confirming information

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<sup>18</sup> The only exception is when the service address is also the company's registered office address.

<sup>19</sup> For existing companies completing a PSC register for the first time in April 2016, this date will be 6 April 2016. For companies coming into scope for the first time in 2017, this date will be 26 June 2017

3.2.2. Information about a PSC<sup>20</sup> must be confirmed before you enter it on the PSC register. Information can be treated as confirmed if:

- The PSC supplied your company with the information;
- The information was provided to your company with the knowledge of the PSC<sup>21</sup>;
- You asked the PSC to confirm the information was correct, and they replied that it was so; or
- You hold previously confirmed information and have no reason to believe it has changed.

3.2.3. If you have identified a PSC but cannot confirm the information about them see paragraph 8.9.5.

### 3.3. Registrable Relevant Legal Entities (RLEs)

3.3.1. Where you have identified a registrable RLE, you must obtain and then enter the following information on your company's PSC register:

- Name of the legal entity
- The address of its registered or principal office
- The legal form of the entity and the law by which it is governed
- If applicable, a register in which it appears (including details of the state) and its registration number<sup>22</sup>
- The date when it became a registrable RLE in relation to your company<sup>23</sup>

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<sup>20</sup> Excluding corporations sole, national or local governments, or international organisations, see paragraphs 7.4.10 to 7.4.11.

<sup>21</sup> Personal data is exempt from the second, third, fourth and fifth data protection principles in Schedule 1 to the Data Protection Act 1998 where the data controller is obliged by an enactment (in this case, Part 21A of the Companies Act 2006) to disclose the information or make it available to the public, whether by publishing it, by making it available for inspection, or otherwise (see sections 34 and 35 of the Data Protection Act 1998).

<sup>22</sup> If the legal entity is entered on a register in the UK (e.g. the Charity Commission register) or overseas (the central register of companies in another country), this must be noted.

<sup>23</sup> For existing companies completing a PSC register for the first time in April 2016, this date will be 6 April 2016. For companies coming into scope for the first time in 2017, this date will be 26 June 2017.

- Which of the five conditions for being a PSC it meets, with quantification of its interest where relevant
  - For a RLE that meets one or more of conditions (i) to (iii) your company is not required to identify whether they also meet condition (iv)
  - You must use the official wording, (see Annex 2)

### 3.4. Companies without PSCs

3.4.1. The PSC requirements apply whether your company has a PSC or not. If you have taken all reasonable steps and are confident that there are no individuals or legal entities which meet any of the conditions (i) to (v) in relation to your company, you must enter that fact on your company's PSC register. The register must say that:

***“The company knows or has reasonable cause to believe that there is no registrable person or registrable relevant legal entity in relation to the company.”***



## Chapter 4: Updating People with Significant Control (PSC) information

**SEE ANNEX 5 FOR FURTHER GUIDANCE ON UPDATING THE REGISTER FOR SLPS AND SQPS.**

### 4.1. Keeping information on your company's PSC register up-to-date

4.1.1. You must keep information on your company's PSC register up-to-date and file changes with Companies House promptly (see below). Failure to do so is a criminal offence.

### 4.2. Updating your company's PSC register

4.2.1. If circumstances change and any information entered on your company's PSC register is no longer correct then you must update the information. Even if you cannot immediately enter new PSC information, your company's PSC register should be updated to show the date from which information was no longer correct and a statement on the status of your new investigation should be placed on your company's PSC register (see section 8.9). You must do this within 14 days of knowing of the change in circumstances. You must file the new information with Companies House within a further 14 days (see 4.3 below).

4.2.2. You must enter updated information on your company's PSC register once you have:

- Been informed of the change;
- Obtained all of the updated information you need to enter on your company's PSC register; and

- Confirmed that updated information if it relates to a PSC<sup>24</sup>, assuming it was not provided by the PSC or with his or her knowledge. (There is no requirement to confirm information relating to RLEs.)

4.2.3. If you know or have reason to believe a change has occurred but need more information, then you must serve notice to get the information you need to enter on your own PSC register. You must serve notice as soon as practicable. See Annex 3.

4.2.4. This notice should ask the individual or legal entity to:

- Confirm that the change has occurred;
- Give the date that the change occurred; and
- Give the correct and up-to-date information.

4.2.5. The individual or legal entity must respond to your notice within one month. If they do not, you cannot enter incomplete or suspected information in the register. Instead you must enter a statement explaining the reasonable steps being taken on your company's PSC register (see section 8.9).

### 4.3. Updating the central register at Companies House

4.3.1. From 26 June 2017, any change to a company's PSC register must be filed with Companies House with 14 days of the change being made. From 24 July 2017, this will also apply to those unregistered companies and companies on prescribed markets that are coming in scope of the PSC regime for the first time.

4.3.2. Through the Information about People with Significant Control (Amendment) Regulations 2017, delivering information to Companies House to update the central register has been separated from the annual confirmation statement process. Information is now required to be filed independently on separate forms. But companies continue to have an obligation to annually confirm their PSC information on the central register is correct.

4.3.3. If you are incorporating a company you will need to complete a statement of initial control, containing your company's PSC information, as part of the

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<sup>24</sup> Excluding corporations sole, national or local governments, or international organisations, see paragraphs 7.4.10 to 7.4.11.

process. This statement includes the information that will be placed on the central register at incorporation.

## 4.4. Removing information from the register

### When someone stops being a PSC

4.4.1. When you become aware that someone has stopped being a PSC or registrable RLE you must record the date they ceased being a PSC of your company in your company's PSC register within 14 days. You must deliver the information to Companies House within a further 14 days. You must keep the information about them on your company's PSC register for ten years from when they stopped being a PSC.

### When there is an error

4.4.2. If your company received correct information about a PSC or registrable RLE but entered it incorrectly on your company's PSC register, you should make the necessary changes to your company's PSC register immediately. You should also update the information on the central register at Companies House.

4.4.3. Your company is not required to notify the PSC or registrable RLE about the correction, but you might wish to do so. If the incorrect information was filed at Companies House, and is the type of information that is usually available for public inspection, it will still be visible on the central register even after the correction has been made.

### When someone disputes information on the register

4.4.4. If a person wishes to dispute the information your company has entered on its PSC register they will need to make an application to court.

## Chapter 5: Public and protected information

### 5.1. Access to your company's own PSC register

5.1.1. If you are required to keep your own register<sup>25</sup>, your company must keep the company's PSC register accessible. You can keep it at your registered office, or at another location provided you have notified Companies House.

5.1.2. Anyone (an individual or organisation with a proper purpose) may have access to your register free of charge, or have a copy of it for which you may charge a fee. They must make a request to you, which sets out:

- Their name;
- Their address; and
  - If they are an organisation they must include a name and address of an individual responsible for making the request on the organisation's behalf;
- Their purpose in seeking the information.

5.1.3. You must respond to the request within five working days of receipt. Your reply should include the requested information, noting the date it was last updated. You can charge up to £12 for providing a copy of your company's PSC register.

5.1.4. If you believe the request was not made for a proper purpose<sup>26</sup> and you wish to refuse the request, you must apply to court within five working days of receipt and reply to the request saying that you have done so. The court will then decide whether you must comply with the request. It is a criminal offence to refuse a request without applying to court.

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<sup>25</sup> Eligible Scottish partnerships are not required to have their own register. This section does not apply to them.

<sup>26</sup> 'Proper purpose' is intended to have a wide interpretation and application. The purpose of the PSC register is to provide transparency of company ownership and control and your company's register is intended to be accessible to that end.

5.1.5. When you grant access to your company's PSC register, you must make available all of the information requested apart from a PSC's usual residential address. You must not disclose a PSC's usual residential address<sup>27</sup>.

## 5.2. Information made publicly available on the central register

5.2.1. Almost all of the information about the PSC, will be available to the public on the central register at Companies House. The only information that will not be is:

- The PSC's usual residential address (unless a residential address has been provided as a service address<sup>28</sup>),
  - The usual residential address on your company's PSC register must not be made available for public inspection or when your company provides copies of it; and
- The day of the PSC's date of birth,
  - Whilst not being available to the public viewing the central register at Companies House, this information on your company's PSC register must be available for public inspection or for your company to provide copies of it.

5.2.2. All information held by Companies House will be available to law enforcement agencies. Companies House will also make residential addresses and days of date of birth available to credit reference agencies and certain public authorities<sup>29</sup> in certain circumstances. Where a credit institution or a financial institutions is conducting customer due diligence on your company and PSC information is suppressed from public inspection (see 5.3 and Annex 1 in certain circumstances Companies House may also make PSC information (excluding residential address and date of birth) available to that institution.

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<sup>27</sup> The only exception to this is where a residential address has been provided as a service address; however there should be no indication that it is a residential address.

<sup>28</sup> If a residential address is provided as a service address there will be no indication that it is a residential address.

<sup>29</sup> See Schedule 3 to the Register of People with Significant Control Regulations 2016 for the full list of public authorities.

5.2.3. Some companies choose to keep the information on their own register at Companies House. In this case all the information on the PSC that would otherwise appear in a company's PSC register will be available publicly,<sup>30</sup> (see Chapter 6).

**Table 2: Summary of PSC information relating to an individual required and made available under normal circumstances**

Information you must collect about your company's PSCs, hold on your company's PSC register and file at Companies House. This information will be available to law enforcement and credit reference agencies.	PSC information you must provide in response to requests for copies of your PSC register	PSC information Companies House will make available on the central public register	PSC information Companies House will make available on the central public register if your company chooses to keep its PSC register at Companies House
Name	Name	Name	Name
Full date of birth	Full date of birth	<b>Month and year of birth</b>	Full date of birth
Nationality	Nationality	Nationality	Nationality
Country / area of residence	Country / area of residence	Country / area of residence	Country / area of residence
Service address	Service address	Service address	Service address
Residential address			
Date became a PSC	Date became a PSC	Date became a PSC	Date became a PSC
Which of the conditions for being a PSC are met	Which of the conditions for being a PSC are met	Which of the conditions for being a PSC are met	Which of the conditions for being a PSC are met

<sup>30</sup> This means that all of the information apart from the PSC's residential address will be publicly available, unless a residential address is provided as a service address (though there will be no indication it is a residential address).

## 5.3. Suppressing PSC information in exceptional circumstances

5.3.1. In exceptional circumstances, there is a regime for suppressing all information relating to PSCs from the company's PSC register and the central register for public inspection, or preventing their residential addresses from being shared with credit reference agencies. Here, 'exceptional circumstances' means where there is a serious risk of violence or intimidation. If you think your company's PSCs need protection, there is more information in Annex 1. Your company would still be required to fulfil all other requirements in relation to PSCs and information will still be available to law enforcement agencies.

## Chapter 6: Companies keeping the information on their own register at Companies House

### **THIS CHAPTER DOES NOT APPLY TO SLPS AND SQPS**

#### 6.1. Choosing to keep the information on your company's PSC register at Companies House

6.1.1. From 30 June 2016, you can choose to keep your company's own PSC register<sup>31</sup> at Companies House instead of at your registered office (or alternative).

6.1.2. If you choose to keep the information on your company's PSC register at Companies House the full date of birth of your company's PSCs will be available for public inspection on the central register.

6.1.3. If you want to keep your company's PSC register at Companies House you must:

- Give notice to each PSC or registrable RLE that you intend to elect to keep your company's PSC register at Companies House at least 14 days in advance. If no-one objects, you can go ahead;
- Give notice of your decision to the registrar at Companies House. You should confirm in your notice that your company's PSCs or registrable RLEs do not object;
- Include with your notice to the registrar all of the current information required to be contained in your company's PSC register;
- File any updated information at Companies House if it changes between your original notice to the registrar and Companies House starting to hold your register (failure to do so is an offence); and

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<sup>31</sup> This option also applies to other registers, including for a company the registers of directors, of directors' residential addresses, of secretaries and of members.



- Note in your company's PSC register (now your 'historic register') that:

***“An election [to hold the register at Companies House] is in force.”***

- 6.1.4. You should add the date when you started to keep your company's PSC register at Companies House and also note that up-to-date information about your company's PSCs is available on the central register.

## 6.2. Maintaining the information on your company's PSC register at Companies House

- 6.2.1. If you keep your company's PSC register at Companies House you must keep the information on the register up-to-date. You must file changes to PSC information at Companies House within 14 days of being aware of the change - as soon as you would have been required to enter it in your company's PSC register if you kept it at your own company. Failure to do so is a criminal offence.
- 6.2.2. Your company must continue to keep its old PSC register (now its “historic register”) accessible. This means it must be available free of charge and you must provide copies on request (you have the option to charge a fee for providing a copy, as explained in section 5.1). Failure to do so is a criminal offence. You do not need to make any updates to it.
- 6.2.3. People will be able to see the information on your company's PSC register held at Companies House. As they inspect it, they might ask you to confirm that your company has indeed kept the information up-to-date. You must reply to any such request and failure to do so is a criminal offence.

## Chapter 7: Understanding conditions (i) to (v) in detail

*If you are reading this guidance on behalf of an LLP, you should also turn to Annex 4 to understand more about each of conditions (i) to (v). If you are reading this guidance on behalf of an SLP or SQP, you should turn to Annex 5. Sections 7.1 to 7.3 and 7.5 to 7.6 in this chapter will not be directly relevant to you and corresponding sections are provided in Annexes 4 and 5. However, section 7.4 is important*

### 7.1. Condition (i) - an individual is a PSC if they hold, directly or indirectly, more than 25% of the shares in your company

#### Companies limited by shares: calculating shareholdings

- 7.1.1. Information in your register of members will enable you to work out whether any individual or registrable RLE directly holds more than 25% of the shares.
- 7.1.2. All shares in issue from your company should be included when calculating shareholdings. The percentage is calculated using the nominal (or par) value of the shares. Shares which have never been issued or which have been bought back and cancelled should not be included.
- 7.1.3. For more complicated share ownership arrangements including **indirect holdings** please see the relevant paragraph(s) in section 7.4.

#### Companies without share capital (including charitable companies)

- 7.1.4. The PSC regime applies to companies limited by guarantee and unlimited companies in just the same way as companies limited by shares. Your company without share capital may have articles of association which prevent the distribution of profits and or capital. Every charity registered as a company limited by guarantee must have articles of association which prevent any distribution of profits or capital to members. If your company cannot distribute profits or capital it will have no PSC who meets condition (i).
- 7.1.5. Your company might well have PSCs or registrable RLEs who meet one or more of conditions (ii) to (v). These apply to your company notwithstanding that it does not have share capital (whether an unlimited company or company limited by guarantee) as set out in Chapter 2 and sections 7.2 to 7.6.

7.1.6. Where your company's constitution does allow for the distribution of profits or capital a person will meet condition (i) in relation to your company if that person holds a right to share in more than 25% of your company's profits or capital. If this right is held jointly, on behalf of another, or indirectly, the guidance in section 7.4 will be relevant.

7.1.7. If that person is a legal entity rather than an individual see Chapter 2 for information on registrable RLEs to work out whether you must enter it on your company's PSC register. If that person is a corporation sole, national or local government, or international organisation see paragraphs 7.10 and 7.4.11 for what you must enter on your company's PSC register.

7.1.8. Where you have identified a PSC or registrable RLE with a right to share in more than 25% of your company's profits or capital you must enter their details on your company's PSC register. The details you need to enter are set out in section 3.2, and include quantification of a person's interest under condition (i).

7.1.9. Quantification of a person's interest under condition (i) must be entered on the register using official wording (see Annex 2). The official wording refers to shares because this is the most common company form. For your company without shares (your unlimited company or company limited by guarantee) you should consider shares to mean profit or capital.

7.1.10. You should select the applicable statement reading "profit or capital" for shares and considering the percentages contained in the statements. If, for example, a person has a right to 30% of your company's capital, you should enter statement 9(j) from Annex 2 on your company's PSC register:

***"The person holds, directly or indirectly, more than 25% but not more than 50% of the shares in the company."***

7.1.11. Section 3.4 covers what you should enter on your company's PSC register if you have no one who meets any of the conditions (i) to (v).

## 7.2. Condition (ii) – an individual is a PSC if they hold, directly or indirectly, more than 25% of the voting rights in your company

### Calculating voting rights

7.2.1. The voting rights attached to particular shares are likely to be set out in your company's articles of association ('Articles'). Voting rights can be exercisable in different ways, including at general meetings or through written resolutions.

Often one vote is attached to one share, but you might have different classes of shares with different rights. For instance some shares might have no voting rights, or the right to vote only in certain circumstances, or additional rights to more than one vote per share.

7.2.2. Where shares in your company are directly owned and if you know the voting rights attached to shares, then your register of members together with the voting rights provisions of the Articles (if applicable) will enable you to work out if any individual or legal entity directly holds more than 25% of the voting rights. Voting rights attached to shares that have been bought back and are held as treasury shares should not be included.

7.2.3. For more complicated arrangements including indirect holdings please see the relevant paragraph(s) in section 7.4.

### 7.3. Condition (iii) - an individual is a PSC if they hold, directly or indirectly, the right to appoint or remove the majority of the directors in your company

7.3.1. You must consider whether anyone has the right to appoint or remove directors with the majority of board level voting rights. If each director in your company has one vote at board meetings this is simple to calculate.

7.3.2. If different directors have different voting rights at board meetings (on all or most matters), or someone has a casting vote, usually this will be set out in the company's Articles. If that is the case, then you must consider whether anyone has the right to appoint or remove directors who could carry a majority in board votes on all or substantially all matters.

7.3.3. In respect of a Societas Europaea which has a two-tier board structure, an individual who has the right to appoint or remove the majority of members of either the management organ or supervisory organ will meet condition (iii).

7.3.4. If your company does not have a board of directors then you should consider any equivalent management body. Many companies limited by guarantee (particularly in the charitable or not-for-profit-distribution sector) may call their board of directors by another name, such as the Committee, Board of Governors or Board of Trustees. Directors may be referred to as trustees (and may have both capacities). These arrangements should be carefully considered.

7.3.5. For more complicated arrangements please see the relevant paragraph(s) in section 7.4.

## 7.4. Further guidance on other ownership and control arrangements

*If you are reading this guidance on behalf of an LLP or eligible Scottish partnership sections 7.1 to 7.3 (above) will not be directly relevant to you, and you should consider equivalent sections in Annexes 4 and 5. But section 7.4 (below) is important.*

*In this section “must be entered on the PSC register” should be read for eligible Scottish partnerships as meaning information that must be delivered to the registrar.*

### Nominees

- 7.4.1. If shares or rights in your company are held by a nominee, you should treat them as if they were held by the person for whom the nominee is acting. If this person is a PSC you must enter their details on the PSC register.
- 7.4.2. If the nominee is acting for a legal entity, you must follow the steps in Chapter 2 as you would for any other legal entity with an interest in your company.

### Joint interests

- 7.4.3. If two or more people hold the same shares or rights in your company, you must work on the basis that each of them holds the total number of shares or rights held by all of them. So if two or more people hold jointly more than 25% of the shares or voting rights, each of them must separately be entered on the PSC register<sup>32</sup>.

### Joint arrangements

- 7.4.4. A joint arrangement is where two or more people arrange to exercise all or substantially all of their rights arising from their shares jointly in a way which is pre-determined. If two or more people have such an arrangement<sup>33</sup>, each of

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<sup>32</sup> If one of the joint owners is a legal entity you will need to read the relevant sections in Chapter 2.

<sup>33</sup> An arrangement includes any scheme, agreement or understanding, whether or not legally enforceable and any convention, custom or practice of any kind. It does not include one-off arrangements.

them is deemed to hold the total number of shares held by all of them. So if the arrangement covers more than 25% of the shares, each party to the arrangement must separately be entered on the PSC register. Likewise, if the arrangement covers appointment or removal of directors with a majority of board level voting rights then each party to the arrangement must separately be entered on the register.

## Indirect Interests

7.4.5. Shares and rights in your company might be held indirectly. This happens when a legal entity holds the shares or the rights and someone has a **majority stake**<sup>34</sup> in that legal entity. That person is not required to be entered on the PSC register unless the legal entity they hold their interest through is not an RLE (RLEs are explained in Chapter 2).

7.4.6. When a legal entity is not an RLE it cannot be registrable and you cannot enter it on the PSC register. A legal entity might not be an RLE because:

- It is a UK legal entity which is not a company, LLP, eligible Scottish partnership or SE; or
- It is a non-UK company or other legal entity that does not meet the test in paragraph 2.2.2.

7.4.7. Instead, you must look at the ownership and control of that legal entity to identify any individuals or RLEs who have a majority stake in that legal entity.

**Someone will hold a majority stake if:**

- They hold a majority of the voting rights in the legal entity;
- They are a member of the legal entity and have the right to appoint or remove a majority of its board of directors;
- They are a member of the legal entity and control a majority of the voting rights by agreement with other shareholders or members; or
- They have the right to exercise or actually exercise dominant influence or control over the legal entity.

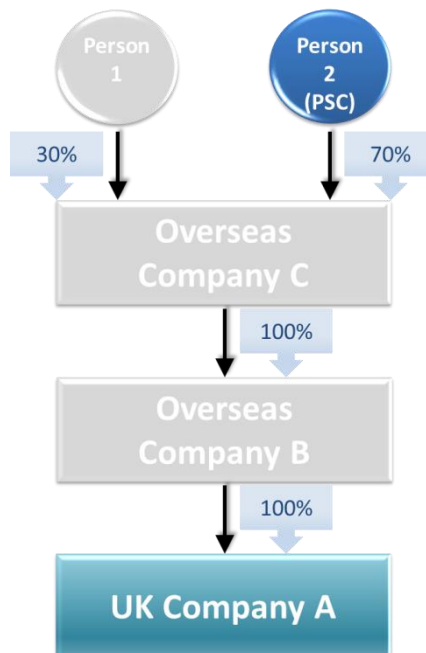
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<sup>34</sup> See paragraph 7.4.7 for what constitutes a 'majority stake'.

7.4.8. If there is an individual or RLE with a majority stake in that legal entity you must then enter their details on the PSC register. If there is another legal entity which is not an RLE but which has a majority stake, you must also look at the ownership and control of that legal entity and so on until you find either an individual or an RLE with a majority stake. If there is no-one who meets these criteria then this fact must be entered on the PSC register (see section 3.4).

7.4.9. In **Figure 7** below, for example, Company A cannot put Company B's details on the PSC register even though it owns 100% of the shares in Company A, because Company B is an overseas company that does not meet the test in paragraph 2.2.2 and is therefore not an RLE. Instead Company A must look at the ownership and control of Company B. Although Company C has a majority stake (holding 100% of the voting rights) in Company B, it also is not an RLE because it is an overseas company and does not meet the test in paragraph 2.2.2 and its details cannot be entered on the PSC register. Company A must therefore look at the ownership and control of Company C. Person 2 has a majority stake (holding more than 50% of the voting rights) in Company C, which means they are a PSC in relation to Company A and their details must be entered on the PSC register.

**Figure 7: Looking through the chain when there are no RLEs**



Companies owned by corporations sole, national or local governments, or international organisations

7.4.10. The law makes special provision where a company is owned or controlled by an 'other registrable person' such as:

- A government or government department (local or national);
- An international organisation whose members include two or more countries, territories or their governments; or
- A corporation sole (a legal entity consisting of a single incorporated office occupied by a single person).

7.4.11. Other registrable persons do not meet the test for RLEs in paragraph 2.2.2, but they are treated as PSCs and their information must be entered on the PSC register. A company owned or controlled by a legal entity that falls into one of these categories must enter the following relevant information for its owner:

- Name
- Principal office
- The legal form of the entity and the law by which it is governed
- The date when it became registrable in relation to the company
- Which of the conditions (i) to (v) are met for having significant control

There is no requirement to confirm this information before it can be entered on the PSC register.

## Interests held through a general or limited partnership without legal personality

7.4.12. Ordinarily, where shares or rights in your company are held as assets of a limited partnership without legal personality<sup>35</sup>, you should only enter the details of the general partner(s) on the PSC register (if they are individuals or RLEs). A limited partner of a limited partnership without legal personality will not meet conditions (i) to (iii) by virtue of only being a limited partner. Similarly, an individual or legal entity will not meet conditions (i) to (iii) solely by virtue of

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<sup>35</sup> Such as an English limited partnership.



holding shares or rights (whether directly or indirectly) in a corporate limited partner.

- 7.4.13. Limited partnerships in Scotland have legal personality and must deliver to and maintain PSC information on the central register at Companies House. If shares or rights in your company are held as assets of an SLP, the SLP may be a registrable relevant legal entity. Qualifying Scottish partnerships may also be a registrable relevant legal entity.

## Rights controlled by another

- 7.4.14. If either voting rights in your company or the right to appoint or remove directors with the majority of board level voting rights are held by one person but controlled<sup>36</sup> by another person, then you should treat those rights as if they were held by the person who controls them.
- 7.4.15. If this person is a PSC you must enter their details on the PSC register. If they are a legal entity you will need to read the relevant sections in Chapter 2.

## Rights attached to shares held by way of security

- 7.4.16. Where a person has used their shares as security, e.g. for a loan from a bank, those shares should be treated as being held by that person if:
- They retain control over the rights;
  - They retain control except where the lender exercises rights relating to the shares for the purpose of preserving or realising the value of the security; or
  - The lender controls the rights relating to the shares but, other than the right to exercise them for the purpose of preserving or realising the value of the security, must exercise them in the interests of the owner.

## Rights exercisable only in certain circumstances

- 7.4.17. Some rights in your company might only be exercisable in certain circumstances; these could include but are not limited to voting rights or rights to appoint directors. If the circumstances under which the rights are

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<sup>36</sup> A person controls a right if there is an arrangement which means the right is only exercisable by that person, on their instruction or direction or with their consent or concurrence.

exercisable are within the control of the person who holds them, then they are relevant for identifying your company's PSCs. Otherwise, you should only consider these rights if those circumstances have arisen, and for as long as those circumstances continue.

7.4.18. There is an exception to this. If your company is in administration then administrators and creditors could have certain rights under those circumstances, but these rights do not make them PSCs. You should not put their details on your PSC register<sup>37</sup>.

7.4.19. It is important to remember that voting rights are described in the legislation as '*rights conferred on shareholders in respect of their shares (or in the case of an entity not having a share capital, on members) to vote at general meetings of the entity on all or substantially all matters*'<sup>38</sup>. This means that a weighted voting right on a particular matter, for example as a minority shareholder protection is unlikely to meet this test as the right would only give the individual extended rights on a single issue.

## 7.5. Condition (iv) – an individual is a PSC of your company if they have the right to exercise, or actually exercises, significant influence or control

7.5.1. Your company is only required to identify whether a PSC or registrable RLE meets this condition if they do not exercise control through one or more of conditions (i) to (iii).

7.5.2. A person who does not meet conditions (i) to (iii) may still have **significant influence or control** of your company. They could be a PSC by virtue of the fourth condition. To work out if someone has significant influence or control over your company you must consider a range of factors set out in [statutory guidance](#). To work this out for an eligible Scottish partnership see the separate guidance.

7.5.3. The statutory guidance is not an exhaustive statement of what will amount to "significant influence or control," but provides examples where a person would normally fall within the definition, and where they would not. It also sets out some "excepted roles" that do not, on their own, amount to significant influence

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<sup>37</sup> This exception does not cover circumstances of liquidation or receivership.

<sup>38</sup> Paragraph 14 (1) of Schedule 1A of the Companies Act 2006.

or control. This would include, for example, directors acting in a way which is consistent with the ordinary responsibilities of a director.

7.5.4. The [statutory guidance](#) is provided separately because it has been approved by Parliament and therefore has a statutory footing<sup>39</sup>.

## 7.6. Condition (v) – an individual is a PSC of your company if they have the right to exercise, or actually exercises, significant influence or control over the activities of a trust or a firm, which in turn satisfies any of the first four conditions

7.6.1. If a trust or firm (without legal personality)<sup>40</sup> has any ownership or control over your company, you must consider if that trust or firm would have met any of conditions (i) to (iv) if it were an individual. If so, the trustees of the trust and members of a firm are PSCs through each of the conditions (i) to (iv) that they meet. Their details must be entered on the PSC register.

7.6.2. If the trust or firm would have met any of conditions (i) to (iv) then you must also consider the individuals or legal entities who control the activities of the trust or firm. To work out if someone has **significant influence or control** of the trust or firm you must consider a range of factors set out in the [statutory guidance](#)<sup>41</sup>. This is provided separately because it is on a statutory footing.

7.6.3. If an individual has significant influence or control over the activities of a trust or firm, which would be a PSC of the company if it were an individual, then you should enter that person's details on the PSC register as well as details of the trustees or members. If a registrable RLE controls the trust or firm then its details must be entered on the PSC register. If a legal entity which is not an RLE controls the trust or firm, then you should continue to explore the ownership chain until you have identified an individual or registrable RLE with majority ownership of that legal entity, or are confident none exists.

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<sup>39</sup> Other guidance on the PSC register, including this document, explains the legal requirements and what you need to do to comply with the law.

<sup>40</sup> A firm for these purposes is any entity which does not have legal personality under the law by which it is governed. Partnerships without legal personality, including English limited partnerships, are "firms" for this purpose. LLPs, Scottish partnerships and Scottish limited partnerships have legal personality and are not "firms" for this purpose.

<sup>41</sup> Statutory guidance is approved by Parliament.

- 7.6.4. If the assets of the trust or firm include ownership or control of your company that would meet any of conditions (i) to (iv), the register should show that the trustee(s) or partner(s) have significant influence or control (i.e. a PSC interest) against the conditions that are met.
- 7.6.5. If someone other than the trustees, such as the settlor or beneficiary of the trust, or partners has the right to exercise significant influence or control over the trust or firm, then they would also be shown on the register as meeting condition (v).

## 7.7. Further considerations

- 7.7.1. In the unfortunate event that a PSC of your company is deceased, the PSC should remain on the PSC register until such time as their interest is formally transferred to its new owner. While an executor has fiduciary duties to the intended beneficiaries of the assets, the executor is responsible for administering the estate according to the wishes of the deceased. The deceased will therefore continue to be registrable until such time as the control passes to another person, such as an heir, who will exercise their influence and control over your company for themselves.

## Chapter 8: When you are unable to get information on your PSCs

**THIS CHAPTER SHOULD BE READ IN CONJUNCTION WITH ANNEX 4 FOR LLPS AND ANNEX 5 FOR ESPS.**

### 8.1. When your company can't get information on its PSCs

8.1.1. You may find that the information you need to comply with the People with Significant Control (PSC) regime is not forthcoming, is incomplete or is disputed. The law sets out processes to handle these situations.

8.1.2. The law also sets out the requirements of the PSC regime and the criminal offences which apply if they are not met. If you fail to comply with the requirements of the PSC regime your company and its directors (or your LLP and its designated members, or your eligible Scottish partnership and its partners) could face a fine or imprisonment or both. If people fail to provide you with the information you need, they may be committing a criminal offence and you may also be able to freeze their interest in your company, where they have one.

### 8.2. Restricting a relevant interest in your company

8.2.1. If someone does not respond to requests from your company for PSC information, they may be committing a criminal offence. Therefore most people will respond. If they do not, your company can do more to persuade them - you can apply restrictions to shares or rights in your company held by the person who is not responding. If restrictions are imposed, the person who is not responding can derive no benefit from the shares or rights they have in your company until the restrictions have been lifted.

## 8.3. When restrictions can be imposed

8.3.1. Chapter 2 sets out the reasonable steps a typical company would take to identify its PSCs or registrable RLEs. As explained in section 2.4, a company must serve notice<sup>42</sup> on anyone it believes has information that will help identify PSCs (or RLEs). Notices require the addressee to respond within one month. If they fail to do so (without a valid reason) they commit a criminal offence. Any failure to comply with a notice must be noted on the register. If they fail to respond to a warning notice within one month of that warning notice, then you can impose restrictions on any shares or rights they hold in your company (or any rights they hold in your LLP or eligible Scottish partnership).

8.3.2. Applying restrictions is a significant step which can only be taken when there has been repeated failure by that person to respond. Your company is not required by law to impose restrictions in these circumstances, but you must seriously consider it as part of meeting your legal requirements to take reasonable steps. If your company is in this situation and chooses not to impose restrictions, you should be able to justify your decision. As good practice, you may wish to document the reasons for your decision.

## 8.4. The process for imposing restrictions

8.4.1. There are three steps in the process, each of which must be completed before you move to the next.

### Step 1: Notice requesting information

8.4.2. You must have served a notice<sup>43</sup> requesting information from the individual or legal entity you believe either has significant control over your company or has knowledge of someone who does. If the addressee fails to reply, or give a valid reason for not replying, within one month of the date of the notice, you can move to step two. For companies, SEs and LLPs, you must also note on your register that a notice was issued but there was no reply within 14 days of the response deadline and update the central register within a further 14 days. If the reply was late then you must note that on the register. For eligible

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<sup>42</sup> Formally 790D and 790E notices for companies and LLPs. 790D requests new information, 790E seeks confirmation of changes to current information. For eligible Scottish partnerships notices under regulations 10 and 11.

<sup>43</sup> As above- 790D and 790E notices for companies and LLPs. For eligible Scottish partnerships notices under regulations 10 and 11.

Scottish partnerships you must deliver the same information to Companies House within 14 days.

## Step 2: Warning notice

- 8.4.3. If the individual or legal entity who has failed to reply has a relevant interest in your company, you can issue a warning notice<sup>44</sup>. This must set out that you plan to issue a restrictions notice if they do not reply to the initial notice requesting information. They then have one further month to reply.
- 8.4.4. You should consider carefully what the relevant interest is and whether it can therefore be restricted. A relevant interest is any share or right in your company held or controlled, directly or indirectly, by the individual or legal entity you are trying to contact. (The interest does not have to meet the test of conditions (i) to (v) for being a PSC to be restricted. You can restrict the interest of anyone who fails to respond to requests for information about a PSC, even if their interest would not make them a PSC themselves.)
- 8.4.5. You must consider if the restrictions would have an unfair effect on third parties. If they would then you should not impose restrictions. You must consider joint interests and joint arrangements in the same way as described in section 7.4, where all parties involved are considered to hold the interest.
- 8.4.6. You must consider circumstances involving nominees and rights controlled by others slightly differently from the way described in section 7.4. When considering restrictions, all parties involved are considered to hold the interest. Nominees, people holding interests without controlling them, and people controlling interests without holding them can all have their interests restricted.
- 8.4.7. If the addressee fails to reply or give a valid reason for not replying within one month you can move to step three.

## Step 3: Imposing restrictions

- 8.4.8. If the individual or legal entity fails to reply to the warning notice then you can issue restrictions. You do this by sending a notice<sup>45</sup> to the individual or legal entity informing them that restrictions are in place as of the date of the notice. For companies, SEs and LLPs you must also note on your register that restrictions are now in place within 14 days of issue and update the central

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<sup>44</sup> See Annex 3 for a sample warning notice containing the required information.

<sup>45</sup> See Annex 3 for a sample notice containing the required information.

register within a further 14 days. For eligible Scottish partnerships you must deliver the same information to Companies House within 14 days.

8.4.9. You should consider carefully whether there was a valid reason for the lack of response before you issue the restrictions notice. You should particularly consider whether the individual or legal entity was capable of responding. Logistical issues would not be a valid reason, but a long period of hospitalisation could be. You can ask for evidence to support any reasons given.

## 8.5. When restrictions are in place

8.5.1. Restrictions can apply to any share or right held directly or indirectly in your company, with the effect that:

- The interest cannot be sold<sup>46</sup> or transferred and any agreement to sell or transfer the interest is void;
- No rights associated with the interest<sup>47</sup> can be sold or transferred and any agreement to sell any such rights is void;
- No rights may be exercised in respect of the interest;
- No shares may be issued in right of the interest or in pursuance of an offer made to the interest-holder; and
- No payment may be made by the company in respect of the interest, whether in respect of capital or otherwise unless the company is in liquidation.

8.5.2. Once restrictions have been imposed, you should try to make sure there is no breach of them. For example, you should prevent any attempts to vote or to transfer any rights associated with the interest and alert law enforcement authorities to any attempts to do so. Any person who breaches the restrictions is guilty of an offence. (This can include your company if they, for example, make a payment in respect of the restricted interest.) Additionally for

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<sup>46</sup> The company may apply to court for an order that the relevant interest subject to restrictions be sold or transferred. Only the company may apply for such an order. If it grants a sale order, the court may make further orders relating to the sale or transfer as it sees fit – or on application from the company, interest holder or a person appointed by the court to effect the sale.

<sup>47</sup> An associated right might be the right to be issued with any shares, or receive payment of sums due from the company in respect of the relevant interest.



companies, a note must be entered on your PSC register and then filed with Companies house stating that:

***“The company has issued a restrictions notice under paragraph 1 of Schedule 1B to the Act.”***

See Annex 4 for the statement required by LLPs, and Annex 5 in relation to the statement that eligible Scottish partnerships must deliver to Companies House.

## 8.6. Lifting restrictions

8.6.1. Your company must lift restrictions if:

- The individual or legal entity provides the PSC information requested;
- The individual or legal entity provides a valid reason for not complying and you are satisfied with it;
- You discover that the restriction is unfairly affecting the rights of a third party; or
- You are ordered by the court to do so.

8.6.2. To lift restrictions you must issue a notice<sup>48</sup> to inform the individual or legal entity. You must do this before the end of 14 days beginning with the day on which your company became required to withdraw the restrictions notice. Restrictions are lifted on the day this notice is issued. You must note on the register that restrictions have been lifted, (see Annex 2).

## 8.7. After restrictions are lifted

8.7.1. Once restrictions are lifted the shares or rights may be voted, exercised, sold or transferred. New agreements to sell or transfer shares or rights can be made. Your company can issue shares or pay any dividends or other sums due from the date the restrictions are lifted.

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<sup>48</sup> See Annex 3 for a sample notice containing the required information.

## 8.8. Selling a restricted interest

8.8.1. Your company can apply to court to sell a restricted interest. This might be helpful if the restrictions do not seem to be encouraging the provision of PSC information and the restrictions are affecting the operation of your company. The proceeds of the sale will be held by the court to be claimed by the person who held the restricted interest.

## 8.9. What to put on the register when you can't get information about your PSCs

8.9.1. On your company's PSC register you must always have information about your company's PSCs or registrable RLEs, or an update on the status of your company's investigations. It must never be empty. When you cannot get information about your company's PSCs your company's PSC register must make that clear. You should enter the fact below which applies to you. When a statement ceases to be true you must note this along with the date on which it ceased to be true and insert new information as appropriate. All of these changes must be noted on your company's PSC register within 14 days and filed with Companies House within a further 14 days.

8.9.2. See Annex 4 for LLPs for the official wording of the applicable statement. Eligible Scottish partnerships, which are not required to maintain their own register of people with significant control, must always have an accurate and up-to-date record of their ownership and control at Companies House. Similar to above, when an SLP or SQP cannot get information about its PSCs, Schedule 1 of the Scottish Partnerships (Register of People with Significant Control) Regulations 2017 apply and information must be shown on the central register. See Annex 5 for the official wording of the applicable statement which applies to you. When a statement ceases to be true you must note this along with the date on which it ceased to be true and insert new information as appropriate. All of these changes must be filed with Companies House within 14 days.

## When you know you have a PSC but can't identify them

8.9.3. You might find that your company has one or more PSCs, but that you are unable to identify them even when you have taken all reasonable steps. You must note this fact on the register for each unidentified PSC. Your register should say that:

***“The company knows or has reasonable cause to believe that there is a registrable person in relation to the company but it has not identified the registrable person.”***

## When you issue notices but don't get replies

8.9.4. You might find that you issue notices but do not get replies. You must note these facts on the register. Your register should say, as appropriate, that:

- when you are seeking new PSC information:

***“The company has given a notice under section 790D of the Act which has not been complied with.”***

- when you are seeking an update to previous PSC or RLE information you must note against the particulars of the PSC or RLE in question that:

***“The addressee has failed to comply with a notice given by the company under section 790E of the Act.”***

8.9.5. You might also find that you get late replies. In this case, you should note on the register the date of the reply and that:

***“The notice has been complied with after the time specified in the notice.”***

## When you have identified a PSC but can't confirm their details

8.9.6. You might find that you have identified the PSC but they will not confirm one or more pieces of information you need about them. You must note this fact on the register for each PSC lacking confirmed information. Your register should say that:

***“The company has identified a registrable person in relation to the company but all the required particulars of that person have not been confirmed.”***

8.9.7. In this scenario, taking all reasonable steps would normally include serving notice on those who could identify the PSC and following the process for imposing restrictions.

# Annex 1: Regime for suppressing PSC information in exceptional circumstances

## **THIS ANNEX APPLIES TO COMPANIES, SES, LLPS AND ELIGIBLE SCOTTISH PARTNERSHIPS**

1. Company information in the UK is usually public, involved in a company. In the interests of transparency, PSC information will also be public apart from residential addresses and the day of the date of birth of individuals.
2. If you consider that exceptional circumstances apply to your company or your company's PSCs resulting in a serious risk of violence or intimidation, then you (or the individual) can apply for their PSC information to be protected. This means that their PSC information would not be made public or shared with credit reference agencies. You will still have to comply with all the remaining PSC requirements. Where such protection exists all of the PSC information including full date of birth and address will be available to law enforcement agencies. Information, except day of the date of birth or residential address will also be available to credit and financial institutions when undertaking customer due diligence on your company.
3. This Annex will help your company or your company's PSCs determine whether an application for protection is necessary. You should refer to Chapter 5 (about public information) and Chapter 6 (for companies that choose to keep their company's own PSC register at Companies House) to understand more about where PSC information is made available for public inspection under normal circumstances.
4. Applications for protection may be made by the PSC themselves or the company on the PSC's behalf. For more information on who can apply, see paragraph 10 below. If you think an application for protection is necessary on behalf of your company's PSC, more information on how to make an application, and what PSC information your company needs to protect and by when, will be available in Companies House's protection regime guidance.

## Categories of protection

5. There are two categories of protection for PSC information.

- (i) Preventing the PSC's residential address from being shared with credit reference agencies.
  - Residential addresses are never made public on a company's own PSC register or on the central public register at Companies House (unless a residential address has been provided as a service address<sup>49</sup>), but Companies House does normally share them with credit reference agencies<sup>50</sup>.
- (ii) Preventing any information about the PSC from being seen on the public record or being shared with credit reference agencies and replacing the PSC's information in the company's PSC register with a note that a protection application has been made in respect of the PSC.
  - PSC information is usually available on a company's own PSC register and on the central public register at Companies House, other than the residential address and the day of the date of birth<sup>51</sup>.

## The case for a protection application

6. Protection will be granted only if an application for protection contains evidence proving a serious risk of violence or intimidation to the PSC or someone who lives with the PSC. There can be exceptions to this evidential requirement where the person on whose behalf the application is being made already has protection in their capacity as a company director, or as a member of an LLP (see paragraphs 18 and 19 below).
7. If the application is to prevent a PSC's residential address from being shared with credit reference agencies by Companies House, the risk must come either from the activities of your company or from another company for which the PSC already has residential address protection. For the former, your company might itself be engaged in, or is engaging in business with another company whose activity is sensitive or contentious and may give rise to protests or campaigns which result in violence or intimidation against those involved in the company.
8. If the application is to prevent all of a PSC's information from being made public then the risk must come either from the activities of your company, or must come from the association of the PSC with your company. In respect of the latter, the application must

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<sup>49</sup> If a residential address is provided as a service address there will be no indication that it is a residential address.

<sup>50</sup> This will not apply to the PSCs of SLPs and SQPs.

<sup>51</sup> See Chapter 5. If a residential address is provided as a service address, that residential address would be visible but would not be labelled as such. If the company chose to keep its own register at Companies House then the day of the date of birth would be visible.

demonstrate that if the PSC is publicly identified as the PSC of your company, certain characteristics or attributes of that person when associated with your company could put them or someone who lives with them at risk of violence or intimidation. The activities of your company need not be sensitive in and of themselves, but the application must demonstrate that the association with that particular PSC might result in violence or intimidation against that person.

9. Applications and the related evidence are assessed on a case by case basis, so there is no set list of circumstances where protection will be granted. Applications will be treated very seriously. The registrar of companies at Companies House makes a decision after consulting law enforcement agencies like the National Crime Agency (NCA). Law enforcement agencies will carry out a full risk assessment on the basis of evidence you provide, and the registrar might contact you for more evidence.

## Making a protection application

10. A protection application can be made by:

- An individual who is considering an action (e.g. an investment) that would make them registrable in relation to your company, SE, LLP or eligible Scottish partnership ;
- An existing PSC;
- An individual who used to be a PSC of your company, SE, LLP or eligible Scottish partnership;
- Your company, SE, LLP or eligible Scottish partnership; or
- A founding member of your company, before incorporation, a proposed member of your LLP or a proposed partner of your eligible Scottish partnership.

Your company, SE, LLP or eligible Scottish partnership may make an application on an individual's behalf if they consent to you doing so.

11. Applications for either category of protection can be made from April 2016. Applications for protection can be made from 26 June 2017 by eligible Scottish partnerships and companies not previously in scope.
12. Protection of the information on the central register from public inspection will start as soon as an application is registered at Companies House. Your company must not use or disclose the information on your company's PSC register as soon as an application is made. Applications can be made before a person becomes a PSC or before a

company is incorporated, so that information about the PSC never appears on the central register available for public inspection.

13. After the assessment, the registrar will write to confirm the outcome of the application. If the application is unsuccessful the applicant can appeal within 42 days, during which time protection continues.
14. Once an application is granted, the PSC's information will be protected indefinitely.

## New transitional arrangements for protection applications

15. From 26 June 2017, unregistered companies, companies on prescribed markets, and eligible Scottish partnerships ("newly in scope entities") will have an obligation to investigate their ownership and control and start registering this information from 24 July 2017. The following arrangements apply to an individual who is a PSC of any of these bodies on 26 June 2017, by virtue of the extended application of PSC measures coming into force on that date.
16. If an individual is a PSC of a newly in scope entity on 26 June 2017 and an application is made on their behalf before 24 July 2017 which is unsuccessful, then under the transitional arrangements if that person ceases to be a PSC of a newly in scope entity within 12 weeks, their details as PSC of that entity will never be made available for public inspection<sup>52</sup>.

## Protected information about directors

17. The Register of People with Significant Control Regulations 2016 and The Limited Liability Partnerships (Register of People with Significant Control) Regulations 2016 amended the Companies (Disclosure of Address) Regulations 2009 to align the processes of protecting information about company directors with those for PSCs or members.
18. If your PSC is or was a company director, or is or was a member of your LLP, they may already have some protection<sup>53</sup>. This protection means their residential address is not already shared with credit reference agencies. In this case it might be possible to make an application on that individual's behalf on the basis that they have existing protection

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<sup>52</sup> For more details on the transitional arrangements see the Schedule to the Information about People with Significant Control (Amendment) Regulations 2017

<sup>53</sup> This protection is often called "section 243 protection" since it is set out in section 243 of the Companies Act 2006 and the Companies (Disclosure of Address) Regulations 2009.

under that regime. No evidence would be required to demonstrate the risk of violence or intimidation. Some details would be required about the company or LLP in respect of which the protection was given and Companies House may ask for further information if necessary.

19. Where an application is made on this basis, it can only be made for the protection of a PSC's residential address, as outlined in paragraph 5(i) above. More information on when such an application can be made is available from Companies House.



## Annex 2: Official wording for entering on your company's PSC register

**THIS ANNEX DOES NOT APPLY TO LLPS OR ELIGIBLE SCOTTISH PARTNERSHIPS FOR LLPS SEE ANNEX 4, FOR ESPS SEE ANNEX5**

1. You must always have information about your company's PSCs or registrable RLEs, or an update on your company's status, on your company's PSC register. It must never be empty.
2. This guidance describes the steps your company must take and the different possible outcomes. When you have taken the required steps and worked out your company's status at any given point, you must enter the official wording on your company's own PSC register. You must also use the official wording when you file the information on the central public register at Companies House. The official wording should be used alongside any of the relevant information you are entering on the register as described in Chapter 3 (such as an individual's name or a service address). You should date all entries on your company's PSC register.
3. This is a reference guide to the official wording for entry on the PSC register.

### Your company has no PSCs or registrable RLEs

- a) ***The company knows or has reasonable cause to believe that there is no registrable person or registrable relevant legal entity in relation to the company.***

### Unidentified PSC

- b) ***The company knows or has reasonable cause to believe that there is a registrable person in relation to the company but it has not identified the registrable person.***

### Unconfirmed particulars

- c) ***The company has identified a registrable person in relation to the company but all of the required particulars of that person have not been confirmed.***

### Taking reasonable steps

**d) The company has not yet completed taking reasonable steps to find out if there is anyone who is a registrable person or a registrable relevant legal entity in relation to the company.**

4. Where any of the above statements are no longer applicable, you must enter that on your company's PSC register along with the date on which the statement ceased to be true.

## Notices

**e) The company has given a notice under section 790D of the Act which has not been complied with.**

**f) The addressee has failed to comply with a notice given by the company under section 790E of the Act.**

5. And where a notice given under section 790D or 790E of the Act is complied with after the time specified in the notice your company should enter on your company's PSC register, along with the date on which the notice was complied with, that:

- The notice has been complied with after the time specified in the notice.

**g) The company has issued a restrictions notice under paragraph 1 of Schedule 1B to the Act.**

6. And when your company withdraws a restrictions notice you should enter on your company's PSC register, along with the date specified in the withdrawal notice as the date on which the withdrawal notice was given, that:

**h) The company has withdrawn the restrictions notice by giving a withdrawal notice.**

7. Where a court makes an order directing that a relevant interest in your company must cease to be subject to restrictions you should enter on your company's PSC register, along with the date on which the order takes effect, that:

**i) The court has made an order under paragraph 8 of Schedule 1B to the Act directing that a relevant interest in the company cease to be subject to restrictions.**

8. As stated in Chapter 3, your company must enter on its PSC register which of the conditions (i) to (v) a PSC or registrable RLE meets in relation to your company, with quantification of the interest where relevant. You should enter all of the following statements which are applicable.

## Condition (i)

9. The following statements are also for use by companies without share capital, see section 1 of Chapter 7.

- j) The person holds, directly or indirectly, more than 25% but not more than 50% of the shares in the company.*
- k) The person holds, directly or indirectly, more than 50% but less than 75% of the shares in the company.*
- l) The person holds, directly or indirectly, 75% or more of the shares in the company.*

#### Condition (ii)

- m) The person holds, directly or indirectly, more than 25% but not more than 50% of the voting rights in the company.*
- n) The person holds, directly or indirectly, more than 50% but less than 75% of the voting rights in the company.*
- o) The person holds, directly or indirectly, 75% or more of the voting rights in the company.*

#### Condition (iii)

- p) The person holds the right, directly or indirectly, to appoint or remove a majority of the board of directors.*

#### Condition (iv)

- q) The person has the right to exercise, or actually exercises, significant influence or control over the company.*

10. This will only be applicable where a PSC or registrable RLE does not meet one or more of conditions (i) to (iii).

#### Condition (v) – trusts

- r) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold, directly or indirectly, more than 25% but not more than 50% of the shares in the company.*
- s) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold, directly or indirectly, more than 50% but less than 75% of the shares in the company.*

- t) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold, directly or indirectly, 75% or more of the shares in the company.**
- u) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold, directly or indirectly, more than 25% but not more than 50% of the voting rights in the company.**
- v) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold, directly or indirectly, more than 50% but less than 75% of the voting rights in the company.**
- w) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold, directly or indirectly, 75% or more of the voting rights in the company.**
- x) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold the right, directly or indirectly, to appoint or remove a majority of the board of directors of the company.**
- y) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and, the trustees of that trust (in their capacity as such) have the right to exercise, or actually exercise, significant influence or control over the company.**

## Condition (v) - firms

- z) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold, directly or indirectly, more than 25% but not more than 50% of the shares in the company.**
- aa) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold, directly or indirectly, more than 50% but less than 75% of the shares in the company.**
- bb) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm**

*(in their capacity as such) hold, directly or indirectly, 75% or more of the shares in the company.*

- cc) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold, directly or indirectly, more than 25% but not more than 50% of the voting rights in the company.*
- dd) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold, directly or indirectly, more than 50% but less than 75% of the voting rights in the company.*
- ee) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold, directly or indirectly, 75% or more of the voting rights in the company.*
- ff) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold the right, directly or indirectly, to appoint or remove a majority of the board of directors of the company.*
- gg) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) have the right to exercise, or actually exercise, significant influence or control over the company.*

## Annex 3: Example notices

1. The following pages contain examples of each of the notices a company may be required to give in respect of the PSC register, as set out in Table 3 below. Included are three section 790D notices: one for an individual; one for a legal entity; and one for a person with knowledge of a PSC but no interest in the company. Also included are two section 790E notices: one for an individual and one for a legal entity.
2. Each of these notices must be dated and they should be signed by a director or by the company secretary. You might wish to keep clear records of what you have sent. You can send the notices electronically. If you send them by post you may wish to consider using recorded delivery so that your company has a record of the steps it has taken.

**Table 3: List of notices required in respect of the PSC register**

<b>Relevant section of the Companies Act 2006:</b>	<b>Type:</b>
<b>S790D(2)</b>	Notice to a person whom the company knows or has reasonable cause to believe to be a registrable person or a registrable relevant legal entity in relation to it
<b>S790E(2)</b>	Notice to a person whose details registered on a PSC Register where the company knows or has reasonable cause to believe that those details have changed
<b>Schedule 1B, paragraph 1(2)</b>	'Warning Notice' advising a person that the company is proposing to issue a restriction notice under this section of the Act
<b>Schedule 1B, paragraph 1(3)</b>	'Restrictions Notice'
<b>Schedule 1B, paragraph 11</b>	Notice withdrawing a 'Restrictions Notice'

**S790D Notice: For an individual**

[DATE]

Dear [ADDRESSEE],

**Register of People with Significant Control – Notice to an individual under section 790D of the Companies Act 2006 (the Act)**

**Interests in [COMPANY] [type]**

We know or have reasonable cause to believe that you may be a registrable person, as defined in section 790C of the Act in respect of [COMPANY].

We therefore require you, pursuant to section 790D of the Act, to provide us, in writing [including by email to the address shown above], within one calendar month of the date of this notice, the following information concerning your interest (within the meaning of Part 21A of the Act), if any, in [COMPANY]:

- (i) Whether or not you are a registrable person within the meaning of this Part of the Act; and
- (ii) If you are such a registrable person, to confirm or correct any of the following particulars, or to supply any that are missing:
  - [Name]
  - [Usual residential address]
  - [Country, state or part of the United Kingdom in which you are normally resident]
  - [Service address if applicable]
  - [Nationality]
  - [Date of birth]
  - [Date on which you became a registrable person in relation to [COMPANY]]
  - [The nature of your control over [COMPANY] as defined in Schedule 1A to the Act]
  - [Whether or not you have successfully applied to the registrar of companies under section 790ZG for the disclosure of these particulars to be restricted]
- (iii) If you are not such a registrable person, whether you know the identity of anyone who is such a registrable person or a legal entity, whether registrable or otherwise, within the meaning of section 790D(6) of the Act, or anyone likely to have that knowledge and, in either case, to provide any of the above particulars that are within your knowledge, stating whether or not these particulars are being supplied with the knowledge of each of the persons or legal entities concerned.

You should be aware that failure to provide the information required by this notice, or to disclose false information, is an offence under paragraph 13 of Schedule 1B to the Act subject to a penalty of up to two years imprisonment, or a fine (or both). In addition, [COMPANY] may take action to restrict your control rights until such time as you have complied with this notice or provided a valid reason sufficient to justify your failure to do so.

Full details of your obligations under this Part of the Act can be found on the [www.gov.uk](http://www.gov.uk) website.

Yours [sincerely / faithfully],

[NAME]

[Director / Company Secretary]



**S790D Notice: For a legal entity**

[DATE]

Dear [ADDRESSEE],

**Register of People with Significant Control – Notice to a legal entity under section 790D of the Companies Act 2006 (the Act)**

**Interests in [COMPANY] [type]**

We know or have reasonable cause to believe that you may be a registrable legal entity, as defined in section 790C of the Act in respect of [COMPANY].

We therefore require you, pursuant to section 790D of the Act, to provide us, in writing [including by email to the address shown above], within one calendar month of the date of this notice, the following information concerning your interest (within the meaning of Part 21A of the Act), if any, in [COMPANY]:

- (i) Whether or not you are a registrable legal entity within the meaning of this Part of the Act or a legal person to be regarded as an entity under section 790C(12) of the Act;
- (ii) If you are such an entity, to confirm or correct any of the following particulars, or to supply any that are missing:
  - [Name – i.e. corporate or firm name]
  - [Address of registered or principal office]
  - [Legal form of the person or entity and the law by which it is governed]
  - [If applicable, the register of companies in which it is entered (including details of the state) and its registration number in that register]
  - [Date on which it became a registrable person or registrable relevant legal entity in relation to [COMPANY]]
  - [The nature of its control over [COMPANY] as defined in Schedule 1A to the Act]
- (iii) If you are not such a registrable legal entity, whether you know the identity of anyone who is a legal entity or a registrable person within the meaning of section 790D(6) of the Act, or of anyone likely to have that knowledge and, in either case, to provide any of the above particulars that are within your knowledge, stating whether or not these particulars are being supplied with the knowledge of each of the persons or legal entities concerned.

You should be aware that failure to provide the information required by this notice, or to disclose false information, is an offence under paragraph 13 of Schedule 1B to the Act subject to a penalty of up to two years imprisonment, or a fine (or both). In addition, [COMPANY] may take action to restrict your control rights until such time as you have complied with this notice or provided a valid reason sufficient to justify your failure to do so.

Full details of your obligations under this Part of the Act can be found on the [www.gov.uk](http://www.gov.uk) website.

Yours [sincerely / faithfully],

[NAME]

[Director / Company Secretary]



**S790D Notice: For a person with knowledge of a PSC but no interest in the company**

[DATE]

Dear [ADDRESSEE],

**Register of People with Significant Control – Notice to an individual under section 790D of the Companies Act 2006 (the Act)**

**Interests in [COMPANY] [type]**

We know or have reasonable cause to believe that you may have knowledge of someone who is a registrable person, as defined in section 790C of the Act in respect of [COMPANY].

We therefore require you, pursuant to section 790D of the Act, to provide us, in writing [including by email to the address shown above], within one calendar month of the date of this notice, the following information concerning your knowledge of interests (within the meaning of Part 21A of the Act), if any, in [COMPANY]:

(i) whether you know the identity of anyone who is such a registrable person or a legal entity, whether registrable or otherwise, within the meaning of section 790D(6) of the Act, or anyone likely to have that knowledge and, in either case, to provide any of the particulars below that are within your knowledge, stating whether or not these particulars are being supplied with the knowledge of each of the persons or legal entities concerned.

- [Name]
- [Usual residential address]
- [Country, state or part of the United Kingdom in which they are normally resident]
- [Service address if applicable]
- [Nationality]
- [Date of Birth]
- [Any other means of contacting this person or entity]

And if you believe they fall within the meaning of 790D(6) of the Act:

- [Date on which they became a registrable person in relation to [COMPANY]]
- [The nature of their control over [COMPANY] as defined in Schedule 1A to the Act]

You should be aware that failure to provide the information required by this notice, or to disclose false information, is an offence under paragraph 13 of Schedule 1B to the Act subject to a penalty of up to two years imprisonment, or a fine (or both).

Full details of your obligations under this Part of the Act can be found on the [www.gov.uk](http://www.gov.uk) website.

Yours [sincerely / faithfully],

**[NAME]**

**[Director / Company Secretary]**

**S790E Notice: For an individual**

[DATE]

Dear [ADDRESSEE],

**Register of People with Significant Control – Notice to an individual under section 790E of the Companies Act 2006 (the Act)**

**Interests in [COMPANY] [type]**

We have reasonable cause to believe that a relevant change has occurred to the following particulars stated in respect of you on the PSC Register of [COMPANY].

We therefore require you, pursuant to section 790E of the Act, to provide us, in writing [including by email to the address shown above], within one calendar month of the date of this notice, the following information concerning your interest (within the meaning of Part 21A of the Act), if any, in [COMPANY]:

- (i) Whether or not any such relevant change, as defined under section 790E(3) or (4) of the Act has occurred;
- (ii) If so, the date of that change; and
- (iii) To confirm or correct the following particulars and supply any that are missing from this notice:
  - [Name]
  - [Usual residential address]
  - [Country, state or part of the United Kingdom in which you are normally resident]
  - [Service address if applicable]
  - [Nationality]
  - [Date of birth]
  - [Date on which you became a registrable person in relation to [COMPANY]]
  - [The nature of your control over [COMPANY] as defined in Schedule 1A to the Act]
  - [Whether or not you have successfully applied to the registrar of companies under section 790ZG for the disclosure of these particulars to be restricted]

You should be aware that failure to provide the information required by this notice, or to disclose false information, is an offence under paragraph 13 of Schedule 1B to the Act subject to a penalty of up to two years imprisonment, or a fine (or both). In addition, [COMPANY] may take action to restrict your control rights until such time as you have complied with this notice or provided a valid reason sufficient to justify your failure to do so.

Full details of your obligations under this Part of the Act can be found on the [www.gov.uk](http://www.gov.uk) website.

Yours [sincerely / faithfully],

[NAME]

[Director / Company Secretary]

**S790E Notice: For a legal entity**

[DATE]

Dear [ADDRESSEE],

**Register of People with Significant Control – Notice to a legal entity under section 790E of the Companies Act 2006 (the Act)**

**Interests in [COMPANY] [type]**

We have reasonable cause to believe that a relevant change has occurred to the following particulars stated in respect of [ADDRESSEE] on the PSC Register of [COMPANY].

We therefore require you, pursuant to section 790E of the Act, to provide us, in writing [including by email to the address shown above], within one calendar month of the date of this notice, the following information concerning your interest (within the meaning of Part 21A of the Act), if any, in [COMPANY]:

- (i) Whether or not any such relevant change, as defined under section 790E(4) of the Act has occurred;
- (ii) If so, the date of that change; and
- (iii) To confirm or correct the following particulars and supply any that are missing from this notice:
  - [Name – i.e. corporate or firm name]
  - [Address of registered or principal office]
  - [Legal form of the person or entity and the law by which it is governed]
  - [If applicable, the register of companies in which it is entered (including details of the state) and its registration number in that register]
  - [Date on which it became a registrable person or registrable relevant legal entity in relation to [COMPANY]]
  - [The nature of its control over [COMPANY] as defined in Schedule 1A to the Act]

You should be aware that failure to provide the information required by this notice, or to disclose false information, is an offence under paragraph 13 of Schedule 1B (13) to the Act subject to a penalty of up to two years imprisonment, or a fine (or both). In addition, [COMPANY] may take action to restrict any control rights until such time as you have complied with this notice or provided a valid reason sufficient to justify your failure to do so.

Full details of your obligations under this Part of the Act can be found on the [www.gov.uk](http://www.gov.uk) website.

Yours [sincerely / faithfully],

[NAME]

[Director / Company Secretary]

## Warning notice

*This must be accompanied by a copy of the s790D or s790E notice to which it relates*

[DATE]

Dear [ADDRESSEE],

### **Register of People with Significant Control – Warning Notice**

#### **Interests in [COMPANY] [shares/rights]**

On [DATE] we sent you a notice under section [790D / 790E] of the Companies Act 2006 (the Act) requiring that you provide us, in writing [including by email to the address shown above], within one calendar month, specified information concerning your interest (within the meaning of Part 21A of the Act), if any, in the [shares/ rights] of [COMPANY] or your knowledge of any person or legal entity that might have such an interest. A copy of the section [790D / 790 E] notice we sent you is included with this notice.

You have failed to comply with your legal obligation to respond to this notice, notwithstanding our having written to you again on [DATE] to remind you of your obligation and of the legal penalties for failure to do so.

We are therefore writing to you pursuant to paragraph 1(2) of Schedule 1B to the Act to give you notice that, in consequence of your having failed to comply with the notice issued to you on [DATE] under section [790D / 790E] of the Act, [COMPANY] will issue you with a formal restrictions notice on or after [DATE] unless you have complied with the section [790D / 790E] notice issued to you on [DATE] within one calendar month of the date of this warning notice. We will consider any reasons you provide us with as to why you have failed to comply.

The effect of such a restrictions notice in respect of your interest in [COMPANY] [shares/rights] would be that:

- Any transfer of your relevant interest is void, as is any agreement to transfer your interest or any associated right;
- No rights are exercisable in respect of your interest;
- No shares may be issued in right of your interest or in pursuance of an offer made to the interest-holder; and
- Except in a liquidation, no payment may be made of sums due from the company in respect of your interest, whether in respect of capital or otherwise.

When a restrictions notice has been issued the following acts, or failures to act, may constitute an offence:

- Exercising or purporting to exercise any right to dispose of your interest;
- Exercising or purporting to exercise any right to dispose of any right to be issued with your interest;
- Voting in respect of your interest (whether as holder of the interest or as proxy) or appointing a proxy to vote in respect of your interest;
- Failing to notify a person entitled (apart from the restrictions) to vote in respect of your interest, whether as holder or proxy, who you do not know to be aware that your interest is subject to restrictions; and
- Entering into an agreement to transfer your interest or any associated right (except in a liquidation).

Full details of your obligations under this Part of the Act and the penalties for failure to comply with them can be found on the [www.gov.uk](http://www.gov.uk) website.

We look forward to hearing from you by [DATE] to avoid the need for this further action.

Yours [sincerely / faithfully],

**[NAME]**

**[Director / Company Secretary]**

Restrictions notice

***This must be accompanied by a copy of the preceding warning notice that was sent and a copy of the original S790D / S790E notice***

[DATE]

Dear [ADDRESSEE],

**Register of People with Significant Control – Restrictions Notice  
Interests in [COMPANY] [type] [shares / rights]**

On [DATE] we sent you a notice under section [790D / 790E] of the Companies Act 2006 (the Act) requiring that you provide us, in writing [including by email to the address shown above], within one calendar month of the date of this notice, specified information concerning your interest (within the meaning of Part 21A of the Act), if any, in the [shares/ rights] of [COMPANY] or your knowledge of any person or legal entity that might have such an interest.

On [DATE] we sent you a warning notice pursuant to paragraph (1)(2) of Schedule 1B to the Act. Copies of both notices we have sent you are included with this notice. You have persisted in your failure to comply with your legal obligation to respond to these notices or provide a valid reason for not doing so.

We are therefore writing to you pursuant to paragraph (1)(3) Schedule 1B to the Act to give you notice that, in consequence of these repeated failures, [COMPANY] hereby issues you with a restrictions notice pursuant to paragraphs (1)(3) and (1)(4) of Schedule 1B to the Act.

In accordance with paragraph (3) of Schedule 1B to the Act, the effect of this restrictions notice in respect of your interest in [COMPANY] is that, from the date of this restrictions notice:

- Any transfer of your interest is void, as is any agreement to transfer your interest or (other than in a liquidation) any associated right;
- No rights are exercisable in respect of your interest;
- No shares may be issued in right of your interest or in pursuance of an offer made to the interest-holder; and
- Except in a liquidation, no payment may be made of sums due from the company in respect of your interest, whether in respect of capital or otherwise.

While this restrictions notice is in place the following acts, or failures to act, may constitute an offence:

- Exercising or purporting to exercise any right to dispose of your interest;
- Exercising or purporting to exercise any right to dispose of any right to be issued with your interest;
- Voting in respect of your interest (whether as holder of the interest or as proxy) or appointing a proxy to vote in respect of your interest;
- Failing to notify a person entitled (apart from the restrictions) to vote in respect of your interest, whether as holder or proxy, who you do not know to be aware that your interest is subject to restrictions; and
- Entering into an agreement to transfer your interest or any associated right (except in a liquidation).

Full details of your obligations under this Part of the Act and the penalties for failure to comply with them can be found on the [www.gov.uk](http://www.gov.uk) website.

Yours [sincerely / faithfully],

**[NAME]**

**[Director / Company Secretary]**

Withdrawal of restrictions notice

***This must be given within 14 days of the day on which your company became required to withdraw the restrictions notice***

**[DATE]**

Dear [ADDRESSEE],

**Register of People with Significant Control – Restrictions Notice**

**Interests in [COMPANY] [shares/rights]**

We are writing to you pursuant to paragraph 11 of Schedule 1B to the Companies Act 2006 (the Act) to give you notice that the **restrictions notice** issued on [DATE], pursuant to paragraphs (1)(3) and (1)(4) of Schedule 1B to the Act in respect of your relevant interest in the shares of [COMPANY], is withdrawn with effect from the date of this notice.

[The reason restrictions have been withdrawn].

Full details of your obligations under this Part of the Act and the penalties for failure to comply with them can be found on the [www.gov.uk](http://www.gov.uk) website.

Yours [sincerely / faithfully],

**[NAME]**

**[Director / Company Secretary]**



## Annex 4: Guidance for Limited Liability Partnerships (LLPs)

1. This Annex is directly addressed to you if you are:
  - A designated member, of an LLP; or
  - Acting for an LLP as an adviser.
2. It may also be of interest if you:
  - Are a member or otherwise involved in an LLP;
  - Could be a PSC; or
  - Are interested in how PSC information is defined and recorded.
3. You should consider all the requirements of the PSC regime, set out in the main part of this guidance, in relation to your LLP (even where they are addressed mainly to companies.) The only sections which are not likely to be of interest to you are 7.1, 7.2 and 7.3.
4. This Annex covers identification of a PSC specifically in relation to an LLP. It deals with differences between how the requirements are applied to LLPs and companies. Where there is no specific difference, the requirements as they apply to companies should be considered to apply to LLPs.

### Requirements

5. The requirements are set out in the Limited Liability Partnerships (Register of People with Significant Control) Regulations 2016. These regulations apply Part 21A of, and Schedules 1A and 1B to the Companies Act 2006 (as inserted by the Small Business Enterprise and Employment Act 2015), and the Register of People with Significant Control Regulations 2016, to LLPs with modifications.
6. The requirements apply to all UK incorporated LLPs.

### Your LLP's PSCs

7. A PSC is an individual who meets any one or more of the following conditions in relation to your LLP:

- (i) Directly or indirectly holding rights over more than 25% of the surplus assets on a winding up,
- (ii) Directly or indirectly holding more than 25% of the voting rights,
- (iii) Directly or indirectly holding the right to appoint or remove the majority of those involved in management,
- (iv) Otherwise having the right to exercise, or actually exercising, significant influence or control,
- (v) Holding the right to exercise, or actually exercising, significant influence or control over the activities of a trust or firm which is not a legal entity, but would itself satisfy any of the first four conditions if it were an individual.

### Condition (i) – an individual is a PSC if they hold, directly or indirectly, rights over more than 25% of the surplus assets on winding up

#### Identifying rights to surplus assets

8. You need to consider where the surplus assets of your LLP would go if your LLP were to wind up today, under the agreements you have in place and on the assumption that your LLP is solvent. The surplus assets will be those remaining after the liabilities of your LLP have been satisfied.
9. Information in your LLP agreement will help you work out whether any individual or registrable RLE holds rights over more than 25% of the surplus assets on winding up. Your LLP agreement covers any agreement between the members of the LLP, or between the LLP and its members, about rights. The agreement might be written down but need not be. The agreement might be explicit and obvious, or it might be implicit and arise from the way the LLP operates in practice.
10. You might have other agreements alongside your LLP agreement. If these are relevant to the holding of rights over the surplus assets on winding up you must consider them too.
11. The agreements you have identified may specify the rights of individuals or registrable RLEs to surplus assets on winding up, in those words or similar. You are interested in the proportion or percentage, afforded to each, in order to identify PSCs or registrable RLEs. Assessment of the percentages could be possible without needing to calculate the actual value of the assets in question.

## When rights to surplus assets are not specified

12. If the agreements you have identified do not specify any rights of individuals or registrable RLEs to surplus assets on winding up, then you should treat the surplus assets on winding up as being split equally between the members of the LLP. You must then consider whether this means that anyone has rights to more than 25%.

## Further considerations

13. In all other respects the assessment of whether a person or entity should be entered on the register as a PSC or registrable RLE by meeting this condition operates for your LLP in the same way as for any company (see section 7.4).

## Condition (ii) – an individual is a PSC if they hold, directly or indirectly, more than 25% of the voting rights in your LLP

14. You need to consider who has the right to vote in your LLP on matters to be decided by the members of the LLP.
15. Information in your LLP agreement will help you work out the voting rights of individuals or registrable RLEs. You might have other agreements alongside your LLP agreement. If these are relevant to voting rights you must consider them too.
16. The agreements you have identified might specify the rights of individuals to vote in a manner particular to your LLP. You must consider rights to vote on matters which are decided by a vote of the members. You need not consider narrower rights to vote on specific issues, or on management issues, with respect to this condition. Voting rights might be exercisable in different ways, in meetings or in writing. Different individuals and legal entities could have different voting rights as members.
17. If the agreements you have identified do not specify any rights of individuals or registrable RLEs in respect of voting, then you should treat voting rights as being split equally between the members of the LLP. You must then consider whether this means that anyone has rights to more than 25%.
18. In all other respects the assessment as to whether a person or entity should be entered on the register as a PSC or registrable RLE by meeting this condition operates in the same way as for any company.

## Condition (iii) – an individual is a PSC if they hold, directly or indirectly, the right to appoint or remove the majority of those entitled to take part in management of the LLP

19. You must consider whether anyone has the right to appoint or remove people such that they control the majority of voting rights concerning management of the LLP.
20. Information in your LLP agreement will help you work out the rights of individuals or registrable RLEs to appoint or remove people. You might have other agreements alongside your LLP agreement. If these are relevant to appointing and removing people you must consider them too.
21. If everyone entitled to take part in management has equal sway then this is simple to calculate. If different people have different rights to take part in management, you must consider whether anyone has the right to appoint or remove those who could carry the majority in votes on all or substantially all matters concerning management.
22. You should consider those involved in management as those involved with the management of the business as a whole, or those who may have little involvement in day to day management (which they leave to others) but with roles and rights such that they could be involved with the management of the business as a whole, or are responsible for strategic management of the business as a whole. People need not necessarily be members of the LLP in order to take part in management. Management can be exercised through a specific structure, like a board or committee, in your LLP, but need not be.
23. For the avoidance of doubt, you need not enter those involved with the process of appointment or removal of members, such as those performing HR functions, on the PSC register (provided they do not have the right to appoint or remove people such that they control the majority of voting rights concerning management of the LLP).
24. In all other respects the assessment of whether a person or entity should be entered on the register as a PSC or registrable RLE by meeting this condition operates in the same way for your LLP as for any company.

### Condition (iv) – an individual is a PSC of your LLP if they have the right to exercise, or actually exercises, significant influence or control

25. Your LLP is only required to identify whether a PSC or registrable RLE meets this condition if they do not exercise control through one or more of conditions (i), (ii), or (iii).
26. A person who does not meet conditions (i) to (iii) may still have **significant influence or control** of your LLP. They could be a PSC or RLE by virtue of the fourth condition. To work out whether someone has significant influence or control of your LLP you must consider a range of factors set out in statutory guidance.

27. The statutory guidance is not an exhaustive statement of what amounts to “significant influence or control,” but provides examples of circumstances where an individual would normally fall within the definition, and where they would not. It also sets out some “excepted roles” which do not, on their own, amount to significant influence or control. This would include, for example, designated members acting in a way which is consistent with the ordinary responsibilities of a designated member.
28. The [statutory guidance](#) is provided separately because it has been approved by Parliament and therefore has statutory footing<sup>54</sup>. Separate statutory guidance has been provided in relation to LLPs, and in relation to companies.
29. The statutory guidance sets out some examples of what might constitute a right to exercise significant influence and control. An important example (paragraph 2.9) covers a person who is likely to receive more than 25% of the profits of an LLP. Such a person might or might not be a member of the LLP.
30. You should consider the LLP agreement, or any other agreement in place, in order to make a reasonable assessment of who you think will receive the profits. You should consider profits as they would appear in the profit and loss account and profits which are allocated automatically or otherwise. When the agreements change you should consider whether the person likely to receive the profits has changed, and whether you need to update your PSC register.
31. Other examples (paragraphs 2.8 to 2.10 in the statutory guidance) cover a range of situations where significant influence and control might arise from the internal governance of your LLP, and are likely to be set out in your LLP agreement or other agreements. Some of the examples, however, illustrate situations of significant influence and control which might not be contained in an agreement – for instance where the founder of an LLP no longer has any formal interest but recommends to members how they should vote and such a recommendation is always or almost always followed.

**Condition (v) – an individual is a PSC of your LLP if they have the right to exercise, or actually exercises, significant influence or control over the activities of a trust or firm, which in turn satisfies any of the first four conditions**

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<sup>54</sup> Other guidance on the PSC register, including this document, does not have legal force but it explains the legal requirements and what you need to do to comply with the law.

32. If a trust or firm (without legal personality)<sup>55</sup> has any ownership or control over your LLP, you must consider if that trust or firm would have met any of conditions (i) to (iv) if it were an individual.
33. If the trust or firm would have met any of conditions (i) to (iv) then you must consider the individuals or legal entities who control the activities of the trust or firm. To work out if someone has significant influence or control of the trust or firm you must consider a range of factors set out in statutory guidance<sup>56</sup>. This is provided separately because it is on a statutory footing. Separate statutory guidance is provided in relation to LLPs, and in relation to companies.
34. If an individual has significant influence or control over the activities of a trust or firm, which would be a PSC of your LLP if it were an individual, then you should enter that person on the PSC register. If a registrable RLE controls the trust or firm then it must be entered on the PSC register. If a legal entity which is not an RLE controls the trust or firm, then you should continue to explore the ownership chain until you have identified an individual or registrable RLE with majority ownership of that legal entity, or are confident none exists.
35. If the assets of the trust or firm include ownership or control of your LLP that would meet any of conditions (i) to (iv), the register should show that the trustee(s) or partner(s) have significant influence or control (i.e. a PSC interest) against each of the conditions (i) to (iv) that are met.
36. If someone other than the trustees, such as the settlor or beneficiary of the trust, or partners has the right to exercise significant influence or control over the trust or firm, then they would also be shown on the register as meeting condition (v).

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<sup>55</sup> A firm for these purposes is any entity which does not have legal personality under the law by which it is governed. Partnerships without legal personality, including English limited partnerships, are “firms” for this purpose. LLPs, Scottish qualifying partnerships and Scottish limited partnerships have legal personality and are not “firms” for this purpose.

<sup>56</sup> Statutory guidance is approved by Parliament and as such has legal force.

Summary of PSC conditions for LLPs		
Condition:		What you need to consider:
(i)	Directly or indirectly holding the right to more than 25% of the surplus assets on winding up	You should review your LLP agreement. This includes any agreement between the members of an LLP or between the LLP and its members. It covers any form of agreement, including written or verbal or implied. You should then consider any other agreements which might be relevant, for instance between a subset of members, or between a member and a non-member. If there is no agreement regarding rights over more than 25% of the surplus assets on winding up, then you should consider the surplus assets as shared equally among the members, and see if anyone, as a result, has rights over more than 25%.
(ii)	Directly or indirectly holding more than 25% of the voting rights	You should consider voting rights in respect of the matters to be decided on by a vote of the members of the LLP. You should review your LLP agreement. This includes any agreement between the members of an LLP or between the LLP and its members. It covers any form of agreement, including written or verbal or implied. You should then consider any other agreements which might be relevant, for instance between a subset of members, or between a member and a non-member, and consider whether voting patterns suggest some parties (for example members of the same family) might be acting together. If there is no agreement regarding rights over more than 25% of the votes, then you should consider the votes as shared equally among the members, and see if anyone, as a result, has rights over more than 25%.
(iii)	Directly or indirectly holding the right to appoint or remove the majority of those entitled to take part in the management of the LLP	You should review your LLP agreement. This includes any agreement between the members of an LLP or between the LLP and its members. It covers any form of agreement, including written or verbal or implied. You should then consider any other agreements which might be relevant, for



		instance between a subset of members, or between a member and a non-member. You must consider whether anyone has the right to appoint or remove people such that they control the majority of voting rights concerning management of the LLP.
<p>The following conditions are explained in <b>Statutory Guidance – see Chapter 7.4 and this annex</b></p> <p>Your LLP will only need to identify where a PSC or RLE meets condition (iv) if they do not meet one or more of conditions (i) to (iii)</p>		
(iv)	Otherwise having the right to exercise, or actually exercising, significant influence or control	You should consider whether anyone else who does not meet one or more of conditions (i) to (iii) has <b>significant influence or control</b> over the way your LLP is run, irrespective of any formal role. Statutory guidance sets out what is meant by significant influence or control. <b>Statutory guidance provides direction on the meaning of significant influence or control.</b> You must have regard to this guidance when considering whether a person meets this condition.
(v)	Where a trust or firm would satisfy one or more of the first four conditions if it were an individual. Any individual holding the right to exercise, or actually exercising, <b>significant influence or control</b> over the activities of that trust or firm.	You should consider whether there is a trust or firm which would have met any of the first four conditions if it were an individual. Where this is the case, the trustees would be entered on your register and shown as meeting whichever of the first four conditions apply. You then need to consider whether anyone has <b>significant influence or control</b> over the activities of that trust or firm. <b>Statutory guidance provides guidance on the meaning of significant influence or control over the activities of a trust or firm.</b> You must have regard to this guidance when considering whether a person meets this condition.

## Official wording for entering on your LLP’s PSC register

37. You must always have information about your LLP’s PSCs or registrable RLEs, or an update on your LLP’s status, on your LLP’s own PSC register. It must never be empty.



38. This guidance describes the steps your LLP must take and the different possible outcomes. When you have taken the required steps and worked out your LLP's status at any given point, you must enter the official wording on your LLP's own PSC register. You must also use the official wording when you file the information on the central public register at Companies House. The official wording should be used alongside any of the relevant information you are entering on the register as described in Chapter 8 (such as an individual's name or a service address). You should date all entries on your LLP's register.
39. This is a reference guide to the official wording for entry on the PSC register. Separate official wording for entry onto a company's PSC register is provided at Annex 2, and for an eligible Scottish partnership in Annex 5.

## Your LLP has no PSCs or registrable RLEs

- a) *The LLP knows or has reasonable cause to believe that there is no registrable person or registrable relevant legal entity in relation to the LLP.***

## Unidentified PSC

- b) *The LLP knows or has reasonable cause to believe that there is a registrable person in relation to the LLP but it has not identified the registrable person.***

## Unconfirmed particulars

- c) *The LLP has identified a registrable person in relation to the LLP but all of the required particulars of that person have not been confirmed.***

## Taking reasonable steps

- d) *The LLP has not yet completed taking reasonable steps to find out if there is anyone who is a registrable person or a registrable relevant legal entity in relation to the LLP.***

40. Where any of the above statements cease to be true, you must enter that the additional matter ceased to be true on your LLP's register along with the date on which the statement ceased to be true.

## Notices

- e) *The LLP has given a notice under section 790D of the Act which has not been complied with.***
- f) *The addressee has failed to comply with a notice given by [your LLP] under section 790E of the Act.***

41. Where a notice given under section 790D or 790E of the Act is complied with after the time specified in the notice, your LLP should enter on your LLP's PSC register, along with the date on which the notice was complied with, that:

**g) The notice has been complied with after the time specified in the notice.**

**h) The LLP has issued a restrictions notice under paragraph 1 of Schedule 1B to the Act.**

42. Where a LLP withdraws a restrictions notice, you should enter on your LLP's PSC register, along with the date specified in the withdrawal notice as the date on which the withdrawal notice was given, that:

**i) The LLP has withdrawn the restrictions notice by giving a withdrawal notice.**

43. Where a court makes an order directing that a relevant interest in your LLP must cease to be subject to restrictions, you should enter on your LLP's PSC register, along with the date on which the order takes effect, that:

**j) The court has made an order under paragraph 8 of Schedule 1B to the Act directing that a relevant interest in the LLP cease to be subject to restrictions.**

44. As stated in Chapter 3, your LLP must enter on its PSC register which of the conditions (i) to (v) a PSC or registrable RLE meets in relation to your LLP, with quantification of the interest where relevant. You should enter all of the following statements which are applicable:

### Condition (i)

**k) The person holds, directly or indirectly, the right to share in more than 25% but not more than 50% of any surplus assets of the LLP on a winding up.**

**l) The person holds, directly or indirectly, the right to share in more than 50% but less than 75% of any surplus assets of the LLP on a winding up.**

**m) The person holds, directly or indirectly, the right to share in 75% or more of any surplus assets of the LLP on a winding up.**

### Condition (ii)

- n) The person holds, directly or indirectly, more than 25% but not more than 50% of the voting rights in the LLP.**
- o) The person holds, directly or indirectly, more than 50% but less than 75% of the voting rights in the LLP.**
- p) The person holds, directly or indirectly, 75% or more of the voting rights in the LLP.**

### Condition (iii)

- q) The person holds the right, directly or indirectly, to appoint or remove a majority of those members who are entitled to take part in the management of the LLP.**

### Condition (iv)

45. This will only be applicable where a PSC or registrable RLE does not meet one or more of conditions (i) to (iii).

- r) The person has the right to exercise, or actually exercises, significant influence or control over the LLP.**

### Condition (v) - trusts

- s) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold, directly or indirectly, more than 25% but not more than 50% of any surplus assets of the LLP on a winding up.**
- t) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold, directly or indirectly, more than 50% but less than 75% of any surplus assets of the LLP on a winding up.**
- u) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold, directly or indirectly, the right to share in 75% or more of any surplus assets of the LLP on a winding up.**
- v) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold, directly or indirectly, more than 25% but not more than 50% of the voting rights in the LLP.**

- w) *The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold, directly or indirectly, more than 50% but less than 75% of the voting rights in the LLP.*
- x) *The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold, directly or indirectly, 75% or more of the voting rights in the LLP.*
- y) *The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold the right, directly or indirectly, to appoint or remove a majority of the those entitled to take part in management of the LLP.*
- z) *The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and, the trustees of that trust (in their capacity as such) have the right to exercise, or actually exercise, significant influence or control over the LLP.*

## Condition (v) - firms

- aa) *The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold, directly or indirectly, more than 25% but not more than 50% of any surplus assets of the LLP on a winding up.*
- bb) *The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold, directly or indirectly, more than 50% but less than 75% of any surplus assets of the LLP on a winding up.*
- cc) *The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold, directly or indirectly, 75% of any surplus assets of the LLP on a winding up.*
- dd) *The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold, directly or indirectly, more than 25% but not more than 50% of the voting rights in the LLP.*

- ee) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold, directly or indirectly, more than 50% but less than 75% of the voting rights in the LLP.**
- ff) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold, directly or indirectly, 75% or more of the voting rights in the LLP.**
- gg) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold the right, directly or indirectly, to appoint or remove a majority of the those entitled to take part in management of the LLP.**
- hh) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) have the right to exercise, or actually exercise, significant influence or control over the LLP.**

## Annex 5: Guidance for eligible Scottish partnerships

1. This Annex is directly addressed to you if you are:
  - A general partner of a Scottish Limited partnership (SLP)
  - A partner of a Scottish qualifying partnership (SQP); or
  - Acting for an SLP or SQP as an adviser.
2. It may also be of interest if you:
  - Are a member or otherwise involved in an SLP or SQP;
  - Could be a PSC; or
  - Are interested in how PSC information is defined and recorded.
3. This Annex covers identification of a PSC specifically in relation to SLPs and SQPs. It deals with differences between how the requirements are applied to these partnerships and to companies. Where there is no specific difference, the requirements as they apply to companies should be considered to apply to SLPs and SQPs.

### Requirements

4. Partnerships formed under the law of Scotland have distinct legal status under section 4 of the Partnership Act 1890.
5. The requirements for SLPs and SQPs are set out in the Scottish Partnerships (Register of People with Significant Control) Regulations 2017. These regulations adopt a modified version of the regime in Part 21A of the Companies Act to SLPs and SQPs, which are collectively known as “eligible Scottish Partnerships”. The requirements apply to all Scottish limited partnerships. They apply only to those general partnerships in Scotland which have corporate partners, being qualifying partnerships under the Partnerships (Accounts) Regulations 2008.

### Your Eligible Scottish Partnership’s PSCs

6. A PSC is an individual who meets any one or more of the following conditions in relation to your eligible Scottish partnership:

- (i) Directly or indirectly holding rights over more than 25% of the surplus assets on a winding up,
- (ii) Directly or indirectly holding more than 25% of the voting rights,
- (iii) Directly or indirectly holding the right to appoint or remove the majority of those involved in management,
- (iv) Otherwise having the right to exercise, or actually exercising, significant influence or control,
- (v) Holding the right to exercise, or actually exercising, significant influence or control over the activities of a trust or firm which is not a legal entity, but would itself satisfy any of the first four conditions if it were an individual.

## Your Eligible Scottish Partnership's PSCs

7. Where you have identified a PSC you need to obtain, confirm and then deliver the following details to Companies House about the PSC:

- Name
- Date of birth
- Nationality
- Country, state or part of the UK where the PSC usually lives
- Service address
- Usual residential address
  - If the residential address has already been given because it is also the service address, then you do not need to give it again<sup>57</sup>
- The date when the individual became a PSC in relation to your eligible Scottish partnership<sup>58</sup>

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<sup>57</sup> The only exception is when the service address is also the eligible Scottish partnership's registered office address.

<sup>58</sup> For existing eligible Scottish partnerships completing a PSC register for the first time in June 2017, this date will be 26 June 2017.

- Which of the five conditions for being a PSC the individual meets, with quantification of the interest where relevant
  - For a PSC who meets one or more of conditions (i) to (iii) your eligible Scottish partnership is not required to identify whether they also meet condition (iv)
  - You must use the official wording, (see Annex 5 below)
- Any restrictions on disclosing the PSC's information that are in place

## Confirming information

8. Information about a PSC<sup>59</sup> must be confirmed before you deliver it to Companies House. Information can be treated as confirmed if:

- The PSC supplied your eligible Scottish partnership with the information;
- The information was provided to your eligible Scottish partnership with the knowledge of the PSC<sup>60</sup>;
- You asked the PSC to confirm the information was correct, and they replied that it was so; or
- You hold previously confirmed information and have no reason to believe it has changed.

9. If you have identified a PSC but cannot confirm the information about them, you must disclose this on the register using the official wording<sup>61</sup>.

## Registrable Relevant Legal Entities (RLEs)

10. Where you have identified a registrable RLE in relation to your eligible Scottish partnership, you must obtain and then deliver the following information to Companies House:

- Name of the legal entity
- 

<sup>60</sup> Personal data is exempt from the second, third, fourth and fifth data protection principles in Schedule 1 to the Data Protection Act 1998 where the data controller is obliged by an enactment (in this case, Part 21A of the Companies Act 2006) to disclose the information or make it available to the public, whether by publishing it, by making it available for inspection, or otherwise (see sections 34 and 35 of the Data Protection Act 1998).

<sup>61</sup> As set out in Part 5 of the Scottish Partnerships (Register of People with Significant Control) Regulations 2017



- The address of its registered or principal office
- The legal form of the entity and the law by which it is governed
- If applicable, a register in which it appears (including details of the state) and its registration number<sup>62</sup>
- The date when it became a registrable RLE in relation to your eligible Scottish partnership<sup>63</sup>
- Which of the five conditions for being a PSC it meets, with quantification of its interest where relevant
  - For a RLE that meets one or more of conditions (i) to (iii) your eligible Scottish partnership is not required to identify whether they also meet condition (iv)
  - You must use the official wording, (see Annex 5 below)

## Condition (i) – an individual is a PSC if they hold, directly or indirectly, rights over more than 25% of the surplus assets on winding up

### Identifying rights to surplus assets

11. You need to consider where the surplus assets of your SLP or SQP would go if your partnership were to wind up today, under the agreements you have in place and on the assumption that your partnership is solvent. The surplus assets will be those remaining after the liabilities of your partnership have been satisfied.
12. Information in your partnership agreement will help you work out whether any individual or registrable RLE holds rights over more than 25% of the surplus assets on winding up. Your agreement covers any agreement between the members of the partnership, or between the partnership and its members, about rights. The agreement might be written down but need not be. The agreement might be explicit and obvious, or it might be implicit and arise from the way the partnership operates in practice.

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<sup>62</sup> If the legal entity is entered on a register in the UK (e.g. the Charity Commission register) or overseas (the central register of companies in another country), this must be noted.

<sup>63</sup> For existing eligible Scottish partnerships delivering PSC information to Companies House for the first time in June 2017, this date will be 26 June 2017.

13. You might have other agreements alongside your partnership agreement. If these are relevant to the holding of rights over the surplus assets on winding up you must consider them too.
14. The agreements you have identified may specify the rights of individuals or registrable RLEs to surplus assets on winding up, in those words or similar. You are interested in the proportion or percentage, afforded to each, in order to identify PSCs or registrable RLEs. Assessment of the percentages could be possible without needing to calculate the actual value of the assets in question.

### When rights to surplus assets are not specified

15. If the agreements you have identified do not specify any rights of individuals or registrable RLEs to surplus assets on winding up, then you should treat the surplus assets on winding up as being split equally between the members of the partnership. You must then consider whether this means that anyone has rights to more than 25%.

### Further considerations

16. In all other respects the assessment of whether a person or entity's information must be delivered to Companies House as a PSC or registrable RLE by meeting this condition operates for your partnership in the same way as for any company (see section 7.4).

### Condition (ii) – an individual is a PSC if they hold, directly or indirectly, more than 25% of the voting rights in your partnership

17. You need to consider who has the right to vote in your partnership on matters to be decided by the members of the partnership.
18. Information in your partnership agreement will help you work out the voting rights of individuals or registrable RLEs. You might have other agreements alongside your partnership agreement. If these are relevant to voting rights you must consider them too.
19. The agreements you have identified might specify the rights of individuals to vote in a manner particular to your partnership. You must consider rights to vote on matters which are decided by a vote of the members. You need not consider narrower rights to vote on specific issues, or on management issues, with respect to this condition. Voting rights might be exercisable in different ways, in meetings or in writing. Different individuals and legal entities could have different voting rights as members.

20. If the agreements you have identified do not specify any rights of individuals or registrable RLEs in respect of voting, then you should treat voting rights as being split equally between the members of the partnership. You must then consider whether this means that anyone has rights to more than 25%.
21. In all other respects the assessment as to whether a person or entity's information must be delivered to Companies House as a PSC or registrable RLE by meeting this condition operates in the same way as for any company.

### Condition (iii) – an individual is a PSC if they hold, directly or indirectly, the right to appoint or remove the majority of the persons entitled to take part in management of your partnership

22. You must consider whether anyone has the right to appoint or remove people such that they control the majority of voting rights concerning management of the partnership.
23. Information in your partnership agreement will help you work out the rights of individuals or registrable RLEs to appoint or remove people. You might have other agreements alongside your partnership agreement. If these are relevant to appointing and removing people you must consider them too.
24. If everyone entitled to take part in management has equal sway then this is simple to calculate. If different people have different rights to take part in management, you must consider whether anyone has the right to appoint or remove those who could carry the majority in votes on all or substantially all matters concerning management.
25. You should consider those involved in management as those involved with the management of the business as a whole, or those who may have little involvement in day to day management (which they leave to others) but with roles and rights such that they could be involved with the management of the business as a whole, or are responsible for strategic management of the business as a whole. People need not necessarily be partners of the partnership in order to take part in management. Management can be exercised through a specific structure, like a board or committee, in your partnership, but need not be.
26. For the avoidance of doubt, you need not deliver information to Companies House about those involved with the process of appointment or removal of partners, such as those performing HR functions (provided they do not have the right to appoint or remove people such that they control the majority of voting rights concerning management of the partnership).

27. In all other respects the assessment of whether a person's or entity's information should be delivered to Companies House by meeting this condition operates in the same way for your partnership as for any company.

### Condition (iv) – an individual is a PSC of your partnership if they have the right to exercise, or actually exercises, significant influence or control

28. Your partnership is only required to identify whether a PSC or registrable RLE meets this condition if they do not exercise control through one or more of conditions (i), (ii), or (iii).

29. A person who does not meet conditions (i) to (iii) may still have **significant influence or control** of your partnership. They could be a PSC or RLE by virtue of the fourth condition. To work out whether someone has significant influence or control of your partnership you must have regard to a range of factors set out in guidance published on significant influence and control.

30. The guidance is not an exhaustive statement of what amounts to “significant influence or control,” but provides examples of circumstances where an individual would normally fall within the definition, and where they would not. An important example (paragraph 2.9) covers a person who is likely to receive more than 25% of the profits of a partnership. Such a person might or might not be a member of the partnership. It also sets out some “excepted roles” which do not, on their own, amount to significant influence or control.

31. You should consider the partnership agreement, or any other agreement in place, in order to make a reasonable assessment of who you think will receive the profits. You should consider profits as they would appear in the profit and loss account and profits which are allocated automatically or otherwise. When the agreements change you should consider whether the person likely to receive the profits has changed, and whether you need to update the PSC information held by Companies House.

32. Other examples (paragraphs 2.8 to 2.10 in the guidance) cover a range of situations where significant influence or control might arise from the internal governance of your partnership, and are likely to be set out in your partnership agreement or other agreements. Some of the examples, however, illustrate situations of significant influence or control which might not be contained in an agreement – for instance where the founder of a partnership no longer has any formal interest but recommends to members how they should vote and such a recommendation is always or almost always followed.

**Condition (v) – an individual is a PSC of your partnership if they have the right to exercise, or actually exercises, significant influence or control over the activities of a trust or firm, which in turn satisfies any of the first four conditions**

33. If a trust or firm (without legal personality)<sup>64</sup> has any ownership of control over your partnership, you must consider if that trust or firm would have met any of conditions (i) to (iv) if it were an individual.
34. If the trust or firm would have met any of conditions (i) to (iv) then you must consider the individuals or legal entities who control the activities of the trust or firm. To work out if someone has significant influence or control of the trust or firm you must consider a range of factors set out in guidance on the meaning of “significant influence or control” over eligible Scottish partnerships
35. If an individual has significant influence or control over the activities of a trust or firm, which would be a PSC of your partnership if it were an individual, then you should deliver information on that person to Companies House. If a registrable RLE controls the trust or firm then information on it must be delivered to Companies House. If a legal entity which is not an RLE controls the trust or firm, then you should continue to explore the ownership chain until you have identified an individual or registrable RLE with majority ownership of that legal entity, or are confident none exists.
36. If the assets of the trust or firm include ownership or control of your partnership that would meet any of conditions (i) to (iv), the information delivered to Companies House should show that the trustee(s) or partner(s) have significant influence or control (i.e. a PSC interest) against each of the conditions (i) to (iv) that are met.
37. If someone other than the trustees, such as the settlor or beneficiary of the trust, or partners has the right to exercise significant influence or control over the trust or firm, then information on that person meeting condition (v) must be delivered to Companies House.

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<sup>64</sup> A firm for these purposes is any entity which does not have legal personality under the law by which it is governed. Partnerships without legal personality, including English limited partnerships, are “firms” for this purpose. LLPs, Scottish general partnerships and Scottish limited partnerships have legal personality and are not “firms” for this purpose.

Summary of PSC conditions for SLPs and SQPs	
Condition:	What you need to consider:
(i) Directly or indirectly holding the right to more than 25% of the surplus assets on winding up	You should review your partnership agreement. This includes any agreement between the partners of a partnership or between the partnership and its partners. It covers any form of agreement, including written or verbal or implied. You should then consider any other agreements which might be relevant, for instance between a subset of partners, or between a partner and a non-partner. If there is no agreement regarding rights over more than 25% of the surplus assets on winding up, then you should consider the surplus assets as shared equally among the partners, and see if anyone, as a result, has rights over more than 25%.
(ii) Directly or indirectly holding more than 25% of the voting rights	You should consider voting rights in respect of the matters to be decided on by a vote of the partners of the partnership. You should review your partnership agreement. This includes any agreement between the partners of a partnership or between the partnership and its partners. It covers any form of agreement, including written or verbal or implied. You should then consider any other agreements which might be relevant, for instance between a subset of partner, or between a partner and a non-partner, and consider whether voting patterns suggest some parties (for example members of the same family) might be acting together. If there is no agreement regarding rights over more than 25% of the votes, then you should consider the votes as

		shared equally among the partners, and see if anyone, as a result, has rights over more than 25%.
(iii)	Directly or indirectly holding the right to appoint or remove the majority of those entitled to take part in the management of the partnership	You should review your partnership agreement. This includes any agreement between the partners of a partnership or between the partnership and its partners. It covers any form of agreement, including written or verbal or implied. You should then consider any other agreements which might be relevant, for instance between a subset of partners, or between a partner and a non-partner. You must consider whether anyone has the right to appoint or remove people such that they control the majority of voting rights concerning management of the partnership.

**The following conditions are explained in guidance on the meaning of “significant influence or control” over eligible Scottish partnerships – see Chapter 7.4 and this annex.**

Your partnership will only need to identify where a PSC or RLE meets condition (iv) if they do not meet one or more of conditions (i) to (iii)

(iv)	Otherwise having the right to exercise, or actually exercising, significant influence or control	You should consider whether anyone else who does not meet one or more of conditions (i) to (iii) has <b>significant influence or control</b> over the way your partnership is run, irrespective of any formal role. Guidance sets out what is meant by significant influence or control. <b>Guidance provides direction on the meaning of significant influence or control.</b> You must have regard to this guidance when considering whether a person meets this condition.
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(v)	<p>Where a trust or firm would satisfy one or more of the first four conditions if it were an individual. Any individual holding the right to exercise, or actually exercising, <b>significant influence or control</b> over the activities of that trust or firm.</p>	<p>You should consider whether there is a trust or firm which would have met any of the first four conditions if it were an individual. Where this is the case, you should deliver information on the trustees to Companies House and showing whichever of the first four conditions apply. You then need to consider whether anyone has <b>significant influence or control</b> over the activities of that trust or firm. <b>Guidance provides guidance on the meaning of significant influence or control over the activities of a trust or firm.</b> You must have regard to this guidance when considering whether a person meets this condition.</p>
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## Official wording for entering on the PSC register

38. The central register must always have information about your SLP's or QSP's PSC's or registrable RLEs, or an update on your partnerships status. It must never be empty.
39. This guidance describes the steps your partnership must take and the different possible outcomes. When you have taken the required steps and worked out your eligible Scottish partnership's status at any given point, you must deliver the information to Companies House for entry on the central register. You must also use the official wording when you file the information.
40. This is a reference guide to the official wording for information to be delivered to the registrar for entry on the central register. Separate official wording for entry onto a company's PSC register is provided at Annex 2, and for LLPs in Annex 4.

## Your partnership has no PSCs or registrable RLEs

- a) *The eligible Scottish partnership knows or has reasonable cause to believe that there is no registrable person or registrable relevant legal entity in relation to the eligible Scottish partnership.*

## Unidentified PSC



- b) The eligible Scottish partnership knows or has reasonable cause to believe that there is a registrable person in relation to the eligible Scottish partnership but it has not identified the registrable person.**

## Unconfirmed particulars

- c) The eligible Scottish partnership knows or has reasonable cause to believe that there is a registrable person in relation to the eligible Scottish partnership but has been unable to confirm all the required particulars of that registrable person.**

## Taking reasonable steps

- d) The eligible Scottish partnership has not yet completed taking reasonable steps to find out if there is any person who is a registrable person or a registrable relevant legal entity in relation to it.**

41. Where any of the above statements cease to be true the eligible Scottish partnership must deliver to Companies House a statement that the additional matter has ceased to be true and provide the date on which the statement ceased to be true.

## Notices

- e) The eligible Scottish partnership has given a notice under regulation 10 which has not been complied with.**
- f) The eligible Scottish partnership has given a notice under regulation 11 which has not been complied with.**

42. Where a notice under regulation 10 or 11 of the regulations is complied with after the time specified in the notice, you are required to deliver to Companies House the statement below along with the date on which the notice was complied with:

- g) The notice has been complied with after the time specified in the notice.**
- h) The eligible Scottish partnership has issued a restrictions notice under paragraph 1 of Schedule 2.**

43. Where a partnership withdraws a restrictions notice, you are required to deliver to Companies House the statement below along with the date specified in the withdrawal notice as the date on which the withdrawal notice was given:

- i) The eligible Scottish partnership has withdrawn the restrictions notice by giving a withdrawal notice.**

44. Where a court makes an order directing that a relevant interest in your partnership must cease to be subject to restrictions, you are required to deliver to Companies House the statement below, along with the date on which the order takes effect:

- j) The court has made an order under paragraph 7 of Schedule 2 directing that a relevant interest in the eligible Scottish partnership cease to be subject to restrictions.***

45. Your partnership must deliver to Companies House statements as to which of the conditions (i) to (v) a PSC or registrable RLE meets in relation to your partnership, with quantification of the interest where relevant. You should deliver all of the following statements which are applicable:

### Condition (i)

- k) The person holds, directly or indirectly, the right to more than 25% but not more than 50% of any surplus assets of the eligible Scottish partnership on a winding up.***
- l) The person holds, directly or indirectly, the right to more than 50% but less than 75% of any surplus assets of the eligible Scottish partnership on a winding up.***
- m) The person holds, directly or indirectly, the right to 75% or more of any surplus assets of the eligible Scottish partnership on a winding up.***

### Condition (ii)

- n) The person holds, directly or indirectly, more than 25% but not more than 50% of the voting rights in the eligible Scottish partnership.***
- o) The person holds, directly or indirectly, more than 50% but less than 75% of the voting rights in the eligible Scottish partnership.***
- p) The person holds, directly or indirectly, 75% or more of the voting rights in the eligible Scottish partnership.***

### Condition (iii)

- q) The person holds the right, directly or indirectly, to appoint or remove a majority of the persons who are entitled to take part in the management of the eligible Scottish partnership.***

### Condition (iv)

46. This will only be applicable where a PSC or registrable RLE does not meet one or more of conditions (i) to (iii).

- r) *The person has the right to exercise, or actually exercises, significant influence or control over the eligible Scottish partnership.*

## Condition (v) - trusts

- s) *The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold, directly or indirectly, the right to more than 25% but not more than 50% of any surplus assets of the eligible Scottish partnership on a winding up.*
- t) *The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold, directly or indirectly, the right to more than 50% but less than 75% of any surplus assets of the eligible Scottish partnership on a winding up.*
- u) *The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold, directly or indirectly, the right to 75% or more of any surplus assets of the eligible Scottish partnership on a winding up.*
- v) *The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold, directly or indirectly, more than 25% but not more than 50% of the voting rights in the eligible Scottish partnership.*
- w) *The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold, directly or indirectly, more than 50% but less than 75% of the voting rights in the eligible Scottish partnership.*
- x) *The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold, directly or indirectly, 75% or more of the voting rights in the eligible Scottish partnership.*
- y) *The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and the trustees of that trust (in their capacity as such) hold the right, directly or indirectly, to appoint or remove a majority of the persons who are entitled to take part in management of the eligible Scottish partnership.*
- z) *The person has the right to exercise, or actually exercises, significant influence or control over the activities of a trust; and, the trustees of that trust (in their capacity as such) have the right to exercise, or*

**actually exercise, significant influence or control over the eligible Scottish partnership.**

## Condition (v) - firms

- aa) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold, directly or indirectly, the right to more than 25% but not more than 50% of any surplus assets of the eligible Scottish partnership on a winding up.**
- bb) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold, directly or indirectly, the right to more than 50% but less than 75% of any surplus assets of the eligible Scottish partnership on a winding up.**
- cc) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold, directly or indirectly, the right to 75% of any surplus assets of the eligible Scottish partnership on a winding up.**
- dd) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold, directly or indirectly, more than 25% but not more than 50% of the voting rights in the eligible Scottish partnership.**
- ee) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold, directly or indirectly, more than 50% but less than 75% of the voting rights in the eligible Scottish partnership.**
- ff) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) hold, directly or indirectly, 75% or more of the voting rights in the eligible Scottish partnership.**
- gg) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm**

***(in their capacity as such) hold the right, directly or indirectly, to appoint or remove a majority of persons who are entitled to take part in management of the eligible Scottish partnership.***

***hh) The person has the right to exercise, or actually exercises, significant influence or control over the activities of a firm that, under the law by which it is governed, is not a legal person; and the members of that firm (in their capacity as such) have the right to exercise, or actually exercise, significant influence or control over the eligible Scottish partnership***

## Annex 6: LLP Example notices

1. The following pages contain examples of each of the notices an LLP may be required to give in respect of the PSC register, as set out in Table 5 below.
2. Included are three section 790D notices: one for an individual; one for a legal entity; and one for a person with knowledge of a PSC but no interest in the LLP. Also included are two section 790E notices: one for an individual and one for a legal entity<sup>65</sup>.
3. Each of these notices must be dated and they should be signed by a designated member. You might wish to keep clear records of what you have sent. You can send the notices electronically. If you send them by post you may wish to consider using recorded delivery so that your LLP has a record of the steps it has taken.

**Table 5: List of notices required in respect of the PSC register**

<b>Relevant section of the Companies Act 2006:</b>	<b>Type:</b>
<b>s790D(2)</b>	Notice to a person whom the LLP knows or has reasonable cause to believe to be a registrable person or a registrable relevant legal entity in relation to it
<b>S790E(2)</b>	Notice to a person whose details registered on a PSC Register where the LLP knows or has reasonable cause to believe that those details have changed
<b>Schedule 1B, paragraph 1(2)</b>	'Warning Notice' advising a person that the LLP is proposing to issue a restriction notice under this section of the Act.
<b>Schedule 1B, paragraph 1(3)</b>	'Restrictions Notice'
<b>Schedule 1B, paragraph 11</b>	Notice withdrawing a 'Restrictions Notice'

<sup>65</sup> References to sections 790D and 790E of, and to paragraphs in Schedule 1B to the Companies Act 2006 are to those sections and paragraphs as applied to LLPs by Schedule 1 to the Limited Liability Partnerships (Register of People with Significant Control) Regulations 2016.

**S790D Notice: For an individual**

Dear [ADDRESSEE],

[DATE]

**Register of People with Significant Control – Notice to an individual under section 790D of the Companies Act 2006 (the Act)<sup>66</sup>**

**Interests in [LLP] [rights]**

We know or have reasonable cause to believe that you may be a registrable person, as defined in section 790C of the Act in respect of [LLP].

We therefore require you, pursuant to section 790D of the Act, to provide us, in writing [including by email to the address shown above], within one calendar month of the date of this notice, the following information concerning your interest (within the meaning of Part 21A of the Act), if any, in [LLP]:

- (i) Whether or not you are a registrable person within the meaning of this Part of the Act; and
- (ii) If you are such a registrable person, to confirm or correct any of the following particulars, or to supply any that are missing:
  - [Name]
  - [Usual residential address]
  - [Country, state or part of the United Kingdom in which you are normally resident]
  - [Service address if applicable]
  - [Nationality]
  - [Date of birth]
  - [Date on which you became a registrable person in relation to [LLP]]
  - [The nature of your control over [LLP] as defined in Schedule 1A to the Act]
  - [Whether or not you have successfully applied to the Registrar of Companies under section 790ZG for the disclosure of these particulars to be restricted]
- (iii) If you are not such a registrable person, whether you know the identity of anyone who is such a registrable person or a legal entity, whether registrable or otherwise, within the meaning of section 790D(6) of the Act, or anyone likely to have that knowledge and, in either case, to provide any of the above particulars that are within your knowledge, stating whether or not these particulars are being supplied with the knowledge of each of the persons or legal entities concerned.

You should be aware that failure to provide the information required by this notice, or to disclose false information, is an offence under paragraph 13 of Schedule 1B to the Act subject to a penalty of up to two years imprisonment, or a fine (or both). In addition, [LLP] may take action to restrict your control rights until such time as you have complied with this notice or provided a valid reason sufficient to justify your failure to do so.

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<sup>66</sup> References to sections 790D and 790E of, and to paragraphs in Schedule 1B to the Companies Act 2006 are to those sections and paragraphs as applied to LLPs by Schedule 1 to the Limited Liability Partnerships (Register of People with Significant Control) Regulations 2016.

Full details of your obligations under this Part of the Act can be found on the [www.gov.uk](http://www.gov.uk) website.

Yours [sincerely / faithfully],

**[NAME]**

**[Designated Member]**



**S790D Notice: For a legal entity**

Dear [ADDRESSEE],

[DATE]

**Register of People with Significant Control – Notice to a legal entity under section 790D of the Companies Act 2006 (the Act)<sup>67</sup>**

**Interests in [LLP] [rights]**

We know or have reasonable cause to believe that you may be a registrable legal entity, as defined in section 790C of the Act in respect of [LLP].

We therefore require you, pursuant to section 790D of the Act, to provide us, in writing [including by email to the address shown above], within one calendar month of the date of this notice, the following information concerning your interest (within the meaning of Part 21A of the Act), if any, in [LLP]:

- (i) Whether or not you are a registrable legal entity within the meaning of this Part of the Act or a legal person to be regarded as an entity under section 790C(12) of the Act;
- (ii) If you are such an entity, to confirm or correct any of the following particulars, or to supply any that are missing:
  - [Name – i.e. corporate or firm name]
  - [Address of registered or principal office]
  - [Legal form of the person or entity and the law by which it is governed]
  - [If applicable, the register of companies in which it is entered (including details of the state) and its registration number in that register]
  - [Date on which it became a registrable person or registrable relevant legal entity in relation to [LLP]]
  - [The nature of its control over [LLP] as defined in Schedule 1A to the Act]
- (iii) If you are not such a registrable legal entity, whether you know the identity of anyone who is a legal entity or a registrable person within the meaning of section 790D(6) of the Act, or of anyone likely to have that knowledge and, in either case, to provide any of the above particulars that are within your knowledge, stating whether or not these particulars are being supplied with the knowledge of each of the persons or legal entities concerned.

You should be aware that failure to provide the information required by this notice, or to disclose false information, is an offence under paragraph 13 of Schedule 1B to the Act subject to a penalty of up to two years imprisonment, or a fine (or both). In addition, [LLP] may take action to restrict your control rights until such time as you have complied with this notice or provided a valid reason sufficient to justify your failure to do so.

Full details of your obligations under this Part of the Act can be found on the [www.gov.uk](http://www.gov.uk) website.

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<sup>67</sup> References to sections 790D and 790E of, and to paragraphs in Schedule 1B to the Companies Act 2006 are to those sections and paragraphs as applied to LLPs by Schedule 1 to the Limited Liability Partnerships (Register of People with Significant Control) Regulations 2016.

Yours [sincerely / faithfully],

**[NAME]**

**[Designated Member]**

**S790D Notice: For a person with knowledge of a PSC but no interest in the LLP**

Dear [ADDRESSEE],

[DATE]

**Register of People with Significant Control – Notice to an individual under section 790D of the Companies Act 2006 (the Act)<sup>68</sup>**

**Interests in [LLP] [rights]**

We know or have reasonable cause to believe that you may have knowledge of someone who is a registrable person, as defined in section 790C of the Act in respect of [LLP].

We therefore require you, pursuant to section 790D of the Act, to provide us, in writing [including by email to the address shown above], within one calendar month of the date of this notice, the following information concerning your knowledge of interests (within the meaning of Part 21A of the Act), if any, in [LLP]:

(i) whether you know the identity of anyone who is such a registrable person or a legal entity, whether registrable or otherwise, within the meaning of section 790D(6) of the Act, or anyone likely to have that knowledge and, in either case, to provide any of the particulars below that are within your knowledge, stating whether or not these particulars are being supplied with the knowledge of each of the persons or legal entities concerned.

- [Name]
- [Usual residential address]
- [Country, state or part of the United Kingdom in which they are normally resident]
- [Service address if applicable]
- [Nationality]
- [Date of Birth]
- [Any other means of contacting this person or entity]

And if you believe they fall within the meaning of 790D(6) of the Act:

- [Date on which they became a registrable person in relation to [LLP]]
- [The nature of their control over [LLP] as defined in Schedule 1A to the Act]

You should be aware that failure to provide the information required by this notice, or to disclose false information, is an offence under paragraph 13 of Schedule 1B to the Act subject to a penalty of up to two years imprisonment, or a fine (or both).

Full details of your obligations under this Part of the Act can be found on the [www.gov.uk](http://www.gov.uk) website.

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<sup>68</sup> References to sections 790D and 790E of, and to paragraphs in Schedule 1B to the Companies Act 2006 are to those sections and paragraphs as applied to LLPs by Schedule 1 to the Limited Liability Partnerships (Register of People with Significant Control) Regulations 2016.

Yours [sincerely / faithfully],

**[NAME]**

**[Designated Member]**

**S790E Notice: For an individual**

[DATE]

Dear [ADDRESSEE],

**Register of People with Significant Control – Notice to an individual under section 790E of the Companies Act 2006 (the Act)<sup>69</sup>**

**Interests in [LLP] [rights]**

We have reasonable cause to believe that a relevant change has occurred to the following particulars stated in respect of you on the PSC Register of [LLP].

We therefore require you, pursuant to section 790E of the Act, to provide us, in writing [including by email to the address shown above], within one calendar month of the date of this notice, the following information concerning your interest (within the meaning of Part 21A of the Act), if any, in [LLP]:

- (i) Whether or not any such relevant change, as defined under section 790E(3) or (4) of the Act has occurred;
- (ii) If so, the date of that change; and
- (iii) To confirm or correct the following particulars and supply any that are missing from this notice:
  - [Name]
  - [Usual residential address]
  - [Country, state or part of the United Kingdom in which you are normally resident]
  - [Service address if applicable]
  - [Nationality]
  - [Date of birth]
  - [Date on which you became a registrable person in relation to [LLP]]
  - [The nature of your control over [LLP] as defined in Schedule 1A to the Act]
  - [Whether or not you have successfully applied to the Registrar of Companies under section 790ZG for the disclosure of these particulars to be restricted]

You should be aware that failure to provide the information required by this notice, or to disclose false information, is an offence under paragraph 13 of Schedule 1B to the Act subject to a penalty of up to two years imprisonment, or a fine (or both). In addition, [LLP] may take action to restrict your control rights until such time as you have complied with this notice or provided a valid reason sufficient to justify your failure to do so.

Full details of your obligations under this Part of the Act can be found on the .GOV.UK website.

Yours [sincerely / faithfully],

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<sup>69</sup> References to sections 790D and 790E of, and to paragraphs in Schedule 1B to the Companies Act 2006 are to those sections and paragraphs as applied to LLPs by Schedule 1 to the Limited Liability Partnerships (Register of People with Significant Control) Regulations 2016.

**[NAME]**

**[Designated Member]**

**S790E Notice: For a legal entity**

[DATE]

Dear [ADDRESSEE],

**Register of People with Significant Control – Notice to a legal entity under section 790E of the Companies Act 2006 (the Act)<sup>70</sup>**  
**Interests in [LLP] [rights]**

We have reasonable cause to believe that a relevant change has occurred to the following particulars stated in respect of [ADDRESSEE] on the PSC Register of [LLP].

We therefore require you, pursuant to section 790E of the Act, to provide us, in writing [including by email to the address shown above], within one calendar month of the date of this notice, the following information concerning your interest (within the meaning of Part 21A of the Act), if any, in [LLP]:

- (i) Whether or not any such relevant change, as defined under section 790E(3) or (4) of the Act has occurred;
- (ii) If so, the date of that change; and
- (iii) To confirm or correct the following particulars and supply any that are missing from this notice:
  - [Name – i.e. corporate or firm name]
  - [Address of registered or principal office]
  - [Legal form of the person or entity and the law by which it is governed]
  - [If applicable, the register of companies in which it is entered (including details of the state) and its registration number in that register]
  - [Date on which it became a registrable person or registrable relevant legal entity in relation to [LLP]]
  - [The nature of its control over [LLP] as defined in Schedule 1A of the Act]

You should be aware that failure to provide the information required by this notice, or to disclose false information, is an offence under paragraph 13 of Schedule 1B to the Act subject to a penalty which may not exceed imprisonment for a term not exceeding two years, or a fine (or both). In addition, [LLP] may take action to restrict any control rights until such time as you have complied with this notice or provided a valid reason sufficient to justify your failure to do so.

Full details of your obligations under this Part of the Act can be found on the [www.gov.uk](http://www.gov.uk) website.

Yours [sincerely / faithfully],

**[NAME]**

**[Designated Member]**

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<sup>70</sup> References to sections 790D and 790E of, and to paragraphs in Schedule 1B to the Companies Act 2006 are to those sections and paragraphs as applied to LLPs by Schedule 1 to the Limited Liability Partnerships (Register of People with Significant Control) Regulations 2016.

## Warning notice

***This must be accompanied by a copy of the s790D or s790E notice to which it relates***

[DATE]

Dear [ADDRESSEE],

### **Register of People with Significant Control – Warning Notice**

#### **Interests in [LLP] [rights]**

On [DATE] we sent you a notice under section [790D / 790E] of the Companies Act 2006 (the Act)<sup>71</sup> requiring that you provide us, in writing [including by email to the address shown above], within one calendar month, specified information concerning your interest (within the meaning of Part 21A of the Act), if any, in the [rights] of [LLP] or your knowledge of any person or legal entity that might have such an interest. A copy of the section [790D / 790E] notice we sent you is included with this letter.

You have failed to comply with your legal obligation to respond to this notice, notwithstanding our having written to you again on [DATE] to remind you of your obligation and of the legal penalties for failure to do so.

We are therefore writing to you pursuant to paragraph (1)(2) of Schedule 1B to the Act to give you notice that, in consequence of your having failed to comply with the notice issued to you on [DATE] under section [790D / 790E] of the Act, [LLP] will issue you with a formal restrictions notice on or after [DATE] unless you have complied with the section [790D / 790E] notice issued to you on [DATE] within one calendar month of the date of this warning notice. We will consider any reasons you provide us with as to why you have failed to comply.

The effect of such a restrictions notice in respect of your relevant interest in [LLP] [rights] would be that:

- Any transfer of your interest is void, as is any agreement to transfer your interest or (other than in a liquidation) any associated right,
- No rights are exercisable in respect of your interest,
- Except in a liquidation, no payment may be made of sums due from the LLP in respect of your interest, whether in respect of capital or otherwise.

When a restrictions notice has been issued the following acts, or failures to act, may constitute an offence:

- Exercising or purporting to exercise any right to dispose of your interest,
- Exercising or purporting to exercise any right to dispose of any right to be issued with your interest,
- Voting in respect of your interest (whether as holder of the interest or as proxy) or appointing a proxy to vote in respect of your interest,

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<sup>71</sup> References to sections 790D and 790E of, and to paragraphs in Schedule 1B to the Companies Act 2006 are to those sections and paragraphs as applied to LLPs by Schedule 1 to the Limited Liability Partnerships (Register of People with Significant Control) Regulations 2016.



- Failing to notify a person entitled (apart from the restrictions) to vote in respect of your interest, whether as holder or proxy, who you do not know to be aware that your interest is subject to restrictions,
- Entering into an agreement to transfer your interest or any associated right (except in a liquidation).

Full details of your obligations under this Part of the Act and the penalties for failure to comply with them can be found on the [www.gov.uk](http://www.gov.uk) website.

We look forward to hearing from you by [DATE] to avoid the need for this further action.

Yours [sincerely / faithfully],

**[NAME]**

**[Designated Member]**

Restrictions notice

***This must be accompanied by a copy of the preceding warning notice that was sent and a copy of the original s790D / s790E notice***

[DATE]

Dear [ADDRESSEE],

**Register of People with Significant Control – Restrictions Notice**

**Interests in [LLP] [rights]**

On [DATE] we sent you a notice under section [790D / 790E] of the Companies Act 2006 (the Act)<sup>72</sup> requiring that you provide us, in writing [including by email to the address shown above], within one calendar month of the date of this notice, specified information concerning your interest (within the meaning of Part 21A of the Act), if any, in the [rights] of [LLP] or your knowledge of any person or legal entity that might have such an interest.

On [DATE] we sent you a warning notice pursuant to paragraph (1)(2) of Schedule 1B to the Act on [DATE]. Copies of both notices we have sent you are included with this notice.

You have persisted in your failure to comply with your legal obligation to comply with these notices or provide a valid reason for not doing so.

We are therefore writing to you pursuant to paragraph (1)(3) of Schedule 1B to the Act to give you notice that, in consequence of these repeated failures, [LLP] hereby issues you with a **restrictions notice** pursuant to paragraphs (1)(3) and (1)(4) of Schedule 1B to the Act.

In accordance with paragraph (3) of Schedule 1B to the Act, the effect of this restrictions notice in respect of your interest in [LLP] is that, from the date of this **restrictions notice**:

- Any transfer of your relevant interest is void, as is any agreement to transfer your interest or (other than in a liquidation) any associated right,
- No rights are exercisable in respect of your relevant interest,
- Except in a liquidation, no payment may be made of sums due from the LLP in respect of your relevant interest, whether in respect of capital or otherwise.

While this restrictions notice is in place the following acts, or failures to act, may constitute an offence:

- Exercising or purporting to exercise any right to dispose of your interest
- Exercising or purporting to exercise any right to dispose of any right to be issued with your interest
- Voting in respect of your interest (whether as holder of the interest or as proxy) or appointing a proxy to vote in respect of your interest

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<sup>72</sup> References to sections 790D and 790E of, and to paragraphs in Schedule 1B to the Companies Act 2006 are to those sections and paragraphs as applied to LLPs by Schedule 1 to the Limited Liability Partnerships (Register of People with Significant Control) Regulations 2016.

- Failing to notify a person entitled (apart from the restrictions) to vote in respect of your interest, whether as holder or proxy, who you do not know to be aware that your interest is subject to restrictions
- Entering into an agreement to transfer your interest or any associated right (except in a liquidation).

Full details of your obligations under this Part of the Act and the penalties for failure to comply with them can be found on the [www.gov.uk](http://www.gov.uk) website.

Yours [sincerely / faithfully],

**NAME**

**[Designated Member]**

Withdrawal of restrictions notice

***This must be given within 14 days of the day on which your company became required to withdraw the restrictions notice***

[DATE]

Dear [ADDRESSEE],

**Register of People with Significant Control – Restrictions Notice**

**Interests in [LLP] [rights]**

We are writing to you pursuant to paragraph 11 of Schedule 1B to the Companies Act 2006 (the Act)<sup>73</sup> to give you notice that the **restrictions notice** issued on [DATE], pursuant to paragraphs (1)(3) and (1)(4) of Schedule 1B of the Act in respect of your relevant interest in the shares of [LLP], is withdrawn with effect from the date of this notice.

[The reason restrictions have been withdrawn].

Full details of your obligations under this Part of the Act and the penalties for failure to comply with them can be found on the [www.gov.uk](http://www.gov.uk) website.

Yours [sincerely / faithfully],

**NAME**

**[Designated Member]**

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<sup>73</sup> References to sections 790D and 790E of, and to paragraphs in Schedule 1B to the Companies Act 2006 are to those sections and paragraphs as applied to LLPs by Schedule 1 to the Limited Liability Partnerships (Register of People with Significant Control) Regulations 2016.

