



Register of Significant Controllers – Implementation of the New Requirements

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Significant Controller

A **Significant Controller** of a company includes a **registrable legal entity** and a **registrable person**.





Significant Controller (2)

- Who is a Registrable Person?
 - a natural person or specified entity that has significant control over the company



Significant Controller (3)

- Which entity is a Registrable Legal Entity?
 - a legal entity which is a member of the company and has significant control over the company

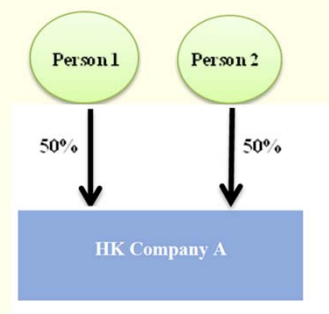
How to identify Significant Controllers

- ◆ Meet any one or more of the conditions in section 1 of Schedule 5A of the Companies (Amendment) Ordinance 2018:
 - Holds / Shares > 25% of issued shares / profits
 - Holds > 25% of voting rights
 - Appoint / Remove board of directors
 - Significant influence or control
 - Significant influence or control over a trust or firm whose trustees or members meet any one or more of the above four conditions

How to identify Significant Controllers (2)

Example 1:

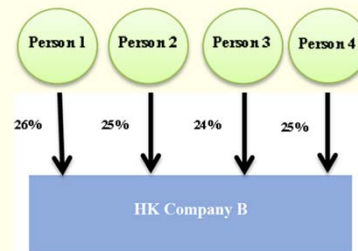
- Person 1 and Person 2 are both registrable persons of Company A.



How to identify Significant Controllers (3)

Example 2:

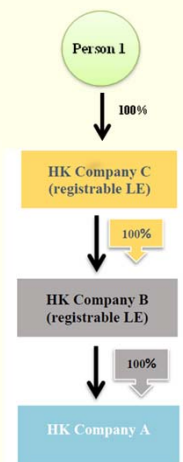
- Person 1 is a registrable person of Company B but not Person 2, Person 3 or Person 4.



How to identify Significant Controllers (4)

Example 3:

- Company C's SCR:
Person 1 is a registrable person.
- Company B's SCR:
Person 1 is a registrable person and HK Company C is a registrable LE.
- Company A's SCR:
Person 1 is a registrable person by holding interests in Company A through Company B and Company C, and HK Company B is a registrable LE.



How to identify Significant Controllers (5)

Example 4:

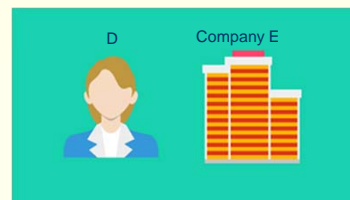
- Person C has the right to appoint a majority of board of directors of ABC Limited
- ABC Limited's SCR:
Person C is a registrable person as she has the right to appoint a majority of directors of the Company



How to identify Significant Controllers (6)

Example 5:

- Person D can ensure that Company E generally adopts the activities that she desires
- Company E's SCR:
Person D is a registrable person of Company E as she has the right to exercise significant influence over the company





Giving Notices

- Giving notice to the person that the company knows, or has reasonable cause to believe, to be a significant controller; OR
- Giving notice to the person that the company knows, or has reasonable cause to believe to know, the identity of another person who is a significant controller
- **Within 7 days**



Giving Notices (2)

Contents of Notice

- confirm whether the addressee is a significant controller or not
 - If yes, confirm or correct the required particulars and provide any missing particulars of the addressee
- state whether the addressee knows another person who is a significant controller or not.
 - If yes, provide specified particulars and state whether the particulars are provided with that person's knowledge or not





Giving Notices (3)

- addressee of the notice is required to confirm or provide the requested particulars **within one month**
- Failure to comply with the notice is an offence and the notice addressee and every related person are liable to a **fine at level 4 (\$25,000)**
- samples of Notices can be found in **Annex D of the Guideline on the keeping of Significant Controllers Registers by Companies**
- available on CR's website (www.cr.gov.hk)



Significant Controllers Register

Entering particulars in the SCR

- Registrable Person
 - particulars must not be entered unless all are confirmed by the registrable person
 - must be entered **within 7 days** after so confirmed
- Registrable Legal Entity
 - a particular must be entered **within 7 days** after the particular comes to the notice of the company



Significant Controllers Register (2)

◆ Required Particulars of significant controllers

Registrable person – natural person

- name
- correspondence address
- ID Card No. / Passport No. + Passport issuing country
- date of becoming a significant controller
- nature of control over the company



Significant Controllers Register (3)

Registrable person – specified entity

- name
- address of its principal office
- legal form and the law that governs it
- date of becoming a significant controller
- nature of control over the company



Significant Controllers Register (4)

Registrable legal entity

- name
- registration No.
- address of its registered or principal office
- legal form and the law that governs it
- date of becoming a significant controller
- nature of control over the company

◆ Name and contact details of Designated Representative



Significant Controllers Register (5)

Example 1 – A Company Limited's SCR:

Chan Tai Tai is the significant controller of
A Company Limited



Significant Controllers Register (6)

Entry No.	Date of entry	Name of registrable person / legal entity	Particulars	Remarks/ Notes
1	2/3/2018	Chan Tai Tai	(a) Correspondence address : Room 10, 11/F, 2000 Nathan Road, Kowloon (b) HKID Card No.: AA234567(8) (c) Date of becoming a registrable person: 1/3/2018 (d) Nature of control over the company : Chan Tai Tai holds the right to appoint a majority of the board of directors	
Designated Representative				
Entry No.	Date of entry	Name (capacity)	Contact details	
1	2/3/2018	Chan Tai Ho (director of the company)	(a) Address : Room 10, 11/F, 2000 Nathan Road, Kowloon (b) Telephone No.: 1111-1111 (c) Fax No.: 1111-1111	



Significant Controllers Register (7)

Example 2 – B Company Limited's SCR:

B Company Limited has one shareholder, **ABC Charity Limited**

Lee Tai Lung is a member and holds the right to appoint a majority of the board of directors of **ABC Charity Limited**



Significant Controllers Register (8)

Entry No.	Date of entry	Name of registrable person / legal entity	Particulars	Remarks/ Notes
1	7/3/2018	ABC Charity Limited	<p>(a) Legal form : guarantee company</p> <p>(b) Registration number : 123456</p> <p>(c) Place of incorporation : Hong Kong (Governing Law)</p> <p>(d) Address of registered office: Room 10, 10/F, Forever Green Building, 1000 Wong Chuk Hang Road, Aberdeen, Hong Kong</p> <p>(e) Date of becoming a registrable legal entity: 1/3/2018</p> <p>(f) Nature of control over the company : ABC Charity Limited holds more than 25% of the issued shares of the company</p>	



Significant Controllers Register (9)

Entry No.	Date of entry	Name of registrable person / legal entity	Particulars	Remarks/ Notes
2	7/3/2018	Lee Tai Lung	<p>(a) Correspondence address : Suite 19, 19/F, Flourishing Tower, 3000 Chai Wan Road, Chai Wan, Hong Kong</p> <p>(b) HKID Card No.: AA200200(0)</p> <p>(c) Date of becoming a registrable person: 1/3/2018</p> <p>(d) Nature of control over the company : Lee Tai Lung holds the right to appoint a majority of the board of directors of ABC Charity Limited</p>	
Designated Representative				
Entry No.	Date of entry	Name (capacity)	Contact details	
1	7/3/2018	Chan, Lee, Cheung & Co (legal professional)	<p>(a) Address : Room 10, 10/F, Forever Green Building, 1000 Wong Chuk Hang Road, Aberdeen, Hong Kong</p> <p>(b) Telephone No.: 1111-1111</p> <p>(c) Fax No.: 1111-1111</p>	





Significant Controllers Register (10)

◆ Examples of additional matters to be noted in the significant controllers register

- Scenario 1 : no significant controller

“The company knows, or has reasonable cause to believe, that it has no significant controller.”



Significant Controllers Register (11)

- Scenario 2 : particulars of identified registrable person not confirmed

“The company has identified a registrable person of the company, namely, [state the name of the registrable person here], but not all the required particulars of that person have been confirmed.”



Significant Controllers Register (12)

- Scenario 3 : company's investigations are ongoing

“The company has not yet completed taking reasonable steps to ascertain whether it has a significant controller.”



Significant Controllers Register (13)

- Scenario 4 : notice to a significant controller – notice not complied with within 1 month

“The company has given a notice to a person, namely, [state the name of the person here], whom it knows, or has reasonable cause to believe, to be a registrable person / registrable legal entity of the company, but the person has failed to comply with the requirements of the notice within 1 month from the date of the notice.”

(Other examples can be found in Annex C of the Guideline)

Location of Significant Controllers Register

- A company must keep its Significant Controllers Register (“SCR”) at the company’s **registered office** or **a place in Hong Kong**

Notification to Registrar of Companies

- If the SCR is not kept at the company’s registered office:
 - ▣ file revised **Form NR2** with the Registrar
 - ▣ **within 15 days** after the SCR is first kept at that place



公司註冊處
COMPANIES REGISTRY

Location of Significant Controllers Register (2)

CR 公司註冊處
Companies Registry

登記冊及公司紀錄備存地點通知書
Notice of Location of Registers
and Company Records

表格
Form **NR2**

公司編號 Company Number

註 Note

1 公司名稱 Company Name

2 登記冊及公司紀錄的備存地點 Location of Registers and Company Records
請在相關的表格內加上“”號。 Please tick the relevant box(es).

登記冊 / 公司紀錄 Registers / Company Records	備存地點 (註冊辦事處以外) Location (Other than the Registered Office)*	轉為備存於 註冊辦事處 Changed to be Kept at Registered Office*	生效日期 Effective Date (日 / 月 / 年) DD / MM / YYYY
<input type="checkbox"/> 成員登記冊 Register of Members		<input type="checkbox"/>	
<input checked="" type="checkbox"/> 重要控制人登記冊 Significant Controllers Register		<input type="checkbox"/>	
<input type="checkbox"/> 董事登記冊 Register of Directors		<input type="checkbox"/>	

CR 公司註冊處
COMPANIES REGISTRY



Location of Significant Controllers Register (3)

Exception to existing companies

- if the SCR is kept at the **same place** where the company's **register of members** is kept and the Registrar has already been **informed of that place**
- no need to file Form NR2



Location of Significant Controllers Register (4)

Change of Location

- If there is any change to the location of SCR:
 - file revised **Form NR2** with the Registrar
 - **within 15 days** after the change



Location of Significant Controllers Register (5)

Revised Form NR2

- revised Form NR2 was gazetted on **9 February 2018**
- as from **1 March 2018**, the CR will only accept the revised Form NR2 for registration
- can be downloaded from CR's website (www.cr.gov.hk)



Further Information

- Dedicated thematic section on “Significant Controllers Register” on Companies Registry’s website (www.cr.gov.hk/en/scr)
 - Companies (Amendment) Ordinance 2018
 - Companies Registry External Circular No. 2/2018
 - Guideline on the Keeping of Significant Controllers Registers by Companies
 - Frequently asked questions



Thank You

Thematic section: www.cr.gov.hk/en/scr

Enquiry Hotline: 3142 2822

Email : cr.scr@cr.gov.hk