

## Client Alert

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## Survey of beneficial ownership disclosure in Hong Kong, Singapore, Switzerland and the UK

### 1. Background

National legislators are increasingly adopting international anti-money laundering and counter terrorist financing standards into their own companies legislation to make the ownership and control of business entities more transparent and reduce opportunities for the misuse of corporate entities for illicit purposes.

Singapore, Switzerland and the United Kingdom are among several jurisdictions which now require companies to disclose particulars of their beneficial ownership and corporate controllers.

Hong Kong has published a Bill that proposes to implement similar laws.

### 2. Disclosure beyond usual customer due diligence ("CDD") measures

Identifying beneficial ownership for this purpose is additional to the CDD information required by professional services providers, such as lawyers and accountants, to satisfy regulations either under local laws or imposed by their professional bodies.

### 3. Effects on incorporating new companies, corporate transactions

Complying with these new requirements will require companies to invest time and manpower in reviewing relevant documents, such as registers of members, the company's constitution, the rights attached to shares or securities and all shareholder and similar agreements, to determine whether any individual/legal entity meets the definition of beneficial ownership or corporate control.

Beyond identifying the ultimate individual beneficial owners, affected companies may also have to consider whether intermediate holding companies, or other entities higher up the corporate chain, meet the definition of "controller"; as well as ensuring that the necessary particulars are disclosed in the statutory registers.

These increased disclosure requirements will affect those who intend to set up subsidiaries across several jurisdictions or maintain a presence in multiple countries. Also affected could be companies undergoing restructurings or undertaking other corporate transactions, such as mergers or acquisitions and joint ventures, and parties entering into shareholder agreements, which involve a change in control directly or indirectly over the target or downstream subsidiaries or the accrual of any interest in shares.

Post-incorporation, not only do companies have to set up their registers, but they may also have to keep these registers up to date as part of their ongoing filing and disclosure obligations to ensure continued compliance with regulatory requirements.

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#### 4. Aim of cross-jurisdictional comparison

To assist companies that have a presence in Hong Kong, Singapore, Switzerland and the United Kingdom, we have set out below a table which summarises the key information on the beneficial ownership of corporate and other legal entities required to be disclosed in those countries. The table also identifies any noteworthy country-specific variations.

#### 5. Hong Kong

Hong Kong published a Bill to amend its Companies Ordinance in June 2017. The Bill proposes to introduce new laws to improve transparency in the beneficial ownership of Hong Kong-incorporated companies. The scope of the Bill does not extend to a partnership or trust established under the laws of Hong Kong, as a target entity whose controllers are required to be disclosed.

The proposed law requires the disclosure of particulars of a significant controller that is: a natural person or a specified entity at the member level or further up the chain (if any); or a legal entity (other than a specified entity) at the member level but not further up the chain. A specified entity is essentially a corporation sole or a government, governmental authority or international governmental organisation.

Key changes proposed in the Bill include the requirements for applicable companies to maintain a register of significant controllers and to carry out investigations, obtain information about its significant controllers and keep the information accurate and updated at all times.

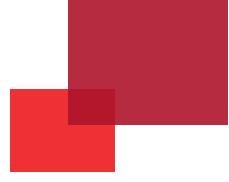
It was indicated in the Bill (if it was passed) that the commencement date would be 1 March 2018.

#### 6. Singapore

For Singapore, the measures to improve the transparency of ownership and control are included in legislation regulating all entities having a separate legal personality, such as companies, limited liability partnerships and trusts and are contained in the latest versions of the Companies Act, Limited Liability Partnerships Act, and the Trustees Act. The Accounting and Corporate Regulatory Authority ("ACRA"), the national regulator of business entities, has progressively issued guidelines to help companies understand and comply with the requirements pertaining to the register of registrable controllers, the latest published in September 2017.

The disclosure requirements under the Companies Act require Singapore companies to maintain a Register of Registrable Controllers ("RORC") and a Register of Nominee Directors ("ROND"). Foreign companies registered to carry on business in Singapore (which includes Singapore branches of foreign companies) are also required to maintain a RORC as well as a Singapore-based Register of Members.

For ease of comparison, we will however focus only on the RORC maintained by Singapore companies and foreign companies.



Since the coming into force of the disclosure requirements on 31 March 2017, and after expiry of the deadline for companies to set up their RORC and ROND, ACRA has notified selected companies that it will be inspecting their registers. ACRA will expect these companies to provide representatives who are familiar with the RORC and ROND requirements and ACRA's inspection will include checking whether the particulars contained in these registers have been kept up to date and are accurate as well as requests for copies of supporting documents, such as passports and certificates of registrations, to verify these particulars.

## 7. Switzerland

Under Swiss domestic law private companies limited by shares and limited liability companies ("LLC") are required to maintain a register of their shareholders (bearer shares as well as registered shares and quotas of a LLC) and individuals with significant control. While this register must be accessible there is no requirement to make those details publicly available.

If an acquirer of interest of 25% of the company's shares does not comply with their reporting obligations:

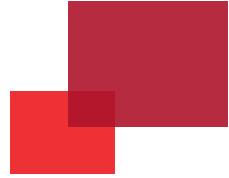
- they will be barred from exercising any membership rights (in particular voting rights) until they have made the requisite notifications; and
- any financial rights attached to the shares (in particular, the right to receive dividends) will be suspended until the reporting obligations have been complied with. The right to receive dividends will be forfeited if the shareholder does not comply with its notification duties within one month of the acquisition, provided that the entitlement to future dividends will recommence as soon as the required notifications have been duly made.

The board of directors of the company (or if the entity is a LLC, the managers) is responsible for ensuring that voting rights cannot be exercised or dividends received unless the required notifications have been made. Individual members of the board may be held liable for any losses arising from the exercise of the rights by non-reported shareholders.

## 8. United Kingdom

In the United Kingdom ("UK"), the key legislation setting out measures requiring the disclosure of information on the significant controllers of UK entities is contained in the Companies Act 2006, the Register of People with Significant Control Regulations 2016, and the Information about People with Significant Control (Amendment) Regulations 2017. Additional legislation covers limited liability and Scottish partnerships and *Societas Europaea*.

The disclosure requirements under this legislation require most UK registered companies, UK registered LLPs and certain Scottish partnerships (together, the "reporting entities") to identify all individuals with significant control over them ("PSCs", for further on the requirements for being a PSC, see the UK section of the table below) and relevant legal entities ("RLEs", an RLE being an entity which would have met the test for being a PSC if it had been an individual AND is itself required to have a PSC register, or is an exempted entity). Subject to limited exceptions details of PSCs and RLEs are publicly available.



Penalties for failure to comply with the regime are fairly onerous:

- **Criminal offence:** reporting entities must comply with the regime or risk that reporting , and/or its officers being convicted of a criminal offence. Likewise, all PSCs and RLEs must provide the required information to the reporting entity or risk being convicted of a criminal offence. The offence is punishable by a fine and/or up to two years imprisonment. There is no defence for an inadvertent or minor breach of the provisions; and
- **Restricted interest:** PSCs and RLEs who fail to comply with their duties also risk their interest in the reporting entity becoming restricted. The reporting entity may (though this is not obligatory), having sent a "warning notice" containing the information required, issue a "restrictions notice". A restrictions notice prevents the PSC (or REL) from exercising any rights attaching to the interest in question, thereby preventing them from selling, transferring or receiving any benefit from their interest in the reporting entity until that reporting entity obtains the information that it needs and lifts the restriction.

## 9. Comparison between disclosure requirements in Hong Kong, Singapore, Switzerland and the UK

	<b>Hong Kong</b>	<b>Singapore</b>	<b>Switzerland</b>	<b>UK</b>
<i>status of implementation</i>	<p>Proposed amendments to the Companies Ordinance were published in a Bill in June 2017.</p> <p>Note that the legislation is still in draft format and is therefore subject to change.</p>	<p>Amendments to the Companies Act came into force on 31 March 2017.</p>	<p>Amendments to the Code of Obligations came into force on 1 July 2015 and entities within scope were required to comply with it by 1 July 2015.</p>	<p>The UK beneficial ownership disclosure regime (known as the "PSC Regime") first came into force in 2016.</p> <p>Amendments to the PSC Regime came into force on 26 June 2017.</p>
<i>entities in scope</i>	<p>Hong Kong-incorporated companies that are not publicly listed in Hong Kong or otherwise exempted by relevant Regulations</p>	<p>All non-exempt companies incorporated under the Companies Act and all non-exempt foreign companies with branches registered under Companies Act.</p>	<p>The main entities within scope are:</p> <ul style="list-style-type: none"> <li>• private companies limited by shares;</li> <li>• public companies limited by shares (unless it is listed on a stock exchange); and</li> <li>• limited liability companies.</li> </ul>	<p>The main entities within scope (together, the "reporting entities") are:</p> <ul style="list-style-type: none"> <li>• private companies limited by shares or guarantee;</li> <li>• public companies limited by shares (unless an exempted entity as described below );</li> <li>• unlimited companies;</li> <li>• unregistered companies;</li> <li>• limited liability partnerships;</li> <li>• societas Europaea;</li> <li>• active Scottish limited partnerships; and</li> <li>• Scottish general partnerships (where each of the partners is a corporate entity).</li> </ul>

	<b>Hong Kong</b>	<b>Singapore</b>	<b>Switzerland</b>	<b>UK</b>
<b>exempted entities</b>	Apart from companies publicly listed in Hong Kong, the Bill contemplates the exemption of certain other types or classes of companies by Regulations, but no such Regulations have been published yet.	<p>A Singapore company that is:</p> <ul style="list-style-type: none"> <li>(a) a public company listed on an approved Singapore exchange;</li> <li>(b) a Singapore financial institution;</li> <li>(c) wholly-owned by the Government or by a statutory body established under a public Act for a public purpose;</li> <li>(d) a wholly-owned subsidiary of a company mentioned in sub-paragraph (a), (b), or (c) above;</li> <li>(e) a company listed on a foreign securities exchange which imposes through stock exchange rules or other enforceable means (i) disclosure requirements; and (ii) adequate transparency, of its beneficial owners.</li> </ul> <p>A foreign company that is:</p> <ul style="list-style-type: none"> <li>(a) a Singapore financial institution or a wholly-owned subsidiary of a foreign company that is a Singapore financial institution; or</li> <li>(b) listed on a foreign securities exchange and subject to enforceable rules on disclosure of, and transparency in, its beneficial owners.</li> </ul>	<p>Swiss companies that are:</p> <ul style="list-style-type: none"> <li>• listed on a stock exchange; or</li> </ul> <p>whose shares are structured as intermediated securities under the Federal Intermediated Securities Act (in this case the company must designate a depository in Switzerland).</p>	<p>UK companies that have voting shares admitted to trading on:</p> <ul style="list-style-type: none"> <li>• a regulated market in the EEA; or</li> <li>• one of certain markets in Israel, Japan, Switzerland or the US.</li> </ul>

	Hong Kong	Singapore	Switzerland	UK
<i>test for beneficial ownership, corporate control</i>	<p>The Bill sets out that a company will be required to maintain a register of "Significant Controllers". A Significant Controller is:</p> <ul style="list-style-type: none"> <li>• (subject to exceptions) a natural person or specified entity that has significant control over an applicable company ("Registrable Person"); or</li> <li>• a legal entity that is a member of and has significant control over the company ("Registrable Legal Entity"), where: <ul style="list-style-type: none"> <li>• a "specified entity" means: a corporation sole; a government of a country; an international organisation whose members include two or more countries or governments; or a local government or authority in a country; and</li> <li>• a "legal entity" means a body of persons, corporate or unincorporate, that is a legal person under the law that governs it, but does not include a specified entity.</li> </ul> </li> </ul> <p>A person has significant control over an applicable</p>	<p>Any legal entity or individual having a significant interest in, or significant control over, the company is registrable as a controller.</p> <p>A "significant interest" in a company with share capital would include:</p> <ul style="list-style-type: none"> <li>(a) an interest in more than 25% of the shares in the company; or</li> <li>(b) an interest in voting shares with more than 25% of the total voting power in the company.</li> </ul> <p>A "significant interest" in a company without share capital would include the right to share in more than 25% of the capital or profits of the company.</p> <p>A "significant control" over a company includes:</p> <ul style="list-style-type: none"> <li>(a) an individual/legal entity who holds the right to appoint or remove directors who hold a majority of the voting rights at directors' meetings; or</li> <li>(d) an individual/legal entity who holds more than 25% of the rights to vote on matters that are to be decided upon by a vote of the members of the company; or</li> <li>(e) any agreement with another individual/legal entity</li> </ul>	<p>Individuals alone, or in conjunction with a third party, who purchase directly or indirectly shares or quotas and thereby reach or exceed the threshold of:</p> <ul style="list-style-type: none"> <li>• 25 per cent of a company's share capital, or quota capital for limited liability companies; or</li> <li>• 25 per cent of members' voting rights.</li> </ul> <p>Buyers of bearer shares whereby the acquisition of one single bearer shares is deemed sufficient, will have to report the acquisition to the company within one month.</p>	<p>Broadly, individuals with significant control ("PSCs") are those who:</p> <ul style="list-style-type: none"> <li>• directly or indirectly own more than 25 per cent of a company's shares;</li> <li>• directly or indirectly control more than 25 per cent of members' voting rights;</li> <li>• have the direct or indirect right to appoint or remove a majority of the board of directors; or</li> <li>• otherwise exercise, or have the right to exercise, "significant influence or control".</li> </ul> <p>Corresponding thresholds for LLPs and other entities, adapted to reflect the nature of the entity, are included.</p>

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	<p>company if the person:</p> <ul style="list-style-type: none"> <li>• holds, directly or indirectly, more than 25% of: either the issued shares in the company if it has a share capital; or the right or rights to share in the capital; or profits of the company if it does not have a share capital;</li> <li>• holds, directly or indirectly, more than 25% of the voting rights in the company;</li> <li>• holds, directly or indirectly, the right to appoint or remove a majority of the board of directors of the company;</li> <li>• has the right to exercise, or actually exercises, significant influence or control over the company; or</li> <li>• has the right to exercise, or actually exercises, significant influence or control over the activities of a trust or a firm, not being a legal person under the relevant governing law, whose trustee(s) or member(s) meet(s) one or more of the conditions specified above.</li> </ul>	<p>to always combine their percentage of voting rights so as to exceed more than 25% of the right to vote; or</p> <p>(f) any nominee holding more than 25% of the shares on its behalf; or</p> <p>(g) the power to ensure that the company generally adopts the activities which the individual/legal entity desires; or</p> <p>(h) absolute decision making and/or veto rights over decisions relating to the running of the business of the company.</p>		

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<i>reporting up the chain</i>	<p>Significant Controllers include Registrable Persons up the chain.</p> <p>A Registrable Legal Entity, on the other hand, is defined as a member of the applicable company (i.e., not a company up the chain).</p>	<p>Listing only the ultimate parent company and beneficial owner of all the chain of companies as the registrable controller will not be sufficient. All controllers up-the-chain must be reported as registrable controllers and this includes any intermediary or holding companies which is not itself an exempt entity nor a reporting entity which is also required to maintain a RORC, e.g. an intermediary which is a Singapore private company.</p>	<p>No. Entities within scope can only detail individuals. It is not possible to refer to intermediate entities.</p>	<p>A reporting entity is required to include on its PSC register all of its PSCs and any RLEs.</p> <p>An RLE (relevant legal entity) is an entity which would have met one or more of the conditions set out above in respect of the relevant reporting entity if it had been an individual AND is itself required to have a PSC register or is an exempted entity.</p> <p>Where one or more of the relevant beneficial owners of the reporting entity is an RLE, the reporting entity, in respect of the RLE, will only be required to include that RLE. It will not be required to investigate and record any PSC (or RLE) of that RLE.</p>

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<i>indirect ownership and associates</i>	<p>The threshold for indirect ownership is a majority stake. A person has a majority stake in a legal entity if the person:</p> <ul style="list-style-type: none"> <li>• holds a majority of the voting rights in the entity;</li> <li>• is a member of the entity and has the right to appoint or remove a majority of the board of directors of the entity;</li> <li>• is a member of the entity and, under an agreement with another member of the entity, controls alone a majority of the voting rights in the entity; or</li> <li>• has the right to exercise, or actually exercises, dominant influence or control over the entity.</li> </ul>	<p>Notwithstanding, the greater-than-25% threshold for the assessment of a direct significant interest, where an entity is deemed to have an interest through its control over, or exercise of, not less than 20% (through its associates or together with associates) of the voting power in a company A which has, or is deemed to have, an interest in a share in company B then that entity is registrable as a controller, not of company A, but of company B if company A is itself a registrable controller of company B.</p>		<p>The rules apply to indirect interests - see "test for beneficial ownership, corporate control" above.</p>

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<i>statutory obligations</i>	<p>The key duties include the requirement to:</p> <ul style="list-style-type: none"> <li>• keep a register of Significant Controllers ("Register") whether or not the company in fact has any Significant Controllers;</li> <li>• designate at least one person as its representative to provide assistance relating to the Register to a law enforcement officer and an officer of the Companies Registry (see section on "public inspection" below) and that person must be either: (a) a natural person resident in Hong Kong and a director, employee or member of the company; or (b) an accounting professional, a legal professional or a trust or company service provider ("TCSP") licensed under the proposed amendments to the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance under a Bill published in June 2017 ("AML &amp; CTF Bill"). Particulars of the representative must also</li> </ul> <p><b>Setting up the RORC:</b> A company will not have to send out the prescribed notices to those shareholders and directors who:</p> <ul style="list-style-type: none"> <li>(a) have previously provided his/her information to the company or to the company's registered filing agent; and</li> <li>(b) the company is confident are not registrable controllers.</li> </ul> <p>Otherwise, companies are required to take reasonable steps to find out and identify their registrable controllers. Where the company identifies its registrable controllers or persons the company has reasonable grounds to believe to be its registrable controllers, the company must send the prescribed notice to these persons for particulars, allowing 30 days for response. Companies to note particulars as "unconfirmed" in the RORC if the controller does not respond.</p> <p>Any person who knows or ought reasonably to know that it is a registrable controller must notify the company accordingly.</p> <p><b>Updating or correcting particulars in the RORC:</b> Companies should review</p>	<p>Entities within scope must keep and maintain a register of those with control. The information is not maintained centrally. The register does however need to be accessible.</p>	<p>Reporting entities are required to compile and update their own PSC register and file details with Companies House.</p> <p>Reporting entities must also take reasonable steps to identify whether there are any individuals or entities that are PSCs or RLEs.</p> <p>PSCs and RLEs are also under an obligation to identify themselves and provide relevant details to the reporting entity.</p>	

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	<p>be entered in the Register;</p> <ul style="list-style-type: none"> <li>• carry out investigations and obtain information about its Significant Controllers;</li> <li>• keep information on the Register up to date including any registrable change arising from: (a) any person ceasing to be a Significant Controller; (b) any other change which results in any particulars for any person entered in the Register being incorrect or incomplete; or (c) any required update on the prescribed additional matters noted in the Register; and</li> <li>• notify the Registrar of Companies of the place at which the Register is kept and any change in the place at which the Register is kept, subject to certain exceptions.</li> </ul> <p>In carrying out its duties to investigate, obtain information and keep information up to date about its Significant Controllers, an applicable company must give notices to the relevant persons ("Notices") within seven days, requiring them to confirm or</p>	<p>annually the particulars of every registrable controller for a "relevant change", defined as either (i) cessation as registrable controller or (ii) any other change in the registrable controller's particulars. If the company knows for a fact that there are no relevant changes in the particulars of a registrable controller and the particulars are correct, the company need not send the prescribed notices for change in particulars or for incorrect particulars. However, companies should document why they are satisfied that no relevant changes have occurred.</p> <p>In addition to this annual review, if a company has, for example, received credible information (e.g. from newspaper reports or law enforcement authorities) that the particulars of a controller are outdated or inaccurate, the company should send a prescribed notice to the relevant registrable controller.</p>		

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	<p>provide certain particulars if it knows, or has reasonable cause to believe that:</p> <ol style="list-style-type: none"> <li>1. that person is a Significant Controller;</li> <li>2. that person knows the identity of another person who is a Significant Controller; or</li> <li>3. there is a registrable change with respect to that person, the details of which are required to be contained in the Register.</li> </ol> <p>There are exempted circumstances where some of these Notices are not required.</p>			

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<i>particulars</i>	<p>Where the applicable company knows about its Significant Controllers, it must include prescribed particulars about them in the Register. These include the name, correspondence/registered principal office address, passport/registration number, date the person/entity became a registrable person/entity and the nature of the person's/entity's control over the company.</p> <p>In certain other cases, the company must note in the Register prescribed additional matters such as the steps taken and the status of the investigation about possible Significant Controllers.</p>	<p>Prescribed information which identifies the registrable controller as well as the date on which the person becomes a registrable controller, and if applicable, the date on which the person ceases to be a registrable controller.</p> <p>ACRA expects companies to also keep copies of supporting documents, such as passports and certificates of registrations, to verify these particulars.</p>	<p>Information which identifies the beneficial owner including their name, and address as well as a copy of their passport must be provided. Further, acquirer of bearer shares must also indicate their nationality and their date of birth.</p>	<p>Various information which identifies (for an individual) the PSC, including name, date of birth, nationality and date on which the individual became a PSC.</p> <p>For an RLE, various identifying information, including corporate name, legal form and governing law, registered office address and its registration number.</p>

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<i>must details of beneficial owners be provided before a new entity is formed</i>	<p>No, but lawyers must follow the anti-money laundering rules and guidelines of the Law Society of Hong Kong, which include mandatory CDD and record-keeping requirements.</p> <p>Also, under the AML &amp; CTF Bill, (among others) TCSPs and lawyers will be subject to statutory CDD measures (including the verification of beneficial ownership) when they engage in "specified transactions" for a client, such as forming a company and acting as a director or secretary of a company.</p>	<p>No, however, corporate service providers such as company secretaries are required to undertake customer due diligence measures as part of their anti-money laundering and counter terrorist financing statutory duties and will require particulars of beneficial ownership when applying to ACRA to set up a new company.</p>	Yes.	<p>Yes, companies are required to provide a statement of initial significant control" on incorporation.</p>

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<i>deadlines</i>	<p>The particulars relating to a Registrable Person must be entered into the Register within seven days after they have all been provided or confirmed by the Registrable Person or by another person with the Registrable Person's knowledge. The particulars relating to a Registrable Legal Entity must be entered in the Register within seven days after those particulars come to the notice of the company.</p> <p>There are transitional provisions for an existing company (at the commencement date) in the Bill aimed at providing to the effect that:</p> <ul style="list-style-type: none"> <li>• the 7-day period for giving the Notices in the case of 1. or 2. (see section on "statutory obligations" above) can only start to run after the commencement date;</li> <li>• particulars relating to a Registrable Person need to be provided or confirmed after the commencement date; and</li> <li>• the 7-day period for entering the particulars relating to a Registrable Legal Entity in a Register can only start to run after the commencement date.</li> </ul>	<p>All non-exempt companies incorporated on or after 31 March 2017 have 30 days from their incorporation date to set up their RORCs. An exempt company, or a company incorporated prior to 31 March 2017, will have 60 days from the day it loses its exempt status, or 60 days from 31 March 2017 to set up its RORCs.</p> <p>Any person who knows or ought reasonably to know that it is a registrable controller must notify the company accordingly within 30 days after the date on which that person first knew or ought reasonably to have known that that person was a registrable controller.</p>	<p>Entities within scope must keep their register current.</p> <p>The acquirer of a controlling interest must disclose their details within one month. Any changes to those details must be notified within a timely manner.</p>	<p>Entities subject to the PSC regime need to update their PSC register within 14 days of a PSC confirming his or her details (or a change to those details), or an RLE changing its details.</p> <p>Entities are then under an obligation to file details of changes with Companies House within 14 days of a change to their PSC register.</p>



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	<p>There are however no transitional provisions in the Bill which allow for a grace period within which an existing company or a newly incorporated company can set up its Register after the commencement date. On that basis, an existing applicable company must have a Register in place on the commencement date and an applicable company incorporated after the commencement date must have a Register in place upon incorporation.</p>			

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<i>public inspection</i>	<p>The company is not required to open its Register for public inspection.</p> <p>The Register must be made available for inspection upon demand by:</p> <ul style="list-style-type: none"> <li>• an officer of the Companies Registry for the purpose of ascertaining compliance with the new laws; or</li> <li>• any other specified law enforcement officer for the purpose of the officer's performance under the laws of Hong Kong of a function relating to the prevention, detection or investigation of money laundering or terrorist financing.</li> </ul> <p>The company must have at least one designated representative to facilitate the inspection by the officer.</p> <p>A person who is named in the Register as a Significant Controller is also entitled to inspect the Register.</p>	<p>No public inspection of the RORC is allowed, access is restricted to only the ACRA and public agencies for the purpose of administering and enforcing their respective laws.</p>	<p>No public inspection, also not for government agencies. The law currently in force only requires the disclosure of the identity to the company and not to a public authority. However, government authorities may demand access to the register, e.g. in course of criminal procedures or it is also possible that such information could be exchanged under tax treaties or in course of administrative assistance between countries</p>	<p>Subject to certain limited exceptions information on an entity's beneficial owners must be made publicly available.</p>

	Hong Kong	Singapore	Switzerland	UK
penalties	<p>If an applicable company fails to comply with the requirements relating to keeping a Register, the company (and each of its responsible persons) commit an offence and will be liable to a fine at a level comparable to that currently applicable to failure to keep registers of members, directors and company secretaries. The maximum penalty in most cases is a fine at level 4 (i.e., maximum of HK\$25,000) and a further daily fine of HK\$700.</p> <p>A similar penalty (i.e., maximum of HK\$25,000) applies to each person (including each "related person" of a legal entity) who fails to comply with a requirement specified in a Notice within one month from the date of the Notice.</p> <p>If any person knowingly or recklessly makes a statement (or provides information in the case of a reply) that is misleading, false or deceptive in any material particular, in the Register or in reply to a Notice, the person commits an offence and will be liable on conviction on indictment to a fine of HK\$300,000 and to</p>	<p>The company, and every officer of the company who is in default, shall each be guilty of an offence and shall each be liable on conviction to a fine not exceeding SGD5,000 for:</p> <ul style="list-style-type: none"> <li>(a) failure to keep a RORC within the deadline;</li> <li>(b) failure to ensure the RORC contains updated prescribed particulars and is kept at the prescribed place; and</li> <li>(c) disclosing the RORC to any member of the public.</li> </ul>	<p>If an acquirer of shares does not comply with their reporting obligations:</p> <ul style="list-style-type: none"> <li>• they will be restricted from exercising any membership rights (in particular voting rights) until they have made the requisite notifications; and</li> <li>• any financial rights attached to the shares (in particular, the right to receive dividends) will be suspended until the reporting obligations have been complied with. The right to receive dividends will be forfeited if the shareholder does not comply with its notification duties within one month of the acquisition, provided that the entitlement to future dividends will recommence as soon as the required notifications have been duly made.</li> </ul> <p>The board of directors of the company (or if the entity is a LLC, the managers) is responsible for ensuring that voting rights cannot be exercised or dividends received unless the required notifications have been made. Individual members of the</p>	<p>Entities must comply with the regime or risk the relevant entity, and/or its officers being convicted of a criminal offence. Likewise, all persons who are PSCs or RLEs must provide the required information to the entity or risk being convicted of a criminal offence. The offence is punishable by a fine and/or up to two years imprisonment. There is no defence for an inadvertent or minor breach of the provisions.</p> <p>PSCs and RLEs who fail to comply with their disclosure duties also risk their interest in the entity becoming restricted. The entity may (though this is not obligatory), having sent a "warning notice" containing the information required, issue a "restrictions notice". A restrictions notice prevents the PSC or RLE from exercising any rights attaching to the interest in question, thereby preventing them from selling, transferring or receiving any benefit from their interest in the entity until the entity obtains the information that it needs and lifts the restriction.</p>



	<b>Hong Kong</b>	<b>Singapore</b>	<b>Switzerland</b>	<b>UK</b>
	imprisonment for two years; or on summary conviction to a fine at level 6 (i.e., maximum of HK\$100,000) and to imprisonment for six months.		board may be held liable for any losses arising from the exercise of the rights by non-reported shareholders.	