

Singapore Company's Registrable Controller Guideline Note

With effect from 31 March 2017, companies, foreign companies and LLPs (unless exempted) registered in Singapore are required to maintain beneficial ownership information in the form of a register of registrable controllers (RRC), and to make the information available to public agencies upon request.

A controller is defined as an individual who or a legal entity which holds, directly or indirectly, more than 25% of the shares or more than 25% of the total voting power in a company with share capital, or holds directly or indirectly, more than 25% of the capital or profits of a company without share capital.

Unless exempted, a company (including a LLP) are required to keep register of registrable controllers within 30 days from date of incorporation. Singapore locally registered companies are required to take reasonable steps to identify the persons who have significant control over the company and maintain beneficial ownership information in the form of an RRC.

The companies should make the RRC available to the officer from Accounting and Corporate Regulatory Authority of Singapore ("ACRA") and other public agencies, upon request. But must not disclose or make available for inspection the RRC or any particulars contained therein to their shareholders or to any member of the public.

If a controller or company fails to comply with any of the applicable requirements in relation to the Register of Registrable Controller, the controller or 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 SGD5,000.00 for each offence.

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1. Definition of a “Controller” of a Company

A controller is defined as an individual or a legal entity fulfilling at least one of the following conditions:

- (1) The person holds, directly or indirectly, more than 25% of the shares in a company with share capital;
- (2) The person holds, directly or indirectly, more than 25% of the total voting power in a company with share capital;
- (3) The person holds, directly or indirectly, more than 25% of the capital or profits of a company without share capital;
- (4) The person holds, directly or indirectly, the right to appoint or remove directors who hold a majority of voting rights at meetings of the directors;
- (5) The person holds, directly or indirectly, more than 25% of the rights to vote on those matters that are to be decided upon by the members of the company; and
- (6) The person has the right to exercise or actually exercise significant influence or control over the company.

An individual controller is an individual who has a significant interest in, or significant control over, the company. While, a corporate controller is a legal entity which has a significant interest in, or significant control over, the company.

2. Maintenance of the RRC

All companies and LLPs are required to keep register of registrable controllers within 30 days from date of incorporation.

Companies are required to take ‘reasonable steps’ to find out and identify their controllers and obtain information on the controllers. The ‘reasonable steps’ means a company must minimally send out a notice to anyone whom they know or have reasonable grounds to believe to be controllers and anyone who know the identity of the controllers or is likely to have that knowledge annually.

Companies may send the notice electronically or in hardcopy format and this task can be undertaken by the company secretary. The notices do not have to be signed by a company director or secretary of the company before being sent out.

Companies are required to enter or update particulars of registrable controllers into their RRC within two (2) business days after the particulars have been confirmed. If the particulars of a registrable controller are not confirmed, a company must enter or update the particulars that the company has in its possession into register with a note indicating that the particulars have not been confirmed by the registrable controller.

The RRC is to be kept at the company's registered office or the registered office of the registered filing agent appointed by the company for the purpose of keeping the RRC. The registers must be made available to the ACRA and public agencies administering or enforcing any written law (including Commercial Affairs Department of Singapore Police Force, Corrupt Practices Investigation Bureau and Inland Revenue Authority of Singapore).

Companies must not disclose or make available for inspection the RRC or any particulars contained therein to their shareholders or to any member of the public. Auditors are also not entitled to have access to the register.

3. Particulars to be Maintained in an RRC

For Registrable Individual Controllers

- Full name
- Aliases; if any
- Residential address
- Nationality
- Identification card number or passport number
- Date of birth
- Date on which the registrable individual controller became an individual controller of the company; and
- Date on which the registrable individual controller ceased to be an individual controller of the company; if applicable

For Registrable Corporate Controllers

- Name
- Unique Entity Number issued by the ACRA; if any
- Address of registered office
- Legal form of the registrable corporate controller
- Jurisdiction where, and statute under which, the registrable corporate controller is formed or incorporated
- Name of the corporate entity register of the jurisdiction where the registrable corporate controller is formed or incorporated, if applicable
- Identification number or registration number of the registrable corporate controller on the corporate entity register of the jurisdiction where the registrable corporate controller is formed or incorporated, if applicable
- Date on which the registrable corporate controller became a corporate controller of the company; and
- Date on which the registrable corporate controller ceased to be a corporate controller of the company, if applicable

For a Person Receiving a Notice from a Company

- His particulars if he is a controller; and
- Any information that he is aware of about controllers

4. Exemption from Having to Set up an RRC

The following locally incorporated companies are exempted:

- (1) A public company which shares are listed for quotation on an approved exchange in Singapore;
- (2) A company that is a Singapore financial institution;
- (3) A company that is wholly-owned by the Government of Singapore;
- (4) A company that is wholly-owned by a statutory body established by or under a Public Act for a public purpose;
- (5) A company that is wholly-owned subsidiary of a company mentioned in (1), (2), (3) or (4);
- (6) A company which shares are listed on a securities exchange in a country or territory outside Singapore and which is subject to regulatory disclosure requirements and requirements relating to adequate transparency in respect of its beneficial owners, imposed through stock exchange rules, law or other enforceable means.

Companies that are undergoing winding up, receivership, judicial management, or striking off are not exempted, unless they qualify under one of the categories in (1) to (6).

5. Duties on Company Officers and Controllers

The Singapore Companies Act requires reporting entities to start keeping a register of controllers within 30 days of incorporation.

The reporting entity must notify any individual or corporation who/which is a registrable controller to furnish the required information and documents, in accordance with these imposed duties:

- (1) Duty to investigate and obtain information;
- (2) Duty to keep information up-to-date; and
- (3) Duty to correct inaccurate information.

Individuals and corporations will be under the following duties if they know or believe that they are registrable controllers:

- (1) Duty to provide information; and
- (2) Duty to provide change of information.

6. Offences

If a company fails to comply with any of the applicable requirements in relation to the Register of Registrable Controller, 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 SGD5,000.00 for each offence.

A person who knows or ought reasonably to know that the person is a registrable controller but fails to comply with the requirements of the Companies Act shall be guilty of an offence and shall be liable on conviction to a fine not exceeding SGD5,000.

If you wish to obtain more information or assistance, please visit our official website at www.kaizencpa.com or contact us through the following means:

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