



27 June 2017

Changes to the PSC Regime: Now in force

Following our recent [briefing](#) on the proposed changes to the requirements for companies to keep a register of "people with significant control" ("**PSC Register**"), the regulations implementing these changes were published on Friday 23 June, and came into force yesterday, 26 June.

The Information about People with Significant Control (Amendment) Regulations 2017 (the "**Regulations**") conform the UK PSC regime to the requirements of the EU Fourth Money Laundering Directive ("**MLD4**"). The Scottish Partnerships (Register of People with Significant Control) Regulations 2017 also came into force yesterday, and extend the PSC regime to Scottish Limited Partnerships and Scottish general partnerships in which the partners are all corporate bodies ("**eligible Scottish partnerships**").

Background

Since 6 April 2016, unlisted UK companies have been required to identify individuals who have significant control over them (broadly through holding over 25% of shares or voting rights, or otherwise having the right to exercise significant control) and to publicly disclose their details in a PSC Register, details of which are filed at Companies House. LLPs are subject to similar requirements. Please click [here](#) for our previous client briefing on the UK PSC regime.



The New Regime

Points to note include the following:

- **AIM and NEX Exchange Growth Market companies:** The Regulations amend the Companies Act 2006 so as to remove the existing exemption from the requirement to keep a PSC register for companies quoted on markets other than regulated markets. Therefore UK incorporated AIM and NEX Exchange Growth Market companies will now need to keep a PSC register and file their PSC information with Companies House. There is a four-week transitional period (until the 24 July) for companies previously outside the scope of the regime to gather the necessary information, after which they will be required to make the appropriate entries in their PSC register within 14 days and file this information at Companies House within a further 14 days.
- **Updating information at Companies House:** PSC information was previously required to be updated annually in a company's annual confirmation statement. In order to comply with the EU requirement to keep beneficial ownership information "adequate, accurate and current", changes to the PSC register must now be entered into a company's PSC register within 14 days and subsequently registered at Companies House on Forms PSC01 to PSC09 within a further 14 days of the PSC register being amended. Where a company has made changes to its PSC register prior to 26 June but has not yet filed the change at Companies House, it will need to do so within 14 days of 26 June.
- **Scottish partnerships:** Eligible Scottish partnerships are now required to identify their PSCs (from 26 June 2017) and register their PSC information at Companies House within a period of 14 days from 24 July 2017. They are not required to maintain their own PSC register.
- **Duty of PSCs to provide information:** As PSCs have their own obligations to identify themselves under the PSC regime, investors with significant control over entities which were previously out of scope should now give notice of their status as PSCs of these entities.
- **Protective Regime:** Under the current PSC regime, if there are legitimate concerns over the public disclosure of an individual's PSC information, that PSC may consider applying under the Companies House protection regime. This regime is intended to protect those PSCs, or a person who lives with a PSC, from public disclosure where such disclosure may put them at serious risk of violence or intimidation. Provided that the individual can satisfy certain tests relating to there being a serious risk of harm, their personal information will not be publicly disclosed, but will instead only be accessible by specified public authorities. The Regulations makes changes to this protective regime, allowing the Registrar of Companies to make certain information available to credit and financial institutions. Entities which were previously out of scope of the PSC regime should use the transitional period to consider applying for protection from public disclosure under the Regime.
- **Exemptions for companies traded on EEA and other specified markets:** These exemptions remain in place, so while AIM companies are no longer exempt, those on the Main Market are.

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