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Significant Controllers Registers

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Keeping of Significant Controllers Register (SCR)

The Companies (Amendment) Ordinance 2018 (“the Amendment Ordinance”) was effective on **1 March 2018**.

The Amendment Ordinance introduces new requirements on the keeping of significant controllers registers by companies incorporated in Hong Kong to enhance the transparency of corporate beneficial ownership.

Under the Amendment Ordinance, all companies incorporated in Hong Kong (except listed companies) are required to identify a person / persons who has /have significant control over the company and maintain a significant controllers register which will be accessible by law enforcement officers upon demand. Each company must also designate at least one person as its representative to provide assistance relating to the significant controllers register of the company to law enforcement officers.

The Amendment Ordinance requires a company to keep a SCR in either the English or Chinese language, containing required particulars of its significant controllers (including registrable person and / or registrable legal entity). **The SCR should be kept at the company’s registered office or a prescribed place in Hong Kong**

The Significant Controllers Register (SCR) will include the following information of a registrable person / legal entity:-

- The correspondence address
- The passport no. or HKID card no.
- Date of becoming a registrable person
- Nature of control over the company

The company will have to designate a representative to serve as a contact point for providing information about the SCR and related assistance to law enforcement officers. We, Metopro Associates Limited being an qualified and licensed company secretary, can offer ourselves be the **Designated Representative** of our clients.

If a company fails to comply with the requirement of keeping a SCR, the company, and each of its responsible persons, will be liable on conviction to a fine up to \$25,000 and a daily fine of \$700.

Significant Controllers

A company with a registrable person

The significant controller refer to a shareholder who beneficially owns over 25% of the shares of the company.

A company with a registrable person and a registrable legal entity

If a company Y has only one corporate shareholder (say company ABC Profits Limited), which holds 100% of the company's shares. ABC Profits Limited is in turn wholly owned by Mr. X beneficially. ABC Profits Limited is a registrable legal entity of the company as it is a shareholder of the company and has significant control over the company. i.e. holding directly more 25% of the issued shares in the company. Mr. X is a registrable person of the company, i.e. holding directly (through ABC Profits Limited) more than 25% of the issued shares in the company. The respective particulars of ABC Profits Limited and Mr.,X should be entered into the Significant Controllers Register of Company Y.

Designated Representative

The designated representative must be either a shareholder, director or an employee of the company who is a natural person resident in Hong Kong or an accounting professional, a legal professional or a person licensed to carry on a business as trust or company service provider. The particulars of the designated representative should also be entered into the SCR.

Law Enforcement Officers (to inspect the company for keeping SCR)

Companies Registry

Customs and Excise Department

Hong Kong Monetary Authority

Hong Kong Police Force

Immigration Department

Inland Revenue Department

Insurance Authority

Independent Commission Against Corruption

Securities and Future Commission