

Corporate secretarial update

New requirements under the Singapore Companies Act and Limited Liability Partnerships Act

The Accounting and Corporate Regulatory Authority (ACRA) announced in October 2022 that ACRA has implemented new requirements to strengthen Singapore's corporate governance regime and reaffirm Singapore's commitment to combatting money laundering, terrorism financing and other threats to the integrity of the international financial system.

Identification of registrable controllers

Since 31 March 2017, companies, foreign companies and limited liability partnerships (LLPs) (unless exempted) are required under the Singapore Companies Act 1967 and Limited Liability Partnership 2005 to maintain a Register of Registrable Controllers (RORC), identify the registrable controllers, send prescribed notices to the registrable controllers for confirmation, keep the particulars in the RORC up-to-date, and lodge particulars of controllers entered in the RORC with the ACRA.

Registrable controllers are an individual or a legal entity that has significant interest (i.e., more than 25% directly or indirectly) or significant control over a company or LLP.

- ▶ Effective 4 October 2022, companies, foreign companies and LLPs that are of the view that (a) they have no registrable controller, or (b) they have a registrable controller but have not been able to identify the registrable controller will have to do the following. The companies and foreign companies will have to identify each director with executive control and the chief executive officer (CEO) of the companies as the registrable controllers of the companies or LLP
- ▶ The LLP will have to identify each partner with executive control of the LLP as the registrable controllers of the companies or LLP.

They are also required to update the particulars of each director or partner with executive control and CEO (applicable for companies) in the RORC within two business days after the date on which the companies or LLP know (a) they have no registrable controller or (b) they have a registrable controller but have not been able to identify the registrable controllers.

If the companies or LLPs subsequently are able to identify the registrable controller and enters the particulars of a registrable controller into its RORC, it must, at the same time, enter in its RORC a note stating (a) that each director or partner with executive control and each CEO (applicable for companies) is no longer taken to be a registrable controller of the company or LLP.

Companies or LLPs that were previously unable to identify a registrable controller were required to record the prescribed particulars of individuals with executive control in their existing RORC by 5 December 2022.

Maintaining a register of nominee shareholders (new register)

With effect from 4 October 2022, companies and foreign companies (unless exempted) are required to maintain a Register of Nominee Shareholders.

A shareholder is a nominee if the shareholder:

- ▶ Is accustomed or under an obligation (whether formal or informal) to vote, in respect of shares in the company of which the shareholder is the registered holder, in accordance with the directions, instructions or wishes of any other person
- ▶ Receives dividends, in respect of shares in the company of which the shareholder is the registered holder, on behalf of any other person

Nominee shareholders has a statutory duty to inform the companies or foreign companies that they are a nominee shareholder and provide prescribed particulars of their nominator of any change to the particulars of the nominator when they cease to be a nominee shareholder.

Companies and foreign companies are required to maintain and update the Register of Nominee Shareholders within seven days after being informed of any change.

Append below are the timelines for nominee shareholder to inform companies or foreign companies

Companies or foreign companies incorporated or registered on or after 4 October 2022.	<ul style="list-style-type: none">▶ Within 30 days after incorporationOr▶ Within 30 days after becoming a nominee shareholder
Existing companies or foreign companies incorporated or registered on or before 4 October 2022.	<ul style="list-style-type: none">▶ Within 60 days after 4 October 2022Or▶ Within 30 days becoming a nominee shareholder

Updating the register of nominee directors

Since 31 March 2017, directors of companies who are nominees have statutory duty to inform the companies that (a) they are a nominee director and provide the particulars of their nominators, (b) update the company on any change in particulars of their nominator, and (c) when the nominee cease to be a nominee director.

Nominee directors also have a duty to inform the company of the change of particulars of their nominator or cease to be a nominator within 30 days after the change and/or cessation. The companies that received the notice from the nominee director have to update the Register of Nominee Director. Prior to 30 May 2022, there is no specified timeline for companies to update the Register of Nominee Directors upon receiving the notification from the nominee director.

Effective 30 May 2022, companies that receive such notification from the nominee director is required to update the register of nominee director within seven days after being informed.

If you would like to know more about the issues discussed or EY services, please contact one of the following or your usual EY contact:

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