

SCHEDULE 1

Persons who have significant influence or control over another

PART 5

Overseas entities

Interpretation of Part 5

25.—(1) An individual does not meet a condition mentioned in paragraph 12 in relation to an overseas entity by virtue only of being a foreign limited partner.

(2) An individual does not meet a condition mentioned in paragraph 12 in relation to an overseas entity by virtue only of directly or indirectly holding a right in, or in relation to a foreign limited partner which (in its capacity as such) would meet the condition if it were an individual.

(3) Sub-paragraphs (1) and (2) do not apply for the purposes of determining whether the requirement set out in the condition mentioned in paragraph 12(b)(iii) is met.

(4) In this paragraph “foreign limited partner” means an individual who—

- (a) participates in a foreign limited partnership as a limited liability participant, or
- (b) directly or indirectly, holds shares or a right in or in relation to a legal entity which participates in a foreign limited partnership as a limited liability participant.

(5) For the purposes of sub-paragraph (4)—

- (a) a “foreign limited partnership” is an arrangement which—
 - (i) is established under the law of a country or territory outwith the United Kingdom,
 - (ii) consists of at least one person who has unlimited liability for the debts and obligations of the arrangement, and
 - (iii) consists of at least one person who has no, or limited, liability for the debts and obligations of the arrangement so long as that person does not take part in the management of the arrangement’s business,
- (b) a “limited liability participant” is a person who—
 - (i) has no, or limited, liability for the debts and obligations of the foreign limited partnership for so long as that person does not take part in the management of the foreign limited partnership’s business, and
 - (ii) does not take part in the management of the foreign limited partnership’s business.