

SCHEDULE 1

Persons who have significant influence or control over another

PART 2

Partnerships

Application

3. This Part applies to a person (the associate) where—
- (a) the person who owns or tenants the land (the recorded person)—
 - (i) does so as a partner in a partnership or on its behalf, or
 - (ii) is a partnership, and
 - (b) the associate—
 - (i) is a general partner of the recorded person, but is not registered as owning or leasing the land,
 - (ii) is a general partner of another partnership which is (of itself) a partner of the recorded person,
 - (iii) is an individual who has significant influence or control over a relevant entity which is a partner of the recorded person,
 - (iv) is an individual who has the right to exercise, or who actually exercises, significant influence or control over the recorded person or a partnership in which the recorded person is a partner.

Exceptions

4. This Part does not apply to a person where that person's relationship to the partnership is only that of—
- (a) a paid professional advisor to the partnership (such as a solicitor or an accountant),
 - (b) a creditor of the partnership (such as the holder of a standard security),
 - (c) an administrator of the partnership in insolvency proceedings, or
 - (d) a member of the judiciary presiding over proceedings in connection with the partnership.

Interpretation of Part 2

5. For the purposes of this Part—
- (a) “relevant entity” means any body corporate or other entity (whether incorporated or not) that is a legal person under the law by which it is governed, other than a person of a type listed in schedule 2,
 - (b) examples of significant influence and control include, in particular, where a person—
 - (i) has the right to unilaterally take or veto decisions about the governance and running of a partnership,
 - (ii) has the right to appoint or remove any partners of a partnership without application to a court, or

Draft Legislation: This is a draft item of legislation and has not yet been made as a Scottish Statutory Instrument. This draft has been replaced by a new draft, The Land Reform (Scotland) Act 2016 (Register of Persons Holding a Controlled Interest in Land) Regulations 2021 ISBN 978-0-11-104875-7

- (iii) is able to influence the decision-making of a partnership without holding any formal governance position within the partnership, particularly in respect of the partnership's dealings with land,
- (c) for the purposes of paragraph (3)(b)(iv), a person (A) does not exercise significant influence and control over a recorded person or the partnership if A is also a recorded person under paragraph 3(a).