

SCHEDULE 1

Persons who have significant influence or control over another

PART 3

Trusts

Application

6. This Part applies to a person (the associate) where—
- (a) the person who owns or tenants the land (the recorded person) does so as a trustee of, or otherwise on behalf of, a trust, and
 - (b) the associate—
 - (i) is a trustee of the trust, but is not registered as being the owner or tenant of the land,
 - (ii) is an individual who has significant influence or control over a relevant entity which is a trustee of the recorded person,
 - (iii) is an individual who has the right to exercise, or who actually exercises, significant influence or control over the recorded person or the trust.

Exceptions

- 7.—(1) This Part does not apply where—
- (a) the recorded person owns or tenants the land as a trustee of a trust created for the purposes of insolvency or sequestration,
 - (b) the recorded person owns or tenants the land for or on behalf of a partnership to which Part 2 of this schedule applies,
 - (c) the recorded person owns or tenants the land for or on behalf of the members of an unincorporated body of persons to which Part 4 of this schedule applies.
- (2) This Part does not apply where a person’s relationship to the trust is only that of—
- (a) a paid professional advisor to the trust (such as a solicitor or an accountant),
 - (b) a creditor of the trust (such as the holder of a standard security), or
 - (c) a member of the judiciary presiding over proceedings in connection with the trust,
 - (d) a member of a body which has the right to exercise, or actually exercises significant influence or control over the trust by virtue of a function conferred by an enactment.

Interpretation of this Part

- 8.—(1) 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 appoint or remove a trustee of a trust (other than by application to a court),
 - (ii) has the right to direct the distribution of assets or funds of a trust,

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 This draft has been replaced by a new draft, The Land Reform (Scotland) Act 2016 (Register of Persons Holding a Controlled Interest in Land) Regulations 2021 ISBN 978-0-11-104814-6

- (iii) has the right to direct investment decisions of a trust,
- (iv) has the right to amend a trust deed,
- (v) has the right to revoke a trust, or
- (vi) otherwise has significant influence or control over the decision-making of a trustee or trust, particularly in respect of the trustee's or trust's dealings with the land.

(2) For the purposes of paragraph 6(b)(iii), a person (A) does not exercise significant influence and control over a recorded person or the trust if A is also a recorded person in accordance with paragraph 6(a).