

## **Direction 8: Forms of restriction and evidence of compliance relating to overseas entities**

### **Direction given under section 100(4) of the Land Registration Act 2002**

Under section 100(4) of the LRA, I direct as follows:

#### **1. Interpretation**

In this direction-

“commencement date” means 5 September 2022,

“conveyancer” has the same meaning as in Rule 217A of the Land Registration Rules 2003,

“ECTEA” means the Economic Crime (Transparency and Enforcement) Act 2022,

“LRA” means the Land Registration Act 2002,

“overseas entity” has the meaning given by section 2 of ECTEA,

“overseas entity ID” is as described in section 5 of ECTEA.

“qualifying estate” has the same meaning as in paragraph 1 of Schedule 4A to the LRA,

“transitional period” means the period of 6 months beginning on the commencement date.

#### **2. Form of restrictions**

(1) The restriction that is required to be entered in the register under paragraph 3 of Schedule 4A to the LRA shall be in the following form:

*No disposition within section 27(2)(a), (b)(i) or (f) of the Land Registration Act 2002 is to be completed by registration unless one of the provisions in paragraph 3(2)(a)-(f) of Schedule 4A to that Act applies.*

(2) The restriction that is required to be entered in the register under paragraph 6 of Schedule 3 to the ECTEA shall be in the following form:

*After 31 January 2023 no disposition within section 27(2)(a), (b)(i) or (f) of the Land Registration Act 2002 is to be completed by registration unless one of the provisions in paragraph 3(2)(a)-(f) of Schedule 4A to that Act applies.*

#### **3. Evidence**

(1) Where an application is made to register an overseas entity as proprietor of a qualifying estate, the evidence needed to comply with the requirements of paragraph 2 of Schedule 4A to the LRA shall be the overseas entity ID for that entity.

(2) Where a restriction in clause 2 (Form of restrictions) above is entered on an individual registered title and has taken effect, the evidence required to show compliance with that restriction shall be:

(a) the overseas entity ID for the overseas entity making the disposition; or

(b) a certificate by a conveyancer in the form set out in Part 1 of the Schedule to this direction.

(3) Where an application is made to register a disposition of a qualifying estate by an overseas entity which became entitled to be registered as proprietor of that estate on or after the commencement date (but was not so registered), the evidence needed to comply with the requirements of paragraph 4 of Schedule 4A to the LRA shall be:

(a) the overseas entity ID for that overseas entity; or

(b) a certificate by a conveyancer in the form set out in Part 2 of the Schedule to this direction.

(4) Where an application is made to register a disposition of a qualifying estate and the application includes a disposition made by an overseas entity which became entitled to be registered as proprietor of that estate on or after the commencement date (but was not so registered), the evidence needed to comply with the requirements of paragraph 4 of Schedule 4A to the LRA for each such disposition shall be:

(a) the overseas entity ID for that overseas entity; or

(b) a certificate by a conveyancer in the form set out in Part 2 of the Schedule to this direction.

(5) Paragraphs (1) – (4) above shall not limit the registrar's ability to require additional evidence or make further enquiries under rule 17 of the Land Registration Rules 2003 or to waive any of the requirements in this direction as the registrar may consider appropriate.

#### **4. Effect**

This direction has effect on and after 5 September 2022, until replaced by another direction or until withdrawn.

Signed: *Simon Hayes*

Date: 1 August 2022

Simon Hayes

Chief Land Registrar

# SCHEDULE

## FORMS OF CERTIFICATE

### PART 1

#### Certificate OE1

**Certificate to comply with a restriction that has been entered in the register under paragraph 3 of Schedule 4A to the Land Registration Act 2002 or paragraph 6 of Schedule 3 to the Economic Crime (Transparency and Enforcement) Act 2022**

*Note – a separate certificate is required for each disposition by an overseas entity.*

Title number(s) .....

I/We ..... of ..... certify that the following provision under paragraph 3(2) of Schedule 4A to the Land Registration Act 2002 applies to the [*specify transfer, lease or charge*] ('the disposition') dated [*insert the date of the disposition*] made by [*insert the name of the overseas entity*] ('the overseas entity') to [*insert the name of transferee, lessee or chargee*]:

[*Select and complete the relevant provision below. You may delete the words in italics and the provisions that do not apply.*]

[ ] The disposition: [*select and complete the relevant statement*]

- was made in pursuance of a statutory obligation under [*specify the statutory provision under which the obligation arose*].
- was made in pursuance of an order of the [*specify which court*] court dated [*specify the date of the court order*], case number [*provide the proceedings number*].
- occurred by operation of law on the basis that [*explain how operation of law arose giving any relevant legislative provision*].,

[ ] The disposition was made in pursuance of a contract made before the restriction was entered in the register, being a contract dated [*insert date*] made between [*give the names of the parties to the contract*] relating to [*give the details of the property to which the contract related*].

[ ] The disposition was made in the exercise of a power of sale or leasing conferred on the proprietor of a registered charge or a receiver appointed by such a proprietor, being a charge dated [*insert the date of the charge*] made between [*provide the parties to the charge*] and registered on [*provide the date of registration of the charge*].

[ ] The Secretary of State has given consent under paragraph 5 of Schedule 4A to the Land Registration Act 2002 to the registration of the disposition, by a consent dated [*insert date*].

[ ] The disposition has been made by an insolvency practitioner and in circumstances both specified in [*insert the title of the regulations made under paragraph 3(3) of Schedule 4A to the Land Registration Act 2002 and the specific provision relating to the circumstances*].

Signature.....

Name .....

Status.....

*A certificate by an individually regulated conveyancer must be signed in their own name and their status given (e.g. solicitor, licensed conveyancer, CILEX Conveyancing Practitioner).*

*Any other employee of a conveyancer must sign in their employer's name but must state their own name and their status (e.g. secretary, paralegal) as well as providing their employer's name.*

Firm.....

Date .....

## PART 2

### Certificate OE2

#### Certificate to support an application to register a disposition of a qualifying estate

- (a) by an overseas entity which became entitled to be registered as proprietor of that estate on or after 5 September 2022 (but was not so registered), or  
(b) where the application includes a disposition made by an overseas entity which became entitled to be registered as proprietor of that estate on or after 5 September 2022 (but was not so registered).

*Note – a separate certificate is required for each disposition by an overseas entity.*

Title number(s) .....

I/We ..... of ..... certify that the following provision under paragraph 4(2) of Schedule 4A to the Land Registration Act 2002 applies to the [*specify transfer, lease or charge*] ('the disposition') dated [*insert the date of the disposition*] made by [*insert the name of the overseas entity*] ('the overseas entity') to [*insert the name of transferee, lessee or chargee*]:

[*Select the relevant provision below. You may delete the words in italics and the provisions that do not apply.*]

The disposition: [*select and complete the relevant statement*]

- was made in pursuance of a statutory obligation under [*specify the statutory provision under which the obligation arose*].
- was made in pursuance of an order of the [*specify which court*] court dated [*specify the date of the court order*], case number [*provide the proceedings number*].
- occurred by operation of law on the basis that [*explain how operation of law arose giving any relevant legislative provision*].

The disposition was made in pursuance of a contract made before the overseas entity became entitled to be registered, being a contract dated [*insert date*] made between [*give the names of the parties to the contract*] relating to [*give the details of the property to which the contract related*], and that the overseas entity became entitled to be registered on [*insert date*].

The disposition was made in the exercise of a power of sale or leasing conferred on the proprietor of a registered charge or a receiver appointed by such a proprietor, being a charge dated [*insert the date of the charge*] made between [*provide the parties to the charge*] and registered on [*provide the date of registration of the charge*].

The Secretary of State has given consent under paragraph 5 of Schedule 4A to the Land Registration Act 2002 to the registration of the disposition, by a consent dated [*insert date*].

The disposition has been made by an insolvency practitioner and in circumstances both specified in [*insert the title of the regulations made under paragraph 3(3) of Schedule 4A to the Land Registration Act 2002 and the specific provision relating to the circumstances*].

Signature.....

Name .....

Status.....

Firm.....

Date .....

*A certificate by an individually regulated conveyancer must be signed in their own name and their status given (e.g. solicitor, licensed conveyancer, CILEX Conveyancing Practitioner).*

*Any other employee of a conveyancer must sign in their employer's name but must state their own name and their status (e.g. secretary, paralegal) as well as providing their employer's name.*