

Register of Beneficial Owners and other legal entities in the Cyprus Registrar of Companies



PKE Consultants Limited

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Article 30 of the 4th European Directive (EU) 2015/849 on the prevention of the use of the financial system for the purpose of money laundering or terrorist financing requires all Member States of the European Union to incorporate provisions in their national law concerning information on the beneficial owner of corporate and other legal entities.

Based on the 4th European Directive (EU) 2015/849, Article 3 (6), "beneficial owner" means any natural person or persons ultimately owning or controlling the client and/or the natural person(s) on whose behalf a transaction or activity is carried out and shall include at least:

A. As regards to companies:

- i. The natural person or persons ultimately owning or controlling a legal entity, having the ownership, directly or indirectly, of a sufficient proportion of the shares or of the voting rights or ownership interest of that entity, inter alia, through bearer shares or by control by other means, other than a listed company on a regulated market which is subject to disclosure requirements under Union law or to equivalent international standards which ensure adequate transparency of the information on the beneficial owner.
 - Participation of 25% plus a share or ownership right exceeding in 25% the client held by a natural person is an indication of direct ownership.
 - Participation of 25% plus a share or ownership right exceeding 25% in the client held by a company under the control of a natural person or persons or by several companies, which are under the control of the same natural person or persons, is an indication of indirect ownership.

* This applies without prejudice to the right of Member States to decide that a smaller percentage may be an indication of ownership or control. Control by other means can be verified, inter alia, based on the criteria set out in Article 22, sections (1) to (5) of Directive 2013/34/ EU of the European Parliament and of the Council (3),

- ii. if, after all possible means have been exhausted and provided that there are no reasonable grounds for suspicions, no person is identified under point (i) or if there is any doubt that the person or persons identified is or are the beneficial owner (s), the natural person (s) who hold a position or positions of senior management; the responsible entities keep records of the actions undertaken to determine the beneficial owner under point (i) and this point;



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The amendment to the Law on the Prevention and Suppression of Money Laundering Activities Law 2007 (Law 188(I)/ 2007) resulted from Directive 2015/849 of 2015. The law was passed in April 2018 (Amendment) Law of 2018 (Law 13(I)/2018) and includes a new provision (Article 61A of Law 188(I)/2007) for the establishment and maintenance of a register of beneficial owners of corporate and other legal entities.

There followed the 5th European Directive (EU) 2018/843 of the European Parliament and of the Council amending Directive (EU) 2015/849 on the prevention of the use of financial system for the purpose of money laundering or terrorist financing and amending Directives 2009/138/EC and 2013/36/EU.

In light of the need to urgently implement measures seeking to strengthen the Union's established regime for the prevention of money laundering and terrorist financing and having regard to the commitments undertaken by the Member States for the swift incorporation of Directive (EU) 2015/849 into national law, the amendments to Directive (EU) 2015/849 should be incorporated in to national law by January 10, 2020. Member States should set up registries of beneficial owners for corporate and other legal entities by January 10, 2020. The central registers should be interconnected through the European Central Platform by March 10, 2021 (BRIS).

As a result of the foregoing, the Department of Registrar of Companies and Official Receiver will proceed with the creation and maintenance of the register of corporate and other legal entities.

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PKE Consultants Limited

10 Adamantiou Korai,
2321 Nicosia,
Cyprus

Phone

+357 22 102019

Fax

+357 22 102019

E-mail

info@pkeconsultants.com.cy

Find us at:

www.pkeconsultants.com.cy

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