



## Ultimate Beneficial Owner (UBO) Registry

On 18 February 2021, with the transposition of the 5<sup>th</sup> Anti-Money Laundering (AML) EU Directive into local legislation, the Cypriot Parliament took a big step for the fight against money laundering and terrorist financing.

The way we conduct business has changed a lot over the last few decades. International business and cross-border arrangements have evolved so rapidly that it feels overwhelming at times, especially with all the new regulatory and reporting requirements. Despite this, these new legislations are driving everyone towards the right direction. The UBO registry is one of these legislations.

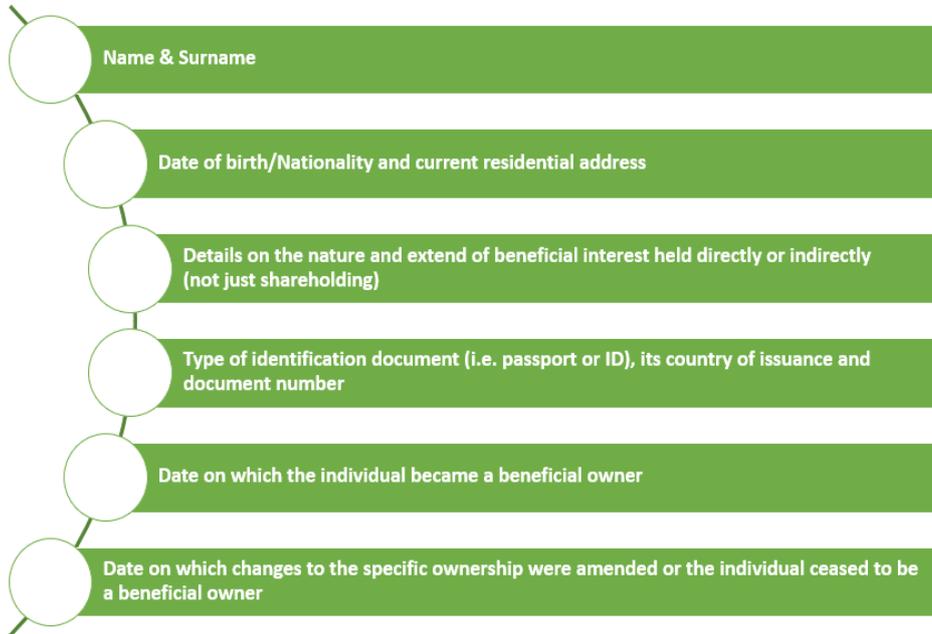
In early 2021, the Cyprus government transposed [the 5th Anti-Money Laundering EU Directive](#) into Cyprus legislation. According to the [legislation<sup>1</sup>](#), companies and other legal entities incorporated in the Republic of Cyprus have an obligation to register their beneficial owners in a national centralised register and they have until 12 March 2022 to proceed with the reporting requirements.

The Cyprus legislation on UBO registry is another step towards prevention of abusive practices of the use of corporate vehicles for the purposes of money laundering or terrorist financing.

1. The legislation has been published in the Official Gazette of the Republic on 23 February 2021 and came into force on the same date.

## Legislation requirements

According to the legislation, any individual holding directly or indirectly 25% plus one share (although there are other parameters to consider) should have his personal details in the national centralised register. Specifically, the following information should be included:



In the case where the beneficial owner is identified as a Trust, Foundation, other similar legal entity or listed company, the information to be submitted is the following:



In case no natural person is identified as a beneficial owner or there is doubt, the details of the senior management should be disclosed with relevant information.

New entities registered after 12 March 2021 have 30 days from the day of their registration to file the information mentioned above electronically and in the case of change of the beneficial owner or their information, the national centralised register should be updated with the relevant information within a period of 14 days.

The reportable entities should validate electronically their beneficial owner information in the registry on an annual basis (each December).

However not all entities have an obligation to report. The exempt entities are:

- Companies listed on a regulated market that is subject to disclosure requirements consistent with EU legislation;
- Companies whose directors have filed an application to strike off the company prior to 12.03.2021;
- Companies whose liquidation has been enacted prior to 12.03.2021;
- Overseas companies (Branches).

During the probation period up to 12 March 2022 access to the registry will be granted only to Competent Supervisory Authorities, the Financial Intelligence Unit (FIU), the Customs Department, the Tax Department and the Police, without any restriction and upon submitting a written request to the Registrar of Companies.



### What your next steps should be



Review your structures and the documents to be submitted on behalf of the beneficial owners



Register the company with Ariadni Government Gateway portal



Submit all relevant information in due course

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