

O.G. Sch. III (I)
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**THE PREVENTION AND SUPPRESSION OF MONEY LAUNDERING AND TERRORIST
 FINANCING LAWS OF 2007 TO 2021**

DIRECTIVE UNDER SECTION 61A

Directive on the register of beneficial owners of corporate and other legal entities

188 (I) / 2007 The Registrar of Companies and Official Receiver, in exercise of the powers vested
 58 (I) / 2010 in him by section 61A of the Prevention and Suppression of Money Laundering Law
 80 (I) / 2012 and for the purposes of harmonization with the European Union Directive entitled:
 192 (I) / 2012
 101 (I) / 2013
 184 (I) / 2014 "DIRECTIVE (EU) 2018/843 OF THE EUROPEAN PARLIAMENT AND OF THE
 18 (I) / 2016 COUNCIL of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the
 13 (I) / 2018 use of the financial system for the purposes of money laundering or terrorist financing, and
 158 (I) / 2018 amending Directives 2009/138/EC and 2013/36/EU "
 81 (I) / 2019
 13 (I) / 2021.

hereby issues the following Directive:

Official Journal of
 the EU: L 156,
 19.6.2018, p.43.

PART I PRELIMINARY PROVISIONS

- Citation.** 1. This Directive may be cited as the Directive on the Prevention and Suppression of Money Laundering (Register of Beneficial Owners of Corporate and other Legal Entities) of 2021.
- Interpretation.** 2. (1) In this Directive, unless the context otherwise requires - "ARIADNE" means the Government Internet Security Gateway operated by the Deputy Ministry of Research, Innovation and Digital Policy of the Republic of Cyprus as an electronic platform through which electronic services are provided to citizens and businesses;
- "Other legal entity" means a legal entity registered with the Registrar of Companies;
- "Official" in relation to a legal person includes a director, managing director or secretary;
- "Law enforcement authorities" means the Cyprus Police, the Customs Department and the Taxation Department;
- "Supervisory Authorities" has the meaning assigned to this term by Section 2 of the Law;
- "Company" means a limited liability company with shares or a limited liability

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company with a guarantee or a European Public Limited Liability Company incorporated or registered in accordance with the Companies Law;

9/1968

"Registrar of Companies" means the Registrar of Companies and Official Receiver and includes any other person appointed by the Council of Ministers to exercise all or any of the powers and perform all or any of the duties of the Registrar of Companies;

76/1977

17/1979

105/1985

198/1986

19/1990

"electronic means" means that the initial dispatch and receipt of data at its destination is carried out by means of electronic equipment used for the processing (including digital compression) and storage of data, and that the data is transmitted, conveyed and received by wire or wireless means or by optical means or by other electromagnetic means."

46 (I) / 1992

96 (I) / 1992

41 (I) / 1994

15 (I) / 1995

21 (I) / 1997

"Member of the general public" means any legal or natural person who is not a Supervisory Authority, a Law Enforcement Authority, a Unit or an Obligated Entity;

"Unit" shall have the meaning assigned to this term by section 2 of the Law;

"Regulation (EU) 2016/679" shall have the meaning assigned to this term by Section 2 of the Law;

"Register of Beneficial Owners of Corporate and Other Legal Entities" means the Register of Beneficial Owners of Corporate and Other Legal Entities provided for in Section 61A (4) of the Law .

"Law" means the Prevention and Suppression of Money Laundering Law;

ANNOUN. 2331

"EU Directive" shall have the meaning assigned to this term by section 2 of the Law;

82 (I) / 1999

149 (I) / 1999

2 (I) / 2000

"beneficial owner" shall have the meaning assigned to this term by Section 2 of the Law;

135 (I) / 2000

151 (I) / 2000

"Obligated entity" shall have the meaning assigned to this term by Section 2 of the Law.

76 (I) / 2001

70 (I) / 2003

167 (I) / 2003

92 (I) / 2004

24 (I) / 2005

129 (I) / 2005

130 (I) / 2005

98 (I) / 2006

124 (I) / 2006

70 (I) / 2007

71 (I) / 2007

131 (I) / 2007

186 (I) / 2007

87 (I) / 2008

41 (I) / 2009

49 (I) / 2009

99 (I) / 2009

42 (I) / 2010

(2) Any other terms used in this Directive and which are not interpreted otherwise therein, shall have the meaning assigned to them by the Law.

60 (I) / 2010
 88 (I) / 2010
 53 (I) / 2011
 117 (I) / 2011
 145 (I) / 2011
 157 (I) / 2011
 198 (I) / 2011
 64 (I) / 2012
 98 (I) / 2012
 190 (I) / 2012
 203 (I) / 2012
 6 (I) / 2013
 90 (I) / 2013
 74 (I) / 2014
 75 (I) / 2014
 18 (I) / 2015
 62 (I) / 2015
 63 (I) / 2015
 89 (I) / 2015
 120 (I) / 2015
 40 (I) / 2016
 90 (I) / 2016
 97 (I) / 2016
 17 (I) / 2017
 33 (I) / 2017
 51 (I) / 2017
 37 (I) / 2018
 83 (I) / 2018
 149 (I) / 2018
 163 (I) / 2019
 38 (I) / 2020
 43 (I) / 2020
 Official Journal of
 the EU: L 119,
 4.5.2016, p. 1.

Exceptions to the
 scope of the
 Directive.

3. This Directive shall not apply to a corporate or other legal entity -

(a) listed on a regulated market subject to disclosure requirements under European Union law; or

(b) subject to equivalent international standards which ensure adequate transparency of proprietary information; or

(c) for which, prior to the date of commencement of this Directive, an application by its directors has been submitted to the Registrar of Companies to strike it off, pursuant to Section 327 (2A) (a) of the Companies Law, or

(d) the liquidation of which has begun before the date of commencement of this Directive.

PART II - OBLIGATIONS TO OBTAIN AND KEEP INFORMATION ABOUT THE BENEFICIAL OWNERS

Obtaining and keeping information about beneficial owners from corporate and other legal entities.

125 (I) of 2018.

4. (1) Subject to the provisions on the Protection of Natural Persons Against the Processing of Personal Data and the Free Movement of such Data as well as Regulation (EU) 2016/679 applicable to this Directive, each corporate and other legal entity and each of its officials shall take all reasonable steps to obtain and maintain adequate, accurate and up-to-date information regarding the beneficial owners of the corporate and another legal entity, including:

(a) the name, surname, date of birth, nationality and place of residence of each of its beneficial owners;

(b) the nature and extent of the final ownership status held directly or indirectly by each beneficial owner, including through a percentage of shares, voting rights or significant personal influence, or the type and extent of ultimate control exercised directly or indirectly by each beneficial owner;

(c) the identity document number of the natural person, the type of document and the country of issuance of the document;

(d) the date on which the natural person became the beneficial owner; and

(e) the date on which the details of the natural person changed or on which he ceased to be the beneficial owner:

Provided that where after exhausting all possible means and provided that there are no reasonable suspicions, no natural person is identified as the beneficial owner or if there is a doubt whether the person identified is indeed the beneficial owner, the details under (a) to (e) above of the natural person who holds the position of senior management executive shall be acquired and kept by the corporate and other legal entity.

(2) The information referred to in subparagraph (1) shall be recorded, maintained, stored and updated by the corporate and other legal entity and its officials at the registered office of the corporate or other legal entity.

(3) Notwithstanding the criminal liability or prosecution of any person, in the event of failure to comply with any of the obligations referred to in subparagraphs (1) or (2), the corporate or other legal entity and each of its officials shall be subject to a fine of two hundred Euros (€ 200) and a further fine of one hundred Euros (€ 100) for each day of continuation of the violation with a maximum charge of twenty thousand Euros (€20,000):

Provided that an official of a corporate or other legal entity shall not be subject to a

fine if he had exercised due diligence to comply with the provisions of this paragraph and the violation is not due to any act or omission or negligence on his part.

Notice to any natural person who is considered to be the beneficial owner.

5. (1) The corporate or other legal entity shall send notice to any natural person who it has reasonable grounds to believe to be the beneficial owner.

(2) The notice referred to in subparagraph (1) shall be in writing, signed by an official of the corporate or other legal entity and sent to any natural person for whom there are reasonable grounds to believe that he is the beneficial owner, who is required to-

(a) state whether or not he is the beneficial owner of the corporate or other legal entity; and

(b) if he is, provide in writing or update the information referred to in paragraph 4 (1).

(3) A notice under this paragraph shall state that:

(a) It is provided under the Directive on the Prevention and Suppression of Money Laundering (Register of Beneficial Owners of Corporate and Other Legal Entities), and

(b) It shall invite the recipient to comply with the notice no later than within fifteen (15) days from the date of the notice.

(4) A corporate or other legal entity shall not be required to send a notice under this paragraph if -

(a) the corporate and other entity has been informed of the status of a natural person as beneficial owner and has been provided with all the information referred to in paragraph 4 (1); or

(b) the information and details have already been provided to the corporate and another legal entity either by a member of the company or by such natural person or by any other person.

(5) Any natural person who receives a notice under this paragraph, must comply no later than within fifteen (15) days from the date of the notice.

Obligation of beneficial owners to notify changes

6. (1) This paragraph shall apply where -

(a) a natural person is listed as the beneficial owner of a corporate or other legal entity;

(b) a change is made in the sense that the natural person ceases to be the beneficial owner of a corporate or other legal entity or another change occurs as a result of which the information about beneficial owners held by the corporate or another legal entity in relation to the natural person pursuant to paragraph 4 (1) is incorrect or incomplete or has not been amended to reflect the change,

(c) the natural person is aware of the change or should reasonably be aware of it, and

(d) the natural person has not been notified by the corporate or other legal entity under

paragraph 5 by the end of the fifteen (15) day period beginning on the day on which the change took place.

(2) Any natural person to whom this paragraph applies shall notify the corporate or other legal entity in writing of the change, and the notice shall:

(a) indicate the date on which the change took place; and

(b) provide the relevant corporate or other legal entity with any necessary information so that it can correct the information about beneficial owners held by the corporate or other legal entity under paragraph 4 (1) to reflect this change.

(3) Subparagraph (2) shall be observed by the natural person no later than any of the following periods being the last to expire -

(a) within fifteen (15) days from the date on which the change was made; or

(b) within fifteen (15) days from the day on which the events were notified to the natural person from which he could reasonably conclude that the relevant change had taken place.

PART III - ESTABLISHMENT AND MAINTENANCE OF A CENTRAL REGISTER OF BENEFICIAL OWNER OF CORPORATE AND OTHER LEGAL ENTITIES

Register of
Beneficial Owners
of Corporate and
Other Legal Entities.
125 (I) of 2018.

7. Subject to the provisions of the Law on the Protection of Natural Persons against the Processing of Personal Data and the Free Movement of such Data as well as Regulation (EU) 2016/679 applicable to this Directive, the Registrar of Companies shall establish, maintain and publish exclusively in electronic form, a Register of Beneficial Owners of Corporate and Other Legal Entities in which information about the beneficial owners of corporate and other legal entities shall be kept.

Submission of data
of corporate or other
legal entities that
were incorporated or
registered before the
commencement of
the Directive.

8. (1) Any corporate or other legal entity that was incorporated or registered before the commencement of this Directive and each of its officials must, no later than within six (6) months from the date of commencement of this Directive, submit to the Registrar of Companies by way of the electronic means referred to in paragraph 17, the information referred to in paragraph 4 (1) regarding the beneficial owners of the corporate or other legal entity.

Submission of data
of corporate or other
legal entities that are
incorporated or
registered after the
commencement of
the Directive.

9. (1) A corporate or other legal entity established or registered after the commencement of this Directive and each of its officials must, no later than within thirty (30) days from the date of its incorporation or registration, submit to the Registrar of Companies by way of the electronic means referred to in paragraph 17, the information referred to in paragraph 4 (1) regarding the beneficial owners of the corporate or other legal entity.

Obligation to notify changes and update information.	<p>10. (1) A corporate or other legal entity and each of its officials must submit to the Registrar of Companies, any changes in the information of its beneficial owners contained in the Register of Beneficial Owners of Corporate and Other Legal Entities, in accordance with the provisions of this paragraph.</p> <p>(2) No later than within fourteen (14) days from the date of becoming aware of the change in the information of beneficial owners contained in the Register of Beneficial Owners of Corporate and Other Legal Entities, the corporate or other legal entity and each of its officials must register the changes in the information about its beneficial owners by way of the electronic means referred to in paragraph 17.</p> <p>(3) A corporate or other legal entity and each of its officials must, during the period from the 1st to the 31st of December of each year, confirm to the Registrar of Companies, the information concerning the beneficial owners of the corporate or other legal entity listed in the Register of Beneficial Owners of Corporate and Other Legal Entities, by electronic means.</p>
Liability and fine	<p>11. (1) The corporate or other legal entity and each of its officials shall be responsible for the true and correct submission of the information regarding the beneficial owners of corporate and other legal entities referred to in paragraphs 8, 9 and 10 above.</p> <p>(2) Notwithstanding the criminal liability or prosecution of any person, where there is a failure to comply with the reporting obligations about the beneficial owners of corporate and other legal entities referred to in paragraphs 8, 9 and 10 above, the corporate or other legal entity and each of its officials shall be liable to a fine of two hundred Euros (€ 200) and a further fine of one hundred Euros (€ 100) for each day of continuation of the violation with a maximum total fine of twenty thousand Euros (€ 20,000):</p> <p>Provided that an official of a corporate or other legal entity shall not be subject to a fine if he had exercised due diligence to comply with the provisions of this paragraph and the violation is not due to any act or omission or negligence on his part.</p>
Access to the information kept in the Register of Beneficial Owners of Corporate and Other Legal Entities. 125 (I) of 2018.	<p>12. (1) Subject to the provisions of the Law, this Directive and the Law on the Protection of Natural Persons against the Processing of Personal Data and the Free Movement of such Data as well as Regulation (EU) 2016/679 that apply with regard to this Directive:</p> <p>(a) the persons referred to in section 61A (6) (a) (i) of the Law shall have an expedient and unrestricted electronic access to the information about the beneficial owners of corporate and other legal entities kept in the Register of Beneficial Owners of Corporate and Other Legal Entities without paying a fee and without notifying the company or other legal entity,</p> <p>(b) an obliged entity shall have expedient access by electronic means only to the name, month and year of birth, nationality and country of residence of the beneficial owner, as well as to the type and extent of the rights he holds, in the context of the measures taken for due diligence and identification of the client, subject to the prior electronic registration thereof, determined by a directive issued by the Registrar of Companies, and the payment of a fee of three Euros and fifty cents (€ 3.50) per corporate or other legal entity,</p>

(c) any member of the general public shall have access by electronic means only to the name, month and year of birth, nationality and country of residence of the beneficial owner, as well as to the type and extent of the rights he holds, subject to the prior electronic registration thereof, which is determined by a directive issued by the Registrar of Companies, and the payment of a fee of three Euros and fifty cents (€ 3.50) per corporate or other legal entity.

(2) If the beneficial owner of a corporate or other legal entity is a minor, the access of an obliged entity or a member of the general public to the information held by the Registrar of Companies in the Register of Beneficial Owners of Corporate and Other Legal Entities shall be subject to the submission of a request in writing of the obliged entity or member of the general public. The Registrar of Companies shall thoroughly assess the written request and the circumstances of the case and may ask questions, request clarifications and additional information from any person and take into account any of the following, to make a decision:

(a) whether the request is duly substantiated and supported by evidence;

(b) whether a court order has been issued authorizing the disclosure of the information.

(3) In case of approval or rejection of a request for access of an obliged entity or member of the general public to the information concerning a minor, the Registrar of Companies shall send to the applicant, within thirty (30) days from the date of his decision, a written notification, which includes the reasoning of the decision and mentions the right of the applicant to challenge any rejection decision by way of a recourse under Article 146 of the Constitution.

(4) The exception provided for in subparagraph (2) shall not apply to credit and financial institutions.

Exceptions to information disclosure.

13. (1) In exceptional cases, the beneficial owner of a corporate or other legal entity or the corporate or other legal entity itself, provided that it has the consent of the beneficial owner or its custodian, where the beneficial owner is otherwise legally incompetent, may, upon a written request to the Registrar of Companies, request an exception from the access of an obliged entity or member of the general public to all or part of the information about the beneficial owner on the grounds that if access to such information is permitted, the beneficial owner may be exposed to a disproportionate risk of deceit, abduction, blackmailing, extortion, harassment, violence or intimidation or that the beneficial owner is otherwise legally incompetent.

(2) When considering a written request for exception of access to information about a beneficial owner of a corporate or other legal entity, the Registrar of Companies shall thoroughly assess the circumstances of the case, may ask questions, request clarifications and additional information from any person and take into account any of the following, as the case may be, to make a decision:

(a) whether the request is duly substantiated and supported by evidence;

(b) the exceptional nature of the circumstances;

(c) whether a court order has been issued authorizing the disclosure of the information:

Provided that until the examination of a written request for exception of access to information about a beneficial owner of a corporate or other legal entity is completed and subject to the provisions of subsection (4), the Registrar of Companies shall not permit the access of an obliged entity or member of the general public to the entire or part of the information about the beneficial owner concerned.

(3) The Registrar of Companies may, by its decision, approve or reject a request for exception of access of an obliged entity or member of the general public to information about a beneficial owner of a corporate and other legal entity or not grant access to an obliged entity or member of the general public to a part of the information in relation to the beneficial owner of a corporate or other legal entity contained in the Register of Beneficial Owners of Corporate and Other Legal Entities.

(4) The Registrar of Companies shall send to the applicant, within thirty (30) days from the date of his decision, a written notification, which shall include the reasoning of the decision and mention the applicant's right to challenge any rejection decision by way of recourse under Article 146 of the Constitution:

Provided that no decision, Order or notification of the Registrar regarding a request for exception, shall become enforceable before the expiration of seventy-five (75) days from its notification to the applicant, or while the said decision is subject to a recourse, under Article 146 of the Constitution.

(5) The exceptions provided for in subparagraph (1) shall not apply to credit and financial institutions.

Strike off the
Register of
Beneficial Owners
of Corporate and
Other Legal Entities.

14. The information referred to in paragraph 4 (1) shall be made available through the Register of Beneficial Owners of Corporate and Other Legal Entities and through the matrix interconnection system for a period of up to ten (10) years from the date of strike off of the corporate or other legal entity from a relevant register kept by the Registrar of Companies pursuant to the Companies Law or any other legislation:

Provided that after the lapse of five (5) years from the strike off of the corporate or other legal entity from the respective register, the keeping of the information referred to in paragraph 4 (1) in the Register of Beneficial Owners of Corporate and Other Legal Entities and access to such information shall only be allowed in the context of conducting an administrative or criminal investigation, in application of the provisions of the Law, by the Supervisory Authorities, the Unit and the Law Enforcement Authorities:

It is further provided that in case of reinstatement of the name of the corporate or other legal entity in the relevant register kept by the Registrar of Companies pursuant to the Companies Law or any other legislation, the reporting obligations about the beneficial owners and the other provisions of this Directive shall apply.

Reporting and resolving discrepancies.

15. (1) If an authority referred to in section 61A (6) (a) (i) of the Law becomes aware of a discrepancy between the information in the Register of Beneficial Owners of Corporate and Other Legal Entities and the information about the beneficial owners it holds, then the authority, if it deems that reporting is expedient and where such reporting will not unjustifiably interfere in its tasks, it must submit a discrepancy report to the Registrar of Companies, as soon as possible by electronic means, reporting and describing the information regarding which there is a discrepancy, based on the data available to it. The authority must attach documents or other evidence at the same time, to substantiate the discrepancy.

(2) If an obliged entity referred to in section 61A (6) (a) (ii) of the Law becomes aware of a discrepancy between the information in the Register of Beneficial Owners of Corporate and Other Legal Entities and the information of beneficial owners it holds, it must submit a discrepancy report to the Registrar of Companies, no later than within thirty (30) days from the day it became aware of the discrepancy, by electronic means, stating the information regarding which there is a discrepancy, based on the data available to the obliged entity. The obliged entity must attach documents or evidence to substantiate the discrepancy.

(3) Upon receipt of the discrepancy report, the Registrar of Companies shall examine the discrepancy and if it is deemed expedient, he shall electronically enter a relevant reference in the Register of Beneficial Owners of Corporate and Other Legal Entities and send a written notice to the corporate or other legal entity -

(a) stating that the aforementioned discrepancy report has been received, and

(b) determining the details in respect of which the discrepancy exists, and requesting the corporate or other legal entity and each of its officials to submit within thirty (30) days, a written statement containing a reasoned reply of the corporate or other legal entity whether the discrepancy is valid and if it is indeed valid, the amended information for registration by electronic means in the Register of Beneficial Owners of Corporate and Other Legal Entities required to resolve the discrepancy.

(4) Notwithstanding the criminal liability or prosecution of any person, where a corporate or other legal entity fails to comply with the notice referred to in subparagraph (3), the corporate or other legal entity and each of its officials shall be liable to a fine of two hundred Euros (€ 200) and a further fine of one hundred Euros (€ 100) for each day of continuation of the violation with a maximum fine of twenty thousand Euros (€ 20,000):

Provided that an official of a corporate or other legal entity shall not be subject to a fine if he had exercised due diligence to comply with the provisions of this paragraph and the violation is not due to any act or omission or negligence on his part.

Incomplete entries.

16. (1) The Registrar of Companies may reject any entry of information made electronically in the Register of Beneficial Owners of Corporate and Other Legal Entities, which is incomplete or does not comply with the laws and regulations in force.

(2) In case of rejection of entry of information in the Register of Beneficial Owners of Corporate and Other Legal Entities by the Registrar of Companies for one of the

reasons referred to in subsection (1), the Registrar of Companies may request in writing from the company or any other legal entity and any its officials to supplement, amend or correct the information by electronic means or to enter the required supporting documents in electronic form.

(3) The corporate or other legal entity and each of its officials must comply within a period of fifteen (15) days from the date of issuance of the request of the Registrar.

(4) Notwithstanding the criminal liability or prosecution of any person, where a corporate or other legal entity fails to comply with the notice referred to in subparagraph (3), the corporate or other legal entity and each of its officials shall be liable to a fine of two hundred Euros (€ 200) and a further fine of one hundred Euros (€ 100) for each day of continuation of the violation with a maximum fine of twenty thousand Euros (€ 20,000):

Provided that an official of a corporate or other legal entity shall not be subject to a fine if he had exercised due diligence to comply with the provisions of this paragraph and the violation is not due to any act or omission or negligence on his part.

Registration of data and access by electronic means in the Register of Beneficial Owners of Corporate and Other Legal Entities.

PART IV - FINAL PROVISIONS

17. (1) Subject to the provisions of this Directive, the registration and access to information and data which have been registered in the Register of Beneficial Owners of Corporate and Other Legal Entities shall be made upon request submitted exclusively by electronic means.

(2) A corporate or other legal entity, as well as any of its officials, must take all appropriate measures and obtain passwords through ARIADNE, in order to be allowed access to the electronic registration system of beneficial owners of corporate and other legal entities.

(3) The Registrar of Companies may issue Directives to determine the details in relation to the way of submission and update of information in the Register of Beneficial Owners of Corporate and other legal entities, the electronic registration of a person to access and search the registry of beneficial owners of corporate and other legal entities and the interconnection of the Register of Beneficial Owners of Corporate and other legal entities with other central registers through of the Member States, through the European Central Platform.

Interconnection of the Register of Beneficial Owners of Corporate and other legal entities.

18. (1) The Register of Beneficial Owners of Corporate and other Legal Entities shall be interconnected through the European Central Platform established under the provisions of Directive 2017/1132.

(2) Subject to the provisions of this Directive, information concerning the beneficial owners of corporate and other legal entities kept in the Register of Beneficial Owners of Corporate and other Legal Entities shall be available and accessible through the register interconnection system referred to in subparagraph (1).

Official Journal of the EU: L 169, 30.6.2017, p. 46.

Commencement

19. This Directive shall enter into force upon its publication in the Official Gazette of the Republic.