



BENEFICIAL OWNERSHIP REGISTER

AUGUST 2017

Guernsey's [Beneficial Ownership law](#) comes into effect today, **15 August 2017**. These should be read in conjunction with [the Beneficial Ownership \(Definition\) Regulations, 2017](#).

Some dates to bear in mind:

- All companies formed before **15 August 2017** must complete their registers by **28 February 2018**.
- All new companies, LLPs and foundations registered from **15 August 2017** must provide their beneficial ownership information at the time of incorporation.
- All LLPs and foundations formed before **15 August 2017** have until **31 October 2017** to complete their registers.
- Resident agents will be able to file beneficial ownership submissions for all entities from **15 August 2017**.
- Companies will need to have completed their beneficial ownership registers by the time of submission of their annual validations in 2018, which happily coincides with the deadline for compliance by companies (see above).

Key points to note:

1. The threshold for disclosure is a shareholding of **more than 25%** of the shares or voting rights in the entity.
2. A person with a right to appoint or remove the majority of directors will be treated as a disclosable beneficial owner even if the threshold is not met.
3. Direct and indirect ownership and control will be captured. As one would expect, the test is a look-through test.
4. Joint holders of shares meeting the threshold will each be treated as a disclosable beneficial owner.
5. If a trust owns more than 25% of the shares or voting rights in an entity, the trustee will be the beneficial owner. If the trustee is itself a Guernsey registered corporate trustee, the relevant information on the trustee will already be on its own beneficial ownership register, hence no other information (for example its own owners or controllers) needs to be disclosed. Others who may be treated as beneficial owners where a trust is involved include:
 - (a) beneficiaries of a fixed trust (as opposed to a discretionary trust);
 - (b) a protector if he or she has positive powers in relation to the trust.
6. If a Guernsey entity is owned or controlled by:
 - (a) a company listed on any recognised stock exchange and subject to disclosure requirements which enable its beneficial owners to be identified; or
 - (b) a States-owned trading entity; or
 - (c) a company which is itself subject to disclosure requirements

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known as a "corporate beneficial owner", there is no need to provide ownership information on the corporate beneficial owner. The Regulations set out a list of recognised stock exchanges which currently includes TISE and AIM.

Detailed guidance notes (complete with structure diagrams) on the meaning of "beneficial ownership" have been published by the Guernsey Companies Registry [here](#).

For a summary of how CSPs and other persons may be affected by this new law, [please refer to our note published earlier this month](#).

FOR MORE INFORMATION PLEASE CONTACT:



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