

The Trusts UBO Registry Cyprus



Directive for the beneficial ownership register of express trusts and similar legal arrangements

On the 18th June 2021, the Cyprus Securities and Exchange Commission (“CySec”), being the competent independent authority for maintaining and operating the Trusts UBO Registry as required by the transposition of the 5th Anti – Money Laundering Directive (“5AMLD”) announced the issuance of its Directive for the prevention and suppression of money laundering and terrorist financing (beneficial ownership register of express trusts and similar legal arrangements).

The Directive provides information and guidance regarding the registration of express trusts and similar legal arrangements in CySEC’s Beneficial Ownership Register.

The Directive and Regulations are applicable as from the date of publication in the Official Government Gazette, being the 18th June 2021.

It is advised that all professionals who administer, manage Cyprus International Trusts, and are appointed as trustees to proceed with all necessary actions to begin submitting the required information as per the 5AMLD with the Registry.

A. Submission of Basic Information

1. Basic information to be submitted for registration of a **trust is:**

- The name of the trust
- Jurisdiction of incorporation and /or establishment
- Governing law
- Date of termination (if any)
- Information on the residency of the trustee (or other equivalent person) and residential address

- In the case where a trustee (or other equivalent person) is established or resides outside the European Union and enters into a business relationship on behalf of an express trust or other similar legal arrangement in the Republic, the date of commencement of the business relationship, the name of the person with which the business relationship has been established, and the agreement governing the business relationship
 - In case where a trustee (or other equivalent person) is established or resides outside the European Union and acquires real estate on behalf and in the name of an express trust or other similar legal arrangement in the Republic, the registration number and address of the property as well as the title deed of the property and
 - Any other information and / or supporting documents deemed necessary by CySec for identification purposes.
- 2.** Basic information to be submitted for registration of the **ultimate beneficial owner** ("UBO") of the trust is:
- The name and surname of the UBO, including father's name
 - Date and place of birth
 - Nationality (or nationalities)
 - Residential address
 - The number, type and country of issuance of the UBOs identification document
 - Date of death, where applicable
 - The date on which the UBO acquired beneficial ownership
 - The nature and extent of the rights directly held or indirectly by each UBO
 - The UBOs role in the trust or similar legal arrangement
 - Any other information and / or supporting documents deemed necessary by CySec for the purpose of identifying beneficiaries depending on the category of beneficial ownership as defined in the relevant sections of the applicable AML law.

B. Registration Process

(a) New Trusts:

A trustee of an express trust (or other equivalent person having control) who resides in the Republic needs to file an application with CySec with **15 days** from his/her appointment as trustee informing CySec of the particulars aforementioned.

(b) Existing Trusts:

A trustee of an existing trust has 6 months to file the application with CySec via the online system. The 6-month period begins from the date of publication of the Regulations which is the 18 June 2021.

C. Amendments & Changes:

Any amendments or changes to the structure – parties of a trust are to be notified to within 15 days from the date of when the amendment – change came into the trustee’s knowledge.

If the change regards a change to trusteeship, then this obligation is assumed by the new trustee.

D. Fees and Annual Subscriptions

There are fees for the purpose of initial registration and/or annual renewals of trusts according to the amounts set out in the Regulations.

By way of example, a trustee who is appointed in 1-5 trusts shall pay the amount of €250. The fees ascend according to the number of trusts where a trustee is appointed.

Apart from the above registration fee for registration and renewal, no fee is applicable for registration and/or renewal of registration as well as for submission of an application and/or examination of any application and/or regarding notifications regarding a trust and/or for the issuance of certificate of registration or excerpt of information relating to the UBO.

Access to the Register by a trustee for information regarding trusts that have been registered by the trustee is not subject to the payment of any fee or subscription.

E. Fees for Access to Information

1. Obligated Entities:

Obligated entities that wish to obtain information must pay a fee for the total trusts they wish to obtain information via an application and such access if available for a period of 1 month.

By way of example, an amount of €250 is payable for 1-50 trusts and the fee ascends according to the number of trusts for which information is requested.

2. Natural or Legal Persons who Prove Legitimate Interest:

Such persons following an application and if such is approved by CySec, must pay a fee in order to obtain information. By way of example, an amount of €500 is payable for information regarding 1-5 trusts.

F. Access to the Register

(a) Authorised Representatives:

For the purposes of the Regulations, authorised representatives are a trustee who registers with the system, persons to whom access may be granted according to the provisions of the Law. Access is given to such persons.

(b) Obligated Entities:

In order for obliged entities to gain access, the following are required:

- a declaration by the entity stating that the information is required exclusively for the purposes of applying due diligence measures and client identification
- consent from the settlor of the trust for the proposed access
- any other data/information/documentation that CySec deems necessary.

(c) Persons who Prove Legitimate Interest:

Third persons, unconnected to a trust who wish to obtain information, will need to file an application via the online portal with duly evidenced as to why information is requested. Once the application has been examined by CySec and provided that it is approved on the basis that the applicant has, prima facie, proven legitimate interest, CySec informs the trustee of such approval regarding the existence of a legitimate interest and giving the trustee 10 days to present any written submissions. CySec will consider any such written submissions that may

be filed by the trustee and will communicate its final decision to both the application and to the trustee.

(d) Exemptions to Public Disclosure

The Regulations and Law mention the instances where an exemption can be obtained from submitting information upon the approval of CySec provided that an application is submitted, duly evidenced.

For example, where it is proved that access to information would expose the UBO to a disproportionate risk of fraud, abduction, extortion, harassment, violence or intimidation in cases where the UBO is a minor or otherwise legally incompetent or incapacitated.

The above information is at the date of this article, 6th July 2021.

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