



The Implementation of the Trusts UBO Registry in Cyprus

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The Cyprus Securities and Exchange Commission, widely known as CySec, (hereinafter “**CySec**”), constitutes the competent independent authority in Cyprus for the maintenance and operation of the Trusts Ultimate Beneficial Owner (“**UBO**”) Registry which became mandatory for all European Member States through the transposition of the 5th Anti – Money Laundering Directive (“**the 5th AML Directive**”) issued by the European Union. On the basis of this new obligation brought forward by the 5th AML Directive, CySec has announced on 18th of June 2021 the issuance of its Directive (“**the Directive**”) for the prevention and suppression of money laundering and terrorist financing (beneficial ownership register of express trusts and similar legal arrangements).

The Directive and Regulations are applicable as of 18th of June 2021, date on which they were published in the Official Gazette of the Republic of Cyprus and provide information and guidance as to the registration of express trusts and similar legal arrangements in CySec’s Beneficial Ownership Register.

All professionals who administer Cyprus International Trusts and are appointed as trustees shall proceed with submitting the information in the Registry as required by the 5th AML Directive.

Registration of trust – Required information

For the registration of a trust, the basic information that shall be registered include amongst others: the name of the trust, jurisdiction of incorporation and/or establishment, governing law, date of termination (if there is), information as to the residency of the trustee and residential address. In case where the trustee 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 shall be submitted for the purposes of registering the trust. In addition, in case where a trustee 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 shall also be submitted. Finally any other information and/or supporting documentation which may be deemed necessary by CySec for identification purposes shall be submitted.

UBO Registry – Required information

With regards to the registration of the UBO of the trust, the following basic information shall be submitted: the name and surname of the UBO (including father’s name), date and place of birth, nationality (or nationalities in cases of more than one nationality), residential address, number, type and country of issuance of the UBO’s identification document, date of death (where applicable), date on



which the UBO acquired beneficial ownership, nature and extent of the rights directly or indirectly held by each UBO, the role of the UBO in the trust or similar legal arrangement. Finally, any other information and/or supporting documents deemed necessary by CySec for the purpose of identifying beneficial depending on the category of beneficial ownership as defined in the relevant sections of the applicable AML law.

Registration Process

For new Trusts, the trustee of an express trust residing in the Republic needs to file an application with CySec within 15 days from his appointment as trustee providing CySec the particulars mentioned above.

For existing trusts, a trustee has 6 months to file the application with CySec via their online system. The 6 month-period commences from 18th of June 2021 date on which the Regulations were published.

For any amendments or changes to the structure (i.e. parties) of a trust, those shall be notified to CySec within 15 days from the date that the relevant amendments came into the trustee's knowledge.

Fees and Annual Subscriptions

The Regulations set out the fees that have to be paid for the purposes of the initial registration and the annual renewals of trusts.

Access to Information and respective fee

Access to information is granted to authorized representatives, i.e. trustees who register with the system, obliged entities subject to certain requirements and persons who although not connected to a trust, prove legitimate interest.

There is no fee or subscription to be paid for access to the Register by a trustee for information regarding trusts that have been registered by the trustee. Nevertheless, obliged entities wishing to obtain information must pay a fee for the total trusts they wish to obtain information through an application and access is available for a period of 1 month. In addition, natural or legal persons who prove legitimate interest can make an application, and if approved by CySec, must pay a fee to obtain information.

The UBO Registry is for the time being in its primal stages but it will sooner or later become a new reality. Nevertheless, what is expected is the cooperation of all stakeholders who, in order for the UBO Registry to work and become a real asset, all stakeholders shall first become familiar with the Directive and Regulations published on the 18th of June 2021