

Transparency and Beneficial Ownership of Legal Persons

Countries should ensure that:

- > They take measures to prevent the misuse of legal persons for money laundering (ML) or terrorist financing (TF).
- > There is adequate, accurate, current and timely information on the beneficial ownership and control of legal persons that can be obtained or accessed in a timely fashion by competent authorities.
- > They have mechanisms that:
 - (a) identify and describe the different types, forms and basic features of legal persons in the country;
 - (b) identify and describe the processes for: (i) the creation of those legal persons; and (ii) the obtaining and recording of basic and up-to-date beneficial ownership information, including company name, proof

of incorporation, legal form and status, the address of the registered office, basic regulating powers (e.g. memorandum & articles of association), a list of directors and a register of its shareholders or members, containing the names of the shareholders and members and number of shares held by each shareholder and categories of shares (including the nature of the associated voting rights);

(c) make the above information publicly available; and

(d) assess the ML and TF risks associated with different types of legal persons created in the country.

> One or more natural persons or a Designated Non-Financial Business and Profession (DNFBP) resident in the country is authorised by the legal person, who is accountable to competent authorities, for providing all basic

information and up-to-date beneficial ownership information and giving further assistance to such authorities or such comparable measures to ensure cooperation with competent authorities.

- > In particular, where legal persons (1) are able to issue bearer shares or bearer share warrants or (2) allow nominee shareholders or nominee directors, they take effective measures to ensure that such legal persons are not misused for ML or TF.
- > Consideration is taken of measures to facilitate access to beneficial ownership and control information by financial institutions (FIs) and DNFBPs undertaking the requirements set out in Recommendations 10 and 22.