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Newsletter

ULTIMATE BENEFICIAL OWNER'S REGISTER IN THE NETHERLANDS TO ARRIVE

The Netherlands, April 10, 2019

The Netherlands has taken another step to prevent money laundering and terrorist financing by recently adopting legislation that introduces a register of ultimate beneficial owners. The legislation makes it mandatory for legal entities under Netherlands law to obtain and register information on the person(s) who ultimately own or control them (the UBO), or run the risk of an administrative or criminal penalty.

The UBO is the natural person who ultimately owns or controls a corporate or other entity, for example, a person who (a) directly or indirectly owns more than 25% of the shares in a company, (b) directly or indirectly holds more than 25% of the ownership interest of a partnership, (c) is capable of exercising more than 25% of the votes in a decision to amend the articles of association of a foundation, or (d) who effectively controls a business.

The UBO register applies to inter alia BV's, NV's except when listed in a regulated market or a full subsidiary of a listed company, as well as foundations, cooperatives, mutual insurance associations, partnerships and certain associations.

The UBO register will form part of the commercial register as maintained by the Netherlands Chamber of Commerce & Industry. The following information of a UBO will be publicly

available in the UBO register (a) first and last name (b) month and year of birth (c) nationality (d) country of residence (e) nature and extent of the UBO's economic interest. The Dutch Financial Intelligence Unit and the competent authorities will also have access to (a) day, place and country of birth, (b) residential address (c) citizen service number or foreign tax identification number (d) copy of passport (e) documents that prove the nature and extent of the UBO's economic interest.

The register is to come into place in January 2020. New businesses as of such date need to provide the UBO information upon registration in the commercial register. Business that already exist on such date will have 18 months to register their UBO's.

Under certain exceptional circumstances, the UBO can request a restriction to publicly available information, for example where there is a risk of kidnapping or extortion.



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For more information on the UBO register, please contact:



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