



BENEFICIAL OWNERSHIP REGISTER SOLUTION IN THE CZECH REPUBLIC

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Register of beneficial owners (1)

- Functional as of **1 January 2018**
- Independent register, not part of public or commercial register
- Maintained by Register Courts
- **Non-public**

Register of beneficial owners (2)

- Information on beneficial owners of
 1. Registered corporate and other legal entities and
 2. Trusts and similar arrangements

Access to the BO register (1)

- Two types of access:
 1. For anyone (with legitimate interest)
 2. For competent authorities (relevant state agencies, obliged entities according to the AML Act etc.)

Access to the BO register (2)

- **Access to anyone:**
 - **Legitimate interest** in connection with prevention from specific offences need to be demonstrated
 - Only part of the information will be provided

Access to the BO register (3)

- **Access to competent authorities:**
 - Relevant state agencies, obliged entities according to the AML Act etc.
 - Direct access via internet application (interface)
 - Pre-registration of users needed
 - Information will be displayed immediately

Content of the BO register (1)

- The record in the BO register shall contain the information specifying
 - **who** the beneficial owner is and
 - **what** the beneficial ownership **is based on**

Content of the BO register (2)

Sec. 118f of the Act No. 304/2013 Coll.:

- a) name and address of the place of stay, and also the place of residence if it differs from the place of stay,*
- b) date of birth and the birth number if assigned,*
- c) nationality,*
- d) information on*
 - 1. a share in the voting rights, if the position of beneficial owner is based upon his direct business share in the legal person,*
 - 2. a share in profits, if the beneficial owner is a beneficiary,*
 - 3. any other facts if the position of beneficial owner is based otherwise.*

Registration process (2)

- Registered entities just report the information on their BO
- Submission (application)
 - Via page form
 - Can be **filled** in solely electronically
 - Can be **filed** either electronically or in paper
 - Documents from which follows who the beneficial owner is

Registration process (2)

- Vetting process
 - Register Court solely confirms the existence of designated natural person (beneficial owner)
 - **No other formal or material control of provided data** (no investigation whether the natural person designated as the BO is in fact the BO)

Quality of registered data

- Depends on activity of registered entities
- Change only based on the submission of the registered entity
- **No fines or other sanctions** (for omission to file/wrong filing the register)

Perspective

- Experience with the usage of the BO register is a precondition for its possible improvement
- More will be known in 2018 and 2019
- Technical and legislative changes (access, sanctions etc.) of the register will be considered eventually

Thank you for your attention