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Trinidad and Tobago beneficial ownership reporting update

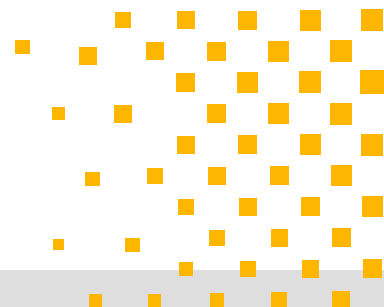




Trinidad and Tobago beneficial ownership reporting update

We wish to take this opportunity to highlight that **the beneficial ownership reporting regime in T&T has been significantly amended** by Act No. 4 of 2024. The relevant provisions of this Act (which amends the beneficial ownership

reporting regime introduced by the Companies Amendment Act 2019) were proclaimed by the President on 23 August, 2024 with **23 September, 2024** set as the date that the new provisions would come into operation.





The new provisions provide for, amongst other things:

1

A new definition of "beneficial owner" which now requires that both external companies and non-profit companies report on their beneficial owners as well as provides for a minimum reporting threshold of 10%

2

A revised reporting framework which involves the reporting T&T entity obtaining 'statements' from its shareholders and beneficial owners (as opposed to declarations' which were previously required)

3

The requirement for companies (both locally incorporated and external) to maintain a register of its beneficial owners and the company now has a legislative obligation to take reasonable steps to verify information on its register. Non-compliance with this new requirement can result in a fine of \$10,000 and imprisonment for three years

The Act Section 3337(B)(2) of the Companies Act (as amended by Act. No. 4 of 2024) now requires, as we understand it:

1 All locally incorporated companies, which have not reported on its beneficial owners to notify shareholders (within 30 days from the legislation coming into force - 23 September 2024) requesting that the appropriate statements are lodged with the company so that the required beneficial ownership return can be prepared and lodged with the Companies Registry.

2 All non-profit companies and external companies are required to issue a notice to its members within 30 days of 23 September 2024 requesting that the appropriate statements are lodged with the company so that the required beneficial ownership return can be prepared and lodged with the Companies Registry.

3 Any company (locally incorporated, external company or non-profit company) which issues shares or membership interest after 23 September 2024 is required to issue a notice to its members within 30 days of 23 September 2024 requesting that the appropriate statements are lodged with the company so that the required beneficial ownership return can be prepared and lodged with the Companies Registry.



The cost of non-compliance

Failure of a shareholder or beneficial owner to submit a statement required above within the required timeframe is an offence and such person would be liable under summary conviction to a fine of ten thousand dollars and to imprisonment for three years and for every day in which the offence continues, a further three hundred dollars. A company and any director and officer of the company who knowingly and recklessly fails to file the return also commits an offence and would be liable on summary conviction for the same fine and term of imprisonment, as noted above in respect of shareholders and beneficial owners.

Please note though that, as of 23 September 2024, the prescribed forms required for compliance with the beneficial ownership reporting obligations have not been introduced so from a practical perspective it is not yet possible to commence the process as required by these amendments. We nonetheless urge that companies be familiar with these new obligations and get a keen understanding of what would be required to limit any delay once the

required prescribed forms are made available. This is particularly so for (i) locally incorporated (for-profit) companies which have never reported on its beneficial owners as well as (ii) branches of external companies registered in T&T and (iii) locally incorporated non-profit companies, as this would be a new corporate compliance obligation.

**Let's
talk!**

If you have questions or need help, contact Tonika Wilson-Gabriel at tonika.wilson@pwc.com or any member our PwC Legal Team.



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