



**Circular No. 6 of 2024**

**Date: 24<sup>th</sup> September, 2024**

**Periodic Review of Beneficial Owners**

The Financial Services Authority (FSA) would like to inform all legal persons and legal arrangements that, effective 1<sup>st</sup> October, 2024, Regulation 13 (i.e. Periodic review of beneficial owners) of the Beneficial Ownership (amendment) Regulations, 2023 ("BO Regulations") will come into force.

Further to the obligation for every legal person or legal arrangement to maintain accurate and up to date beneficial ownership information in the register of beneficial owners, pursuant to the Beneficial Ownership Act, 2020, Regulation 13 of the BO Regulations requires that legal persons and legal arrangements review and verify their beneficial owners, at least once in every calendar year to ensure that adequate, accurate and up-to-date beneficial ownership information is reflected in the register of beneficial owners. However, legal persons and legal arrangements must, at a minimum, conduct this review and verification annually within three months before their registration anniversary date. Following the review, they must submit a declaration of compliance in relation to this requirement, to their resident agent in Seychelles no later than one month from the anniversary of their registration.

In view that Regulation 13(1) requires that at least one beneficial ownership review and verification be undertaken 3 months prior to the anniversary of registration of the legal person and legal arrangement, the FSA wishes to clarify that this obligation will not apply to legal persons and legal arrangements with anniversary dates of registration, from 1<sup>st</sup> October, 2024 to 31<sup>st</sup> December, 2024. As such, these legal persons and legal arrangements are not required to comply with Regulation 13 during the calendar year 2024. However, from the beginning of the calendar year 2025 and thereon, legal persons and legal arrangements will have to, at least once in every calendar year, review and verify their beneficial owners, including any changes required to be made to the registrable particulars of their beneficial owners and submit the declaration of compliance pursuant to Regulation 13 accordingly.

In view of the above, compliance with Regulation 13 will be applicable to legal persons and legal arrangements with anniversary dates starting as from 1<sup>st</sup> January, 2025 onwards. Therefore, legal persons and legal arrangements whose anniversary date will be on the 1<sup>st</sup> of January, 2025 onwards, must have conducted a review and verification of their beneficial owner(s) during the period between 1<sup>st</sup> October 2024 to 31<sup>st</sup> December 2024, being 3 months prior to their corresponding anniversary dates. This means that legal persons and legal arrangements that fall within this category must send a notification to their beneficial owners to request that they notify the corresponding legal person or legal arrangement on whether there have been any changes to their beneficial ownership information; including any changes required to be made to their registrable particulars, with the supporting documents in case of any changes and to consequently confirm their beneficial ownership status<sup>1</sup>.

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<sup>1</sup> The Authority wishes to remind legal persons and legal arrangements that it is a mandatory obligation under the Beneficial Ownership Act, 2020 for a legal person or legal arrangement to notify its resident agent and further cause for any updated or revised beneficial ownership data to be populated onto the beneficial ownership database, should there be any change to a legal person or legal arrangement's beneficial ownership information and/or to their registrable particulars.

Below are examples of how the legal persons and legal arrangements should proceed with the period of the review and verification for Regulation 13, based on the legal persons and legal arrangements registration anniversary dates:

**Example 1:** A legal person's or legal arrangement's anniversary date is on 1<sup>st</sup> October 2024. This legal person or legal arrangement is not required to review and verify its beneficial owners in accordance with Regulation 13 during the calendar year 2024.

**Example 2:** A legal person's or legal arrangement's anniversary date is on the 30<sup>th</sup> November 2024. This legal person or legal arrangement is not required to review and verify its beneficial owners in accordance with Regulation 13 during the calendar year 2024.

**Example 3:** A legal person's or legal arrangement's anniversary date is on the 1<sup>st</sup> January 2025. This legal person or legal arrangement must review and verify its beneficial owners in accordance with Regulation 13 during the three-month period before their anniversary date (i.e. from 1<sup>st</sup> October, 2024 to 31<sup>st</sup> December, 2024) and a declaration of compliance must be submitted to its resident agent in Seychelles no later than one month from its anniversary date (i.e. 1<sup>st</sup> February, 2025).

**Example 4:** A legal person's or legal arrangement's anniversary date is on the 7<sup>th</sup> June, 2025. This legal person or legal arrangement must review and verify their beneficial owners in accordance with Regulation 13 during the three-month period before their anniversary date (i.e. from 6<sup>th</sup> March, 2025 to 6<sup>th</sup> June, 2025) and the declaration of compliance must be submitted to their resident agent in Seychelles no later than one month from the anniversary date (i.e. 7<sup>th</sup> July, 2025).

**Example 5:** A legal person's or legal arrangement's anniversary date is on the 1<sup>st</sup> October, 2025. This legal person or legal arrangement must review and verify their beneficial owners in accordance with Regulation 13 during the three-month period before their anniversary date (i.e. from 1<sup>st</sup> July, 2025 to 30<sup>th</sup> September, 2025) and the declaration of compliance must be submitted to their resident agent in Seychelles no later than one month from the anniversary date (i.e. 1<sup>st</sup> November, 2025).

**Example 6:** A legal person's or legal arrangement's anniversary date is on the 10<sup>th</sup> December, 2025. This legal person or legal arrangement must review and verify their beneficial owners in accordance with Regulation 13 during the three-month period before their anniversary date (i.e. from 9<sup>th</sup> September, 2025 to 9<sup>th</sup> December, 2025) and the declaration of compliance must be submitted to their resident agent in Seychelles no later than one month from the anniversary date (i.e. 10<sup>th</sup> January, 2026).

Failure to comply with Regulation 13 will lead to enforcement actions by the FSA, as provided for in Regulation 13(4) of the Beneficial Ownership Regulations.

Further guidance on the Regulation may be obtained from the Beneficial Ownership Guidelines which has been issued jointly by the FSA and FIU.

Resident agents may also contact the FSA through email at [amlcft@fsaseychelles.sc](mailto:amlcft@fsaseychelles.sc) for any clarification or further information regarding the content of this Circular.

**FINANCIAL SERVICES AUTHORITY**