

## The introduction of the UBO Register in Luxembourg

The Luxembourg Government released on 6 December 2017, the widely awaited draft bill n°7217 (the “**Draft Bill**”) providing for a register of ultimate beneficial owners (the “**UBO**”) and implementing article 30 of directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 (hereinafter referred to as the “**Register**”). The Register will be managed by Luxembourg Trade and Companies Register (“**RCSL**”) through a separate database under the authority of the Ministry of Justice and a special commission created to handle relating cases. The salient points of the Draft Bill are as follows:

Scope	Required Information	Access	Breach
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## Unrestricted access refers to

- national authorities such as the Luxembourg financial regulator, the CSSF, the Luxembourg insurance regulator, the CAA, the law enforcement authorities, the tax administrations and some Luxembourg ministries.

## Unconditional Restricted Access refers to

- Luxembourg self-regulatory organizations (professional bodies such as the Bar order, the chamber of notaries, the institute of auditors, the Institute of Chartered Accounts and the Chamber of Bailiffs and professionals involved in the fight against money laundering.
- They will have access to all information except the address and the identification number of the BOs

The Entities or their representatives face fines ranging from EUR 1,25 million to EUR 1,75 million

- the failure to provide information required in accordance with the Regi
- the disclosure of inaccurate, incomplete or outdated information on the UBO;
- the failure to maintain and safekeep the register of BOs required in accordance with the Regi
- self-regulatory organizations

## Conditional Restricted Access refers to

- Individuals or organizations resident in Luxembourg which demonstrate a legitimate interest. They will have access to all information except, date and place of birth, the address and the identification number of the BOs. These requests will be examined by the special commission of the Ministry of Justice. The ruling of that commission may be appealed by the relevant Entities.

professionals who have requested access to the register outside the scope of the diligence obligation

## Exemptions may apply

**Includes** - All Luxembourg commercial companies and entities with legal personality registered with the RCSL (the "Entities") **Excludes** - listed companies and branches of foreign companies in Luxembourg

- Name(s), first name(s);
- Nationality;
- Date and place of birth;
- Country of residence;
- Complete private or professional address;
- Luxembourg or foreign identification number;
- Nature and extent of the interest held.

The Required Information must be kept by the Entities 5 years after their dissolution at a place of their choosing.

It is noteworthy that the Draft Bill in its current wording ensures a reasonable and multilayered protection to UBOs ensuring their privacy on the one hand and complying with the transparency requirements set forth by the directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015. As a result the competitive edge of Luxembourg in the wealth management and asset protection industry is maintained compared to other jurisdictions such as the Netherlands or the United Kingdom, where access is unrestricted. Please do not hesitate to contact us should you have any queries.

**Sonia Bellamine** Partner - Attorney-at-law Tel : +352.26.44.18.33 Email : sb@ilf.lu

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