LAW ON THE CENTRALISED RECORDS OF BENEFICIAL OWNERS

Subject matter

Article 1

This law governs the establishment, content, grounds for recording, and manner of keeping of the Centralised records of beneficial owners of legal persons and other entities registered in the Republic of Serbia in accordance with law (hereinafter referred to as: Centralised Records), and other issues relevant for the recording of beneficial owners.

Scope

Article 2

This law shall apply to the following legal persons and other entities registered in the Republic of Serbia in accordance with law (hereinafter referred to as: Registered Entities):

1) companies, other than open joint-stock companies;

2) cooperatives;

3) branches of foreign companies;

4) business associations and associations, other than political parties, trade unions, sports organisations and associations, churches and religious communities;

5) foundations and endowments;

6) establishments;

 7) representative offices of foreign companies, associations, foundations and endowments.

This law shall not apply to companies and establishments whose only member or founder is the Republic of Serbia or autonomous province or local self-government unit.

Definition of terms

Article 3

Certain terms used in this Law have the following meanings:

1) Centralised records are a public, single, centralised electronic database of natural persons who are beneficial owners of a Registered Entity;

2) recording means entry, modification or deletion of data that are subject to entering into the Centralised Records based on this law or other regulations.

3) beneficial owner of a Registered Entity is:

(1) natural person who owns, directly or indirectly, 25% or more of the share, shares, voting right or other rights, based on which they participate in the management of the Registered Entity, or who participates in the capital of the Registered Entity with 25% or more of the share;

(2) a natural person who indirectly or directly has a dominant influence over the management of business or decision-making;

(3) a natural person who has provided or provides funds to a Registered Entity in an indirect manner, and thus significantly influences the decisions made by the managing body of the Registered Entity concerning its financing and business operations;

(4) natural person who is the settlor, trustee, protector, beneficiary if designated, of a trust, and the person who has a dominant position in controlling the trust or in any other person under foreign law.

(5) natural person registered to represent cooperatives, associations, foundations, endowments and establishments, if the authorised representative did not report any other natural person as the beneficial owner.

By way of exception, if the natural person referred to in para 1, item 3, sub-items 1 to 4, of this Article cannot be identified in the prescribed manner, the beneficial owner of the Registered Entity shall be the natural person registered to represent or registered as member of a body of such Registered Entity.

Other terms used in this Law, other than those defined in para 1 of this Article, have the meaning defined in special laws.

Centralised Records

Article 4

Centralised Records shall be kept by the Business Registers Agency (hereinafter referred to as: SBRA) electronically through the Registrar.

Content of the Centralised Records

Article 5

Centralised Records, depending on the legal form or form of organisation, shall contain the following data on the Registered Entity:

1) registered (business) name;

2) address of the registered office;

3) date of entry, modification or deletion of data;

4) central registration number (*матични број*) allocated by the Statistical Office of the Republic of Serbia;

5) Tax Identification Number (TIN);

6) status of Registered Entity (e.g. active, in bankruptcy, in liquidation, in involuntary liquidation, struck-out);

7) legal form or form of organisation;

8) code of its main business activity or its area of work;

9) data on its representative;

10) natural person registered as member of its body;

11) basic (registered) capital;

12) data on the members or founders and percentage of their interests (share), or number and percentage of their shares;

13) abbreviated registered name;

14) registered name in a foreign language;

15) abbreviated registered name in a foreign language;

16) postal address;

17) email address;

18) bank account numbers;

19) contact details, if registered.

Centralised Records shall also contain the following data on the beneficial owner of the Registered Entity:

1) in case of natural person - personal name, unique personal identification number and country of permanent residence;

2) in case of a foreigner - personal name, passport number and country of issue and/or personal number for the foreigner and/or personal ID card number for the foreigner and country of issue in line with the regulations governing the conditions for entry, movement, and stay of foreigners in the territory of the Republic of Serbia, date, month, year and place of birth, country of permanent residence and citizenship;

3) in case of refugees or expelled persons - personal name, ID number, date, month, year and place of birth and country of temporary residence;

4) ground on which the capacity of beneficial owner of the Registered Entity referred to in Article 3, para 1, item 3, sub-items 1 to 5, and para 2 of this Law is acquired.

In addition to the data referred to in para 1 and 2 of this Article, the Centralised Records shall also contain the dates when the data was recorded.

The minister competent for economy shall specify in more detail the content of the Centralised Records in order to implement the recording of beneficial owners of the Registered Entity.

Grounds for recording

Article 6

Recording in the Centralised Records shall be made on the following grounds:

1) establishment of the Registered Entity;

2) change in the ownership structure and members of Registered Entity’s body, or other changes that can be used to assess compliance with the requirement for acquisition of the capacity of beneficial owner of a Registered Entity referred to in Article 3 of this Law.

Manner of keeping Centralised Records

Article 7

Recording of data in the Centralised Records shall be made by:

1) the Registrar, based on the data taken over from competent state authorities concerning the Registered Entity referred to in Article 4 para 1 of this Law;

2) person authorised to represent the Registered Entity (hereinafter referred to as: authorised person) for data referred to in Article 5 para 2 of this Law.

The Registrar shall take over the data no later than two working days from the data of change of data, or from the receipt of a notification of a change received from a competent authority.

The authorised person shall record data in the Centralised Records no later than 15 days from the date of emergence of the grounds for recording referred to in Article 6 of this Law.

The SBRA shall make available to the authorised person an unhindered access to the Centralised Records in order to record the data using the SBRA website (portal).

The authorised person shall record and modify the recorded data using a qualified certificate for electronic signature.

Access to the website (portal) and the manner in which it it is to be used shall be determined by the SBRA.

Excerpts and certificates from the Centralised Records

Article 8

At the request of an interested party, the SBRA shall issue the following within two days from the date of receipt of the request:

1) Centralised Records excerpt about the data on beneficial owners of the Registered Entity;

2) Centralised Records certificate about historical data on beneficial owners of the Registered Entity;

3) Centralised Records certificate on whether a certain natural person is recorded or used to be recorded as beneficial owner of the Registered entity.

The request referred to in para 1 of this Article shall be submitted electronically using the SBRA website (portal) or in writing using the prescribed form, and if the form has not been prescribed, the request shall have the form of submission.

Proof of payment of the fee for the issue of excerpt or certificate shall be enclosed with the request.

The amount and manner of payment of the fee referred to in para 3 of this Article shall be set out by the SBRA in line with the law governing the legal status of the SBRA.

Publication and effects of the records

Article 9

Publication of the data on the SBRA website (portal) shall be made in parallel with the recording of the data.

The data on the beneficial owner of the Registered Entity shall produce legal effect with respect to third parties on the next day from the date of publication of such data on the SBRA website (portal).

Keeping of data

Article 10

The SBRA shall keep the data in the Centralised Records permanently.

The Registered Entity shall have and keep adequate, accurate and up-to-date data and documents based on which the beneficial owner of the Registered Entity is determined, for ten years from the date of recording the data on the beneficial owner.

The Registered Entity shall, at the request of the competent state authority or National Bank of Serbia, make available and deliver the data and documents referred to in para 2 of this Article.

The minister competent for economy shall specify in more detail the manner and conditions for electronic exchange of data between the SBRA, state authorities and the National Bank of Serbia in order to implement the recording of beneficial owners of the Registered Entity.

Legal remedy for beneficial owners

Article 11

The natural person who has been recorded as a beneficial owner of a Registered Entity may file a complaint against the Registered Entity with the competent court according to the registered office of the Registered Entity in order to establish that such person is not the beneficial owner.

The court shall upon the finality of the court decision establishing that the complainant is not the beneficial owner of the Registered Entity deliver the court decision to the SBRA in order to delete the person from the Centralised Records.

The proceedings started as specified in para 1 of this Article shall be urgent.

 Supervision

Article 12

The implementation of this Law shall be supervised by the ministry competent for economy.

Criminal Offence

Article 13

Whoever with the intention of disguising the beneficial owner of the Registered Entity fails to record the data on the beneficial owner of the Registered Entity, records inaccurate data on the beneficial owner of the Registered Entity as true data, or modifies or deletes true data on the beneficial owner of the Registered Entity shall be punished by imprisonment of three months to five years

Misdemeanours

Article 14

 Registered Entity - legal person shall be fined RSD 500,000 to 2,000,000 for a misdemeanour if it:

1) fails to record the data on the beneficial owner of the Registered Entity in the Centralised Records within the time limit specified in Article 7 para 3 of this Law;

2) does not have or fails to keep adequate, accurate and up-to-date data and documents based on which the beneficial owner of the Registered Entity is determined (Article 10, para 2).

For the misdemeanour referred to in paragraph 1 of this Article a fine in the amount of RSD 50,000 to 150,000 shall also be imposed on the responsible officer of the legal person.

Transitional and final provisions

Article 15

Existing Registered Entities shall no later than 30 days from the entry into force of this Law identify the beneficial owner of the Registered Entity referred to in Article 3 of this Law and to provide the data and documents referred to in Article 10 para 2 of this Law.

The Registered Entity shall, at the request of the competent state authority or National Bank of Serbia, make available and deliver the data and documents referred to in para 1 of this Article.

Article 16

By-legislation for implementing this Law shall be passed within three months from the date of entry into force of this Law.

Article 17

The SBRA shall establish the Centralised Records no later than 31 December 2018.

The authorised person shall no later than 31 January 2019 record the data set out in Article 5 para 2 of this Law for the Registered Entity founded by 31 December 2018.

Entry into force

Article 18

This Law shall enter into force on the eighth day following its publication in the Official Gazette of the Republic of Serbia.