

## *Registration of ultimate beneficial owners continues after January 31, 2019*

February 4, 2019

### *In brief*

Registered entities have a term until January 31, 2019 to register their beneficial owners. However it has been published on the website of the Register that the registration process continues after January 31, 2019

Law on Central Records of Beneficial Owners (the **Law**), which became effective on June 8, 2018, for the first time prescribed obligation for registered entities to register their beneficial owners in Central Register of Beneficial Owners (the **Register**). As of January 1, 2019, the Register has started working and the Serbian Business Registers Agency (the **SBRA**), which is maintaining the Register, has started receiving applications.

All non- government founded companies (except public joint stock companies), collectives, branches of foreign companies, business associations and associations (except political parties, trade unions, sports organizations and associations, churches and religious communities), foundations and endowments, institutions, representative offices of foreign companies, associations, foundations and endowments, have an obligation to register their beneficial owner in the Register.

The deadline for registration is January 31, 2019. However on the website of the Register on January 31, 2019 it has been declared that the registration is continued after this date.

The registration procedure is done electronically through the SBRA website and requires electronic signature and installed and working SBRA application for electronic signing.

As of the date when the Register became operative (January 1, 2019) until the lapse of deadline for registration (January 31, 2019), the Register faced serious technical obstacle reflected in inability of non-resident legal representative to sign using electronic signature which contains the passport number.

It should be mentioned that, although the Law prescribes obligation for the subject entity to keep documentation based on which beneficial owner is

determined and registered, this documentation is not submitted in the process of registration.

Registered is only information on the beneficial owner and the basis for its registration (ownership or other) in line with newly adopted Rulebook on Content of Central Records for Purposes of Implementation of Registration of Beneficial Owners of Registered Entity. Determination of ultimate beneficial owners is often not so straight forward and it requires comprehensive interpretation of the Law.

If the subject entity does not register the beneficial owner, the Law prescribes fine of up to RSD 2,000,000.00 for the entity and up to RSD 150,000.00 for the responsible person in the entity.

### ***Let's talk***

For a deeper discussion of how this issue might affect your business, help in determining the beneficial owner and registering, please contact:

***PricewaterhouseCoopers Legal  
Omladinskih brigada 88a  
11070 Belgrade  
Tel: +381 11 33 02 100  
[www.pwc.rs](http://www.pwc.rs)***

Predrag Milovanovic  
Attorney at Law  
[predrag.milovanovic@pwc.com](mailto:predrag.milovanovic@pwc.com)

Stefan Dobric  
Attorney at Law  
[stefan.dobric@pwc.com](mailto:stefan.dobric@pwc.com)

Legal Disclaimer: The material contained in this alert is provided for general information purposes only and does not contain a comprehensive analysis of each item described. Before taking (or not taking) any action, readers should seek professional advice specific to their situation. No liability is accepted for acts or omissions taken in reliance upon the contents of this alert.

© 2019 PricewaterhouseCoopers Consulting d.o.o. All rights reserved. "PricewaterhouseCoopers" refers to the Serbian firm of PricewaterhouseCoopers Consulting d.o.o. or, as the context requires, the network of member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.