BENEFICIAL OWNERSHIP

- LEGAL PERSONS & LEGAL ARRANGEMENTS -

Guideline issued by the Financial Intelligence Unit under Section 9(4)(iv) of the Anti-Money Laundering Countering the Financing of Terrorism Act No. 13 of 2009

Published:
November 29, 2016

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1. Introduction

This guideline is intended to provide assistance to Designated Non-financial Businesses or Professionals (DNFBPs) and Licensed Financial Institutions (collectively referred to as "reporting entities") to comply with their obligations to identify and verify ultimate beneficial owners and effective controllers when they establish a business relationship with customers who are legal persons or legal arrangements.

The information contained in this document provides broad guidance and is not intended to override any reporting entity's policies or procedures, as they relate to beneficial ownership transactions (which must be in keeping with the AML/CFT laws and regulations). It must therefore be read in conjunction with AML/CFT Act 2009, all relevant Amendments to and Regulations made under the said Act.

2. Interpretation of Key Terms

i. Beneficial Owner

A beneficial owner refers to the natural person(s) who ultimately owns or controls a customer and/or the natural person on whose behalf a transaction is being conducted. It also includes those persons who exercise ultimate effective control over a legal person or arrangement[1].

'Ultimately owns or controls' and 'ultimate effective control' refer to situations in which ownership/control is exercised through a chain of ownership or by means of control other than direct control.

ii. Beneficial Ownership

“Beneficial Ownership” means ownership by a natural person or persons who ultimately exercise individually or jointly voting rights representing at least twenty-five per cent of the total shares, or otherwise have ownership rights of a legal entity; or ownership by a natural person or persons who ultimately owns or controls a customer or the person on whose behalf a transaction is being conducted and includes those persons who exercise ultimate effective control over a legal person or arrangement; (AMLCFT (Amendment) Act No. 10 of 2015).

[1] General Glossary-FATF Recommendation 2012

Note! **Ultimate** Beneficial Owner or **Ultimate** Beneficial Ownership, in the context of conducting customer due diligence, **ALWAYS** aims at ascertaining the identity of the human being(s) behind the corporate veil or transaction **NEVER** a legal entity, although obtaining identification and verification information/documentations are necessary for all transactions conducted with the legal person(s).

iii. Beneficiary

The term beneficiary, depending on the context, means a person or persons who are entitled to the benefit of any trust arrangement. A beneficiary can be a natural person or legal person/entity[2].

Note! The term beneficiary also applies in the context of a 'Beneficiary Financial Institution', when it carries out transactions relating to cross border and/or domestic wire transfers.

In the context of a life insurance or another investment linked insurance policy, a beneficiary is the natural or legal person, or legal arrangement, or category of persons, who will be paid the policy proceeds when/if an insured event occurs, which is covered by the policy[3].

iv. Express Trust

Express trust refers to a trust clearly created by the Settlor, usually in the form of a document, example, a written Deed of Trust. They must be contrasted with trusts which come into being through the operation of the law[4] and which do not result from the clear intent or decision of a Settlor to create a trust or similar arrangement, example resulting or implied trusts[5].

v. Legal Arrangement

Legal arrangements refer to express trusts or other similar legal arrangements[6]. Other similar legal arrangements include fiducie[7], treuhand[8] and fideicomiso[9].

[2] FATF Recommendation-Glossary
[3] Ibid
[4] Example, Resulting Trusts (Implied); or Constructive (equitable transfer of property by court)
[5] FATF Recommendation 2012-definition of terms
[6] Ibid

vi. **Legal Persons**

A legal person refers to entities other than natural persons that can establish a permanent customer relationship with a financial institution or otherwise own property. This can include companies, bodies corporate, foundations, association, anstalt[10], partnerships or other relevantly similar body[11].

vii. **Settlor**

A Settlor is a natural or legal person who transfers ownership of his/her/it assets to a trustee(s) by means of a trust deed or similar arrangement[12].

3. Importance of obtaining Beneficial Ownership Information

The AML/CFT Act[13] requires reporting entities to identify and verify beneficial ownership and control structure of legal entity or legal arrangement when they establish or carry out business transactions with such customers. Additionally, international standards[14] require countries to ensure transparency of transactions to deter and prevent the misuse of corporate vehicles for criminal purposes.

It is recognised that many criminal enterprises try to hide the true ultimate owners and effective controllers of illegally obtained assets, through, *inter alia*, 'shell companies, complex ownership and control structures, trusts and other similar legal arrangements, including the use of intermediaries in forming legal entities. It is sometimes difficult to identify and verify beneficial owner(s) due to the varying ownership structures that may be involved in transactions with the reporting entity. These structures range from very simple to very complex in nature and can be spread across multiple jurisdictions.

It is therefore crucial that reporting entities be alert at all times to recognise or detect the various arrangements or transactions before them, as there may be attempts to conceal proceeds of criminal activities of a beneficial owners through their businesses.

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[7] Fiducie denotes an institution by which property is administered by a trustee in favour of a beneficiary; all "transfer[s] of ownership creating a set of properties for a particular purpose, in which administration is conferred to a trustee to the advantage of a beneficiary designated by the Settlor.
[8] A Trust Agency
[9] Something (property) held by one party (the trustee) for the benefit of another (the beneficiary)
[10] Means an institution
[11] FATF Recommendation 2012-definition of terms
[12] Ibid-paraphrased
[13] Sections 15(4)(c), 15(5) and Regulation 4 subsection (5) of the AMLCFTR No 4 of 2010
[14] FATF Recommendation 24 requires countries to be able to have access to company's register of shareholders information-number of shares; voting rights etc.

4. Mechanisms for Obtaining Beneficial Ownership Information

The reporting entity must develop policies and procedures (which may be included in an AML/CFT Compliance Manual) that express clearly the type of information required to be collected when transacting business with the various forms of legal persons or legal arrangements.

One of the primary objectives is to determine those customers who own at least twenty five percent (25%) shares in the entity; or who is the natural person or persons who otherwise ultimately owns or controls a customer; or the person on whose behalf a transaction is being conducted, including in all instances to identify those persons who exercise ultimate effective control over the legal person or arrangement.

Additionally, the reporting entity must seek to obtain information on the number of shares, the categories of shares, the associated voting rights and whether there is any shareholder's agreement that would indicate any specified dominant influence or power to appoint senior management officials. The reporting entity should also seek to establish whether any appointees are closely connected to the transactions by their participation in the financing of the legal persons, through family relationships, contractual associations or by defaults on certain payments by the legal entity.

A salient element in determining who the senior management officials are is to ascertain whether they are also the ultimate beneficial owners of the legal entity or arrangement or simply just manage the day to day business. If they simply manage the affairs of the business, the entity must seek to establish the medium/authorisation through which these officials are vested with authority to act in such capacities.

Below are some possible questions the reporting entity may ask in order to determine or obtain the relevant information:-

a) Who are the individuals having at least 25% voting rights in the company?
b) Who are the individual having effective control of the business/transaction?
c) Who is the customer acting on behalf of?
d) Who owns 25% shares/or investment in the company?
e) Who are the managers/directors (who have direct or indirect control in the structure)?
f) Are the senior managers/directors the owners of the transaction/s?

The individual(s) who fit any of the questions or any combination of them are the customers the reporting entity must seek to know and verify.

As a general rule: 'Once a reporting entity enters into a business relationship with a customer or client who acts on behalf of another person, **ALWAYS** ascertain the true identity of the person on whose behalf a transaction is conducted and who benefits from the transactions.

As a best practice measure, the reporting entity may develop 'standard forms' for the customer to complete that would allow for the information to be provided to the entity prior to establishing the business relationship.

5. Information Required to be obtained

The reporting entity must seek to obtain, at a minimum, the following information about the customer:-

- **Where the transaction is being conducted by a legal person(entity)-**

  (a) The Name of the legal entity/business
  (b) The registered address of the entity
  (c) Country of Incorporation of the entity
  (d) Information on the purpose and intended nature of the Business relationship
  (e) Identity of Principal owners/shareholders
  (f) Identity of Directors, Secretary or Partners, including nominee Directors
  (g) Evidence of the authority given to enter into a business relationship (for e.g. a copy of the Board Resolution)
  (h) Share Certificate issued by the entity
  (i) Articles of Incorporation or continuance
  (j) Certificate of Incorporation or continuance
  (k) By-Laws or constitution of the entity
  (l) Partnership Deed-If business is a partnership
  (m) Business Registration and Operation licences-where necessary
  (n) Nature of business, purpose of transaction and source or use of funds or property

- **Where the transaction is being conducted through a legal arrangement-**

  a) Identification of the person acting on behalf of someone, the Principal/Settlor/Donor, including the intended beneficiaries of the transaction;
  b) Obtain copies of Powers of Attorney (updated, appropriately notarised and duly registered by the Deeds Registry);
  c) Obtain document to support authorisation to act on behalf of the customer;
  d) Trust Instruments - e.g. Trust Deeds or other similar document.

- **In the case of a financial institution when conducting a cross border wire transfer (in which case the term beneficiary applies)-**

  a) The name of the beneficiary;
  b) The beneficiary account number where such an account is used to process the transaction;
  c) The name of the originator;
  d) The originator account number (where such an account is used to process the transactions); and
  e) The originator's address, or national identity number, or customer identification number, or date and place of birth.

- **Where the Beneficial Owner of the transaction is found to be a Politically exposed Person (PeP)[15] the reporting entity must conduct enhanced due diligence (EDD), including the following:-**

  a) Identify and verify the Person (PeP);
  b) Obtain management's written approval to initiate or continue the transaction;
  c) Obtain information on source of wealth;
  d) Document the enhanced monitoring and risk management measures implemented for the transaction.

6. <u>Ultimate Effective Control</u>

The reporting entity must seek to understand the ultimate effective control system as part of the beneficial ownership structure of a transaction. The directors or senior managers of some companies are also the owners and main decisions makers. In such

[15] See AML/CFT Interpretation section for Definition.

case, they carry both classifications; the ultimate effective controllers and the ultimate beneficial owners. This situation must not be confused with the company law concepts of control by the directors of a company who are not the ultimate owners of the company. In this case, the reporting entity must distinguish ultimate beneficial ownership (on the one hand) and control by management (on the other hand).

7. Senior Management Officials

Senior Management Officials include, but are not limited to, such positions as, Directors or Senior Managers, Chief Executive Officer, Chief Financial Officers, Executive Directors, President or the natural person(s) who has significant authority over the legal person's financial relationship and include a financial institution that hold accounts and ongoing financial affairs on behalf of a legal person. All of the mentioned positions are persons referred to as fiduciaries[16]; they are in a position of trust, as they must act in the best interest of the legal entity on which behalf they act or represent. The authority for senior offices to act on behalf of a legal entity is usually expressed in the entity's by-laws, constitutions, trust instruments, business agreement or other similar documents.

It must be noted that, although the Directors or Senior Managers may not be the ultimate owners of the business transaction nor have the requisite number of shares or voting rights in the legal entity, they may have a significant controlling authority to legally bind the company or make financial commitments on behalf of the entity for certain transactions. The reporting entity, in such instances, must ensure supporting evidence to substantiate the acts being carried out to conduct the business transaction. The maintenance of accurate and update records of the information received from any business transaction with such customer(s) must be kept and be accessible upon request by any authority legally permitted to make such request.

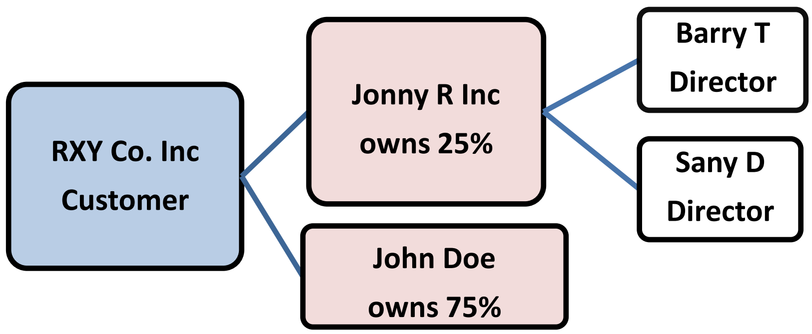
8. Examples: Beneficial Ownership Structures

The reporting entity must know its customers throughout the business relationship. It must have systems in place to recognise the various structures of beneficial ownership transactions that may present themselves to the reporting entity. This can be achieved by ensuring that employees are trained to recognise the types of legal entities (ownership structures) that may be involved in business relationships with the reporting entity. Below are some examples of the possible ownership structures.

[16] A person to whom property or power is entrusted for the benefit of another person called a beneficiary

Legal Entities

Diagram No. 1 (Simple)



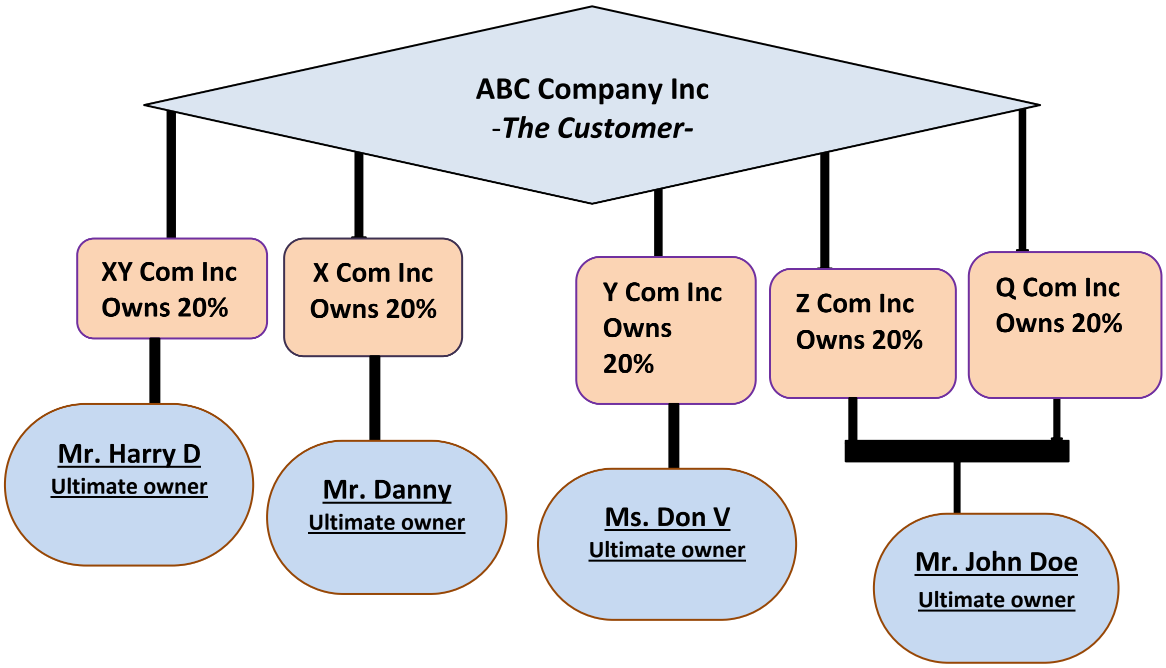
Explanation (Diagram 1)

RXY Company Inc is directly owned by two individuals, **Mr. John Doe** who owns 75% and **Mr. Barry T** and **Mr. Sany D** who owns 25% (jointly).

Applying the general rule to determine the beneficial owners, the reporting entity must identify and verify the individuals who own at least 25% of RXY Company. In this case, John Doe owns 75% of the Company and Barry T and Sany D own 12.5 % each (less than 25% individually but together they own 25%).

The reporting entity in seeking to identify and verify the natural owners must obtain information on the RXY Company by requesting all the relevant company documents and simultaneously ascertaining the control structure. Of note is the fact that Barry and Sandy are also directors of RXY Com Inc as well as owners. They are what may be termed minority share holders.

Diagram 2(a) Complex -Scenario 1



Explanation for Diagram 2 (a)

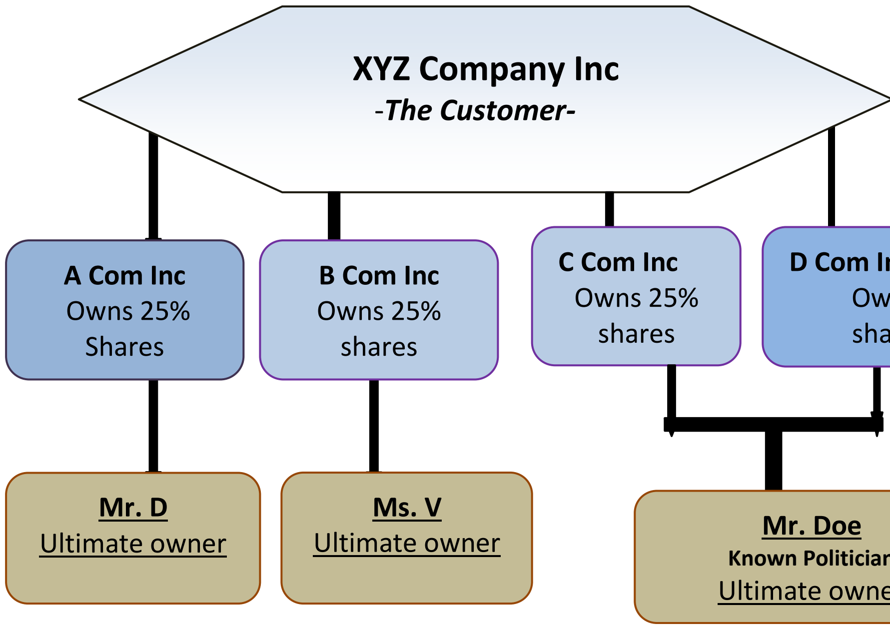
In some instances, the beneficial ownership is spread over a number of individuals who own more or less than 25 percent of a legal entity. In the example above, ABC Company is owned by five other companies (subsidiaries) which own 20% each. In this case, none of the companies, individually, has 25 percent ownership.

Applying the 'ultimate beneficial owner' test to ascertain the natural persons in this scenario would be: ***Mr. Harry D, Mr. Danny and Ms. Don V***-all three having 20% shares each and Mr. ***John Doe*** with who owns 40% (held in the names of two companies **Z Com Inc** and **Q Com Inc**.

The ultimate effective control element rests with all the beneficial owner(s) when considered collectively. In other words, jointly they all own the business (ABC Company Inc) and have voting rights over 25% of the company.

The reporting entity must therefore seek to identify those owners and ensure it obtains documentation to evidence the authority/instrument that vests power in any of the directors/agents/representatives who attempts to conduct business on behalf of ABC Company Inc.

Diagram 2(b) Complex Scenario 2

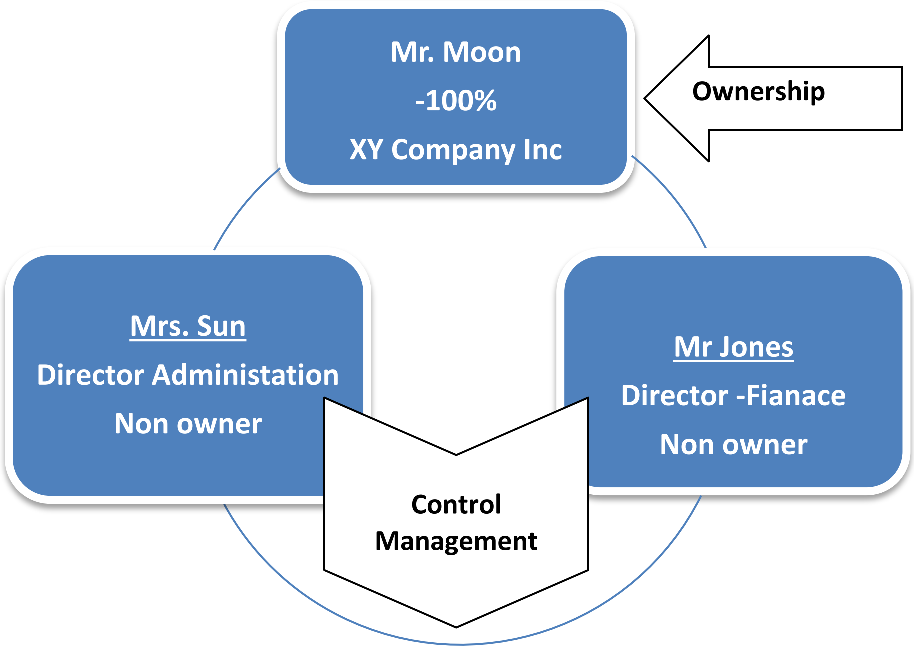


In Diagram 2(b)

In scenario 2(b), XYZ Company is owned by four companies in equal shares (25% each). However, the ultimate owners are three individuals: ***Mr. D and Ms. V*** owns 25 % each; and ***Mr. Doe*** with majority shareholding of 50% of the company, who is also a known senior politician.

In such situation, the reporting entity must set out to obtain identification and verification documentation which gives authority to act or conduct the business transactions on behalf of the business. The reporting entity must also be mindful to obtain information relating to dominant financiers of the company, including to conduct customer due diligence for the senior politician Mr. Doe, as would be classified as a 'political exposed person'. The focus is to go behind the corporate veil to uncover the natural persons with ultimate ownership and controlling interests in the transaction being conducted with the reporting entity.

Diagram 3-Ownership Vs Control



Explanation for Diagram 3

In the diagram above **Mr. Moon** is the ultimate owner of XY Company Inc. He does not control the company administratively, but power is vested in the two directors; Mrs. Sun and Mr. Jones who manage the company. They are not ultimate owners, as they did not invest in the capital to start the business. However, they make very important decisions and may have the power to bind the company legally for certain business transactions. They may also be able to enter into contracts on behalf of the company. Although they are not ultimate beneficial owners with ultimate effective control, it is important to conduct customer due diligence to understand and know these directors as well.

9. **Legal Arrangements: Understanding Express Trusts**

General Principles

An express trust is essentially a private legal arrangement where the ownership of someone's assets (which might include property, shares or cash) is transferred to someone else (usually, not just one person, but a small group of people or a trust company) to be managed and distributed or used for the benefit of a third person (or group of persons).

The person giving the assets is usually known as the 'settlor' or a 'grantor'. The person appointed to oversee the assets is called the 'trustee' and the person who benefits from the trust is called the 'beneficiary' or 'beneficial owner'. The details of the arrangement are usually outlined in a document called a 'trust deed' or other trust instrument and the assets placed in the trust are referred to as the 'trust fund or trust asset[17]'. The effect of trusts is that it enables property to be managed by one person on behalf of another or by an entity for the benefit of another entity/ies or person(s).

The trustees are the legal owners, but not necessarily the beneficial owners of the assets. The ultimate beneficial owners are the persons that ultimately receive the funds/gifts/assets/profits or other benefit from the trust fund or assets (the beneficiaries). The trustees must at all times put the interest of the beneficiaries above their own.

Trusts are used for many legitimate purposes such as for the protection of beneficiaries, the creation of investment vehicles, pension funds and the management of gifts, bequests or charitable donations[18]. Express Trusts are therefore of varying types, including, discretionary, unit, trading, testamentary and charitable.

Many trusts are created by or involve the participation of entities referred to as Trusts or Company Service Providers (TCSPs), such as attorneys-at law, public notaries or trust agencies (including investment advisors, accountants and tax advisers). These service providers are in most jurisdictions (including Guyana) listed under AML/CFT Acts as reporting entities and are responsible to, *inter alia*, conduct customer due diligence, pay close attention to trust transactions and in the event of suspicion of criminal activities, report such suspicion to the Financial Intelligent Unit.

[17] https://www.step.org/publications /reports; STEP Policy Briefing Oct 2010, published Great Britain
[18] ibid

10. Acting on behalf of Someone

The term ‘acting on behalf of someone’ may also be used in a situation where an authorising document is used to transact a business, for example “Power of Attorney’, Letter of Authorisation, Letters of Administration/Probate or other similar document. In such case, the person presenting the authorisation document is conducting or attempting to conduct the business transaction on behalf of someone who will ultimately benefit from the transaction.

In the case of a 'Power of Attorney', the person transacting the business may have the authority to sign on accounts, authorise the transfer, sale or purchase of assets owned by the donor. The reporting entity must ensure it gather sufficient information on the donor/grantor of the power/other authorising document and the beneficiaries. The authentication of these authorising documents must also be verified to ensure their validity. For example, the authority vested in a power of attorney generally dies upon the death of the donor.

11. Contractual Trusts

A contractual trust is a trust created by contract. It is generally instituted by a private contract setting out the rights and obligations of all parties, such as a revocable living trust document. A contractual trust agreement is often used by some companies to set up a pension scheme to protect pension claims in the event of the employer's insolvency. This is done to allow for certain assets to be transferred to a trustee on irrevocable terms to prevent the employer's other creditors from having access to them. The intention is for the assets to be used exclusively to satisfy the pension liabilities owed to the protected employees[19]. It is important that a reporting entity be mindful of the various forms a trust arrangement may take. Where a customer engages in a business relationship with the reporting entity, it must understand the possible legal ramifications of the transaction. Most important is for the reporting entity to ensure appropriate 'customer due diligence' measures are undertaken for transactions involving such legal arrangements.

12. Operation of trusts during 'winding up' of a Company/Business

'Winding up' of a company is a process of dissolving a business/company by selling all the assets, paying off creditors and distributing the remaining assets to the partners/shareholders. The term is commonly referred to as liquidation. This process is generally regulated by corporate laws as well as a company's articles of

[19] Stefan Sax & Oda Lehmkuhu, International Law Office, http://www.internationallawoffice.com/Newsletters/Insolvency-Restructuring, Nov, 10, 2016

association/partnership agreement/other similar instrument. Winding up of a legal person may be compulsory or voluntary.

The important point for the reporting entity to note is that once the winding up process has begun, a company can no longer pursue its business, except in order to complete the liquidation and distribution of its assets. At the end of the process, the company will be dissolved and will effectively cease to exist. Usually when a corporate trustee is wound up, the company's assets remain vested in the company, including any assets it holds on trust but under the control of a liquidator[20] or as otherwise provided by the trust instrument.[21] There are situations where a court may appoint a trustee/official receiver in bankruptcy proceedings; or the Office of Public Trustee/Official Receiver which office manages trusts and administers entities in liquidation pursuant to the Insolvency Act, Cap. 12:21. The Public Trustee/Official Receiver may also facilitate the payment of monetary judgments and costs awarded by the Court against the State. The point for the reporting entity to note is that any transaction being conducted by a reporting entity which involves such legal arrangement, the reporting entity must ensure it obtains and verifies all the relevant identification and verification information to validate the legal arrangement.
It must ensure it obtains accurate and up-to-date identification and verification documentation to support the authority of all parties involved (liquidator/receiver/insolvency practitioner or other as the case maybe) to act on behalf of the company/business.

13. **Testamentary or Will Trusts**

A testamentary trust is a legal arrangement created as specified in a person's will, and is occasioned by the death of that person. It is created to address any estate accumulated during that person's lifetime or generated as a result of a post mortem lawsuit, such as a settlement in a survival claim, or the proceeds from a life insurance policy held on the settlor[22]. Since 'Will Trusts' are only settled automatically at a certain event, usually upon the death of the testator**.** There is therefore no reporting requirement, by the service provider to such trusts, during the lifetime of the testator, as no assets have been settled into the trust. However, upon the death of the testator, the trust document takes effect, whether in the form of 'Letters of Administration or Probate' or other similar trust instrument. Of note is the importance of the Office of the Public Trustee/Official Receiver (supra), which is

[20] The liquidator usually has both the power and the duty to take control of assets which the trustee company holds in trust and to administer those assets on behalf of the trustee company.

[21] Rohan Agnew Partner O'Loughlins Lawyers, The interaction between trusts and insolvency, November 2-14

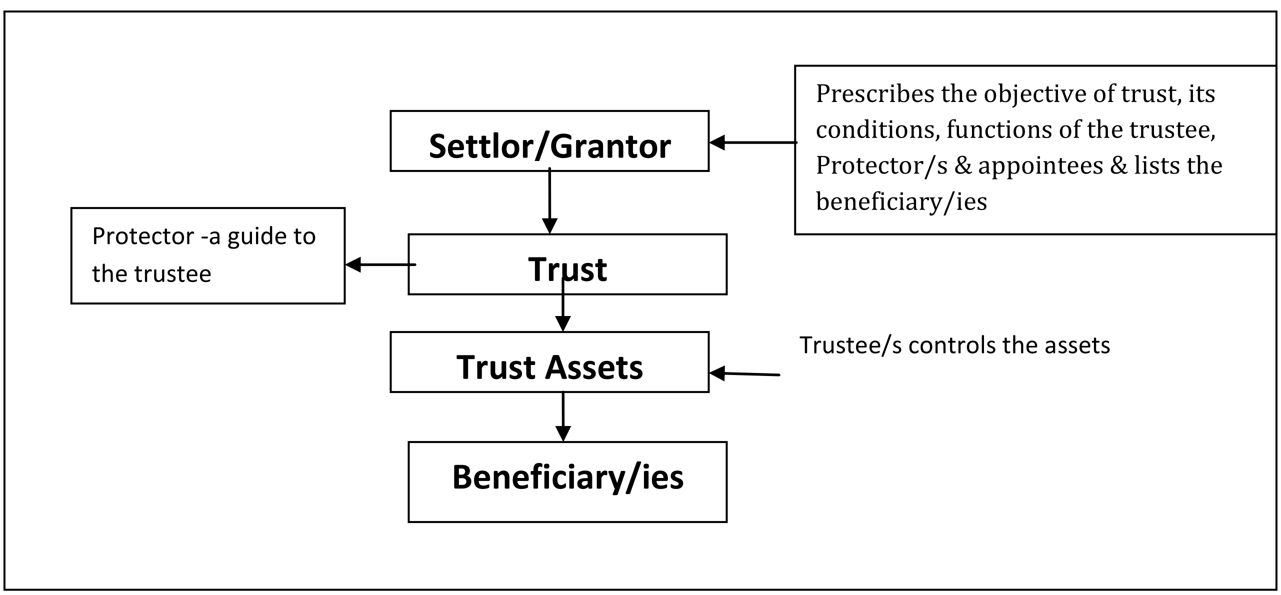
[22] http://www.law.freeadvice.com/estate_planning/wills/testamentary-trust-will.htm, 03/11/2016

primarily responsible for the administration of the estates of deceased persons. The Public Trustee/Official Receiver may also undertake to act as the executor or administrator of a will; act as the guardian or receiver of the property of a minor or person under disability; and take possession of and administer the estate of any person who is absent from Guyana and who is not fully represented by an Attorney in Guyana and who has left debts unpaid. Any business transaction with the reporting entity, which involves any of the above legal arrangements, the reporting entity would be required to ensure transparency of the business transactions being conducted by the trustee/s (for example, the executor/administrator) on behalf of the beneficial owner(s), which must be accurately documented with all the relevant identification and verification information necessary.

Important Note

The reporting entity must also establish and verify the identity of the physical person purporting to act on behalf of any customer whether natural or legal person.

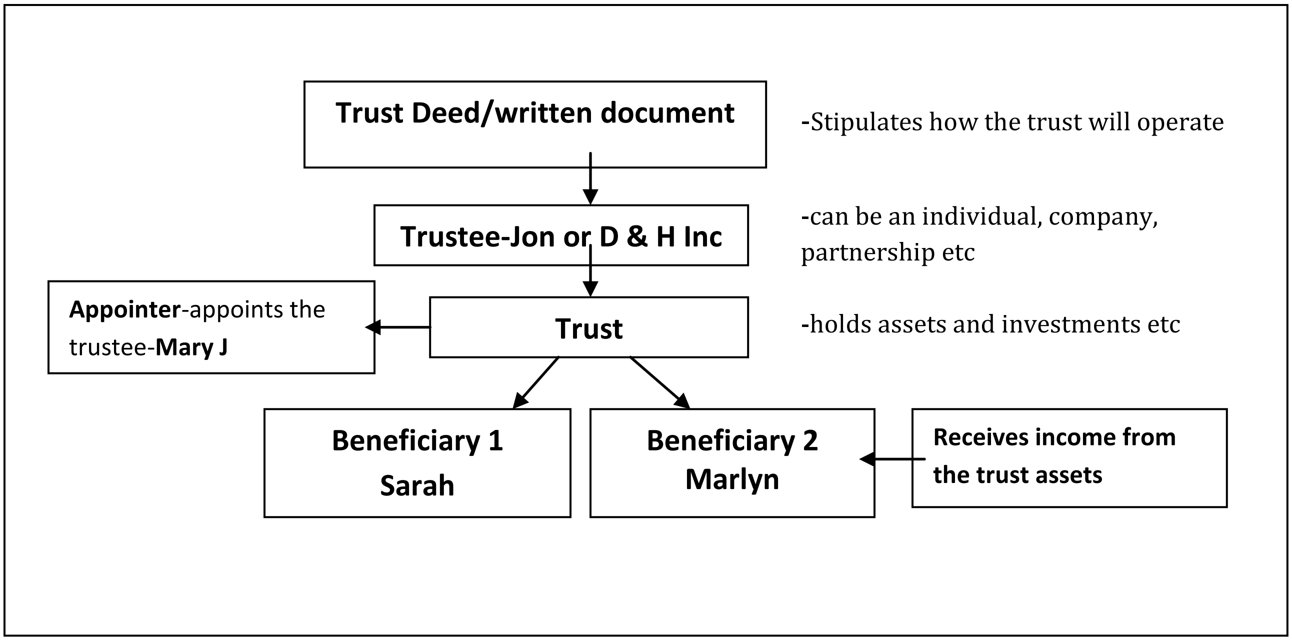
Examples: Trust Structures
(Diagram 1)



Explanation Diagram 1

In scenario 1, a simple trust arrangement is depicted. The grantor/settlor created a trust by appointing a trustee who is responsible to control the trust assets for the beneficiaries. He has also appointed a protector who will act as a guide to direct or restrain the trustee in relation to the administration of the trust. Some trust arrangement also stipulates that the protector can take over the trust if the trustee fails or is unable to carry out the instructions/functions outlined in the trust. The obligation of the reporting entity is to identify and verify all the parties involved and ensure validity of all the relevant documents to authenticate the authority to conduct the transactions with the reporting entity.

Diagram 2

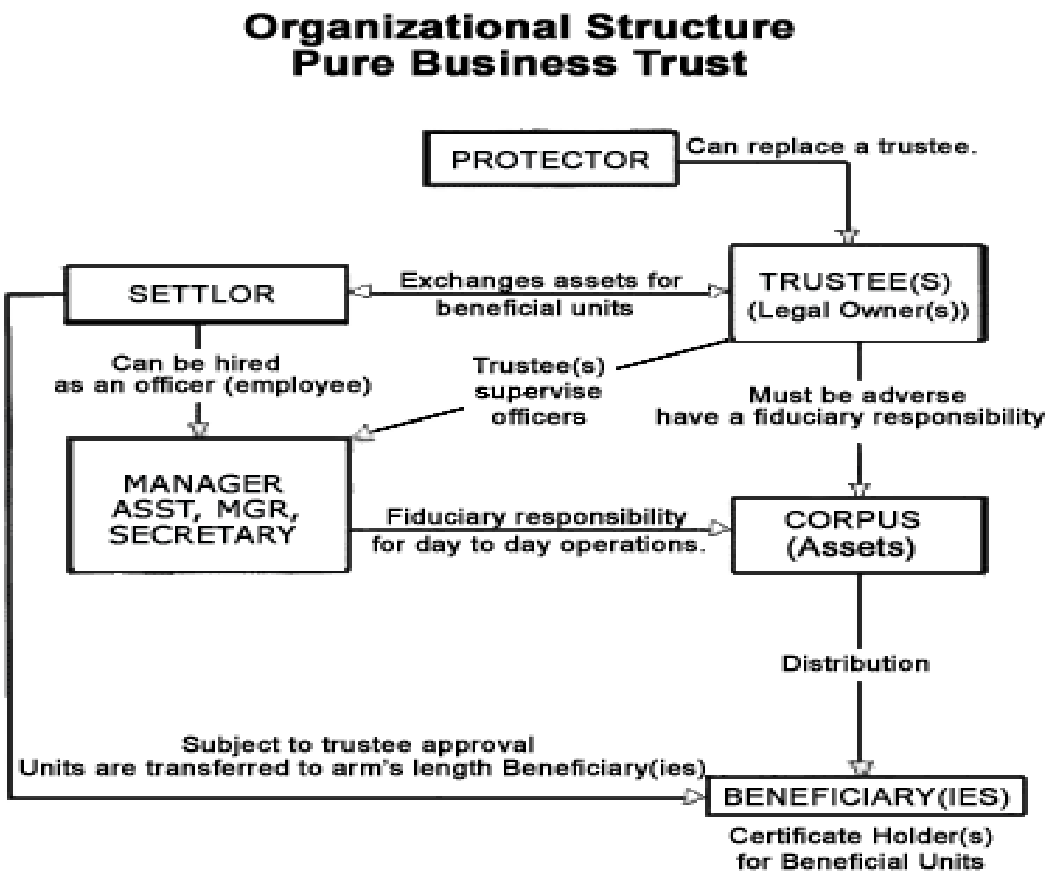


Explanation (Diagram 2)

In the diagram above, the beneficial owners are **Sarah** and **Marlyn**, although Jon (the trustee) is the persons who act on their behalf and for their benefit. The reporting entity must seek to know (identify and verify) both **Sarah** and **Marlyn**, as well as to ensure all the supporting documents (trust deed), its objectives, functions and conditions authorises Jon to conduct whatever business he sets out to transact with the reporting entity.

Identification and verification must also be conducted for the all parties involved, including the grantor/appointee/protector and the trustee(s).

Diagram 3[23]



Explanation (Diagram 3)

Diagram 3, depicts a trust arrangement where the trust is created for the benefit of unit holders (may be similar for share holders/proprietors/partners). In this scenario, the settlor who is an employee of the business acts as manager. He/she has a fiduciary duty to the business, that is, to act in its best interest and in good faith. The manager carries out the day to day operations of the business and manages the trust assets for the benefit of the business and its unit holders, the beneficial owners.

The reporting entity in such situation must seek to identify and verify the beneficial owners; (which may be unit holders/share holders/ultimate owners) of the legal arrangement, as well as the settlor, protector manager, his/her nominee or assigns, or other person who represents the beneficiary/ies to transact the business with the reporting entity.

[23] Diagram taken form:- https://www.offshore-protection.com/trusts-vs-foundations

14. Applying a Risk-Based Approach

The AMLCFT Act and other legislative measures require all reporting entities to apply a risk-based approach when transacting business with its customers. Applying a risk based approach requires the reporting entity to continuously assess the risks associated with its customers and implement appropriate measures to mitigate any risks of money laundering or financing terrorism observed when transacting business with their customers. This due diligence measure is an important element of the risk management system as it aids in the entities' continuous monitoring programme and prevents complex legal persons or arrangements from manipulating the system and providing opportunities for money launderers to conceal assets.

The reporting entity must therefore ensure all information obtained is accurately documented, up-to-date, recorded, maintained and accessible as required by the relevant AML/CFT laws and regulations.

Once the reporting entity is satisfied that there are reasonable grounds for suspicion of money laundering or terrorist financing, it must make a suspicious transaction report to the Financial Intelligence Unit (FIU), within three days of forming the suspicion.

15. Independent Reliable Source of Beneficial Ownership Information

As explained throughout this guideline, the reporting entity must ensure it identifies and verifies the identity of the beneficial owners of the legal person or legal arrangement with which it transacts business. This must be done by using independent reliable source(s) to verify the information received from the customer during the business relationship. The reporting entity can access independent beneficial ownership information on legal entities, particularly, for companies registered under the Companies Act No. 29 of 1991 from the Commercial Registries. Beneficial ownership information for Trusts, such as a registered Trust Deed can be accessed from the Deeds Registry. Similar information for Friendly Societies, Cooperatives and Credit Unions can be accessed from the Registrar of Friendly Societies and Chief Cooperative and Development Officer, Ministry of Social Protection. With respect to public companies, the Guyana Securities Council registers all public companies trading on the stock market.

16. Sanctions for Non Compliance

All reporting entities are required under sections 15 to 20 of the AML/CTT Act (as amended) to comply with the obligations to, inter alia, identify, verify and maintain up-to-date records of all their customers, include obtaining information on beneficial ownership and control structure of legal persons and legal arrangements.

The failure to comply with the obligations under specified sections of the AML/CFT Act (as amended) may cause a Supervisory Authority to impose sanctions, which include:-

I. Written warnings:
II. Order to comply with specific instructions:
III. Order regular reports:
IV. Prohibit convicted persons from employment within the sector:
V. Suspension:
VI. Restriction or withdrawal of the entity's licence: and
VII. If the default is attributable to a director or senior management of the reporting entity, direct the reporting entity to remove him/her form the Board or relieve from function and impose a fine of not less than five million dollars nor more than fifteen millions[24].

The law also provides for sanctions to be imposed where a reporting entity or in the case of a body corporate, any of its directors, managers, officers or employees that or who breaches its obligations under the AML/CFT Act where no penalty is provided, **commits an offence and shall be liable on summary conviction to a fine of not less than five million dollars nor more than fifteen million dollars and to imprisonment for a term not exceeding three years, and in the case of a body corporate to a fine of not less than fifteen million dollars nor more than forty million dollars[25].**

[24] Section 23 (1)(a) to (f)AML/CFT Act 2009
[25] Section 23(2) of the AML/CFT Act 2009