

Amendments regarding the conditions for submitting the ultimate beneficial owner statement

On April 30, 2021, the Law no. 101/2021 for the approval and amendment of the Government Emergency Ordinance no. 111/2020 entered into force, amending the provisions of the Law no. 129/2019 on money laundering and terrorist financing legislation ("Law 129/ 2019").

According to the new amendments, companies must submit with the competent Trade Registry the ultimate beneficial owner statement („UBO Statement”), in the following cases: a) on incorporation, b) annually or c) whenever a change of the company’s beneficial owner occurs.

A. Annual submission of the UBO Statement

According to the new amendments, companies must submit the UBO Statement with the competent Trade Registry, annually. The annual UBO Statement must be submitted within 15 days as of the approval of the annual financial statements.

B. Companies with individuals as shareholders

In light of the latest amendments, companies having only individuals as shareholders are no longer excepted from filling the UBO Statement, as previously provided and thus such companies will have to submit the UBO Statement on annual basis (see point A above).

C. The initial UBO Statement

Companies which have not submitted yet the initial UBO Statement, as it was introduced by Law 129/2019, shall submit such statement within 90 days from Romania's exit from the state of alert.

Companies failing to submit the UBO Statement could be sanctioned with a fine from RON 5,000 to RON 10,000 (approx. EUR 1,000 to EUR 2,000), and in certain circumstances such failure could result in the dissolution of the company.