

Beneficial Ownership Register of Express Trusts and Similar Legal Arrangements ('CyTBOR')

Q & As

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REVISIONS LOG

VERSION	DATE ISSUED	DETAILS
1.0	14 April 2022	Document Issued
2.0	23 August 2022	Revised
3.0	24 November 2023	Revised
4.0	19 January 2024	Revised
5.0	18 March 2025	Revised

1. What is the Cyprus Trusts Beneficial Owners Registry (CyTBOR)?

Based on section 61C(4)(a) of the Prevention and Suppression of Money Laundering and Terrorist Financing Laws of 2007, as amended (the "AML/CFT Law"), CySEC has established a beneficial ownership register of Express Trusts and Similar Legal Arrangements (the 'Register') which is kept through the Cyprus Trusts Beneficial Owners Registry System (the 'CyTBOR'). The function and rules governing the CyTBOR are described in section 61C of the AML/CFT Law and in CySEC's Directive for the Prevention of Suppression of Money Laundering Activities (Beneficial Ownership Register of Express Trusts and Similar Legal Arrangements) (the "Directive").

Through CyTBOR, registration, disclosure, management, keeping and updating of information on beneficial owners of Express Trusts and Similar Legal Arrangements as well as access to the Register is carried out.

The purpose of CyTBOR is to enhance transparency in relation to the beneficial ownership of express trusts and similar legal arrangements, which is expected to act as an impetus to the fight against the use of the financial system for money laundering and terrorist financing purposes.

2. What is the language used in CyTBOR?

At the moment, CyTBOR is operated only in English.

3. Is the CyTBOR independent from any register kept by the Department of Registrar of Companies and Intellectual Property or competent authorities such as the Cyprus Bar Association, the Institute of Certified Public Accountants of Cyprus etc.?

Yes, CyTBOR is a standalone register. Each express trust and similar legal arrangement registered in CyTBOR will be allocated a registration number (ID). This is in addition to, and separate from, any registration number the express trust or similar legal arrangement may already have or receive.

Records from other registries will not be used for or be automatically transferred to CyTBOR. Registering an express trust and similar legal arrangement with CyTBOR is a separate and distinct procedure.

4. If an express trust and similar legal arrangement is already registered with CySEC according to section 25A(4) of the Law Regulating Companies Providing Administrative Services and Related Matters of 2012 (Law 196(I)/2012), (the 'ASP Law') will CySEC just migrate the details it currently holds onto CyTBOR?

No. The trustees will need to provide information about their express trust and similar legal arrangement and their beneficial owners on CyTBOR, when the criteria for registration in accordance with section 61C(5)(b) of the AML/CFT Law are met.

5. Does the obligation to register a trust in the Registries kept by the supervisory authorities namely the Cyprus Bar Association, the Institute of Certified Public Accountants of Cyprus, and the Cyprus Securities and Exchange Commission as per section 25A(1) of the ASP Law, remain?

Yes, the obligation remains.

6. How is access to the CyTBOR system gained?

Access to the CyTBOR system is granted by creating a profile in Cy Login (Ariadni).

To create a profile in Cy Login (Ariadni) please refer to the registration procedures in Cy Login (Ariadni) at:

<https://cge.cyprus.gov.cy/cyloginregistration/knowledgebase/help/identification#profileIdentification-question-4-header>.

Please note that the access of trustees of express trusts or persons holding an equivalent position in similar legal arrangements to CyTBOR, via the Cy Login should be done by using the profile of the natural or legal person acting as a trustee of an express trust or as a person holding an equivalent position in a similar legal arrangement.

For access to the CyTBOR system, please click on <https://cytbor.cysec.gov.cy/login>.

7. Who creates a profile in CyTBOR?

A profile is created by a physical person:

- (a) who is a trustee of an express trust or a person holding an equivalent position with a trustee in a similar legal arrangement established or residing in the Republic of Cyprus;
- (b) who is a trustee of an express trust or a person holding an equivalent position with a trustee in a similar legal arrangement established or residing outside the

European Union that establishes a business relationship or acquires immovable property in the name of the express trust or similar legal arrangement in the Republic of Cyprus;

(c) who may be granted access to the CyTBOR under paragraphs (a) to (d) of section 61C(12) of the AML/CFT Law,

and includes, where the persons referred to in points (a), (b) and (c) are legal entities, the physical person acting for their account.

8. What is the procedure to be followed by a trustee of an express trust or a person holding equivalent position in a similar legal arrangement residing outside the European Union?

As a first step, it is necessary to contact CySEC at cytbor@cysec.gov.cy, informing CySEC of his/her capacity as a trustee of an express trust or the person holding equivalent position in a similar legal arrangement residing outside the European Union. In response, CySEC will provide relevant instructions to proceed accordingly.

9. Which trusts or similar legal arrangements need to be registered to the CyTBOR?

According to section 61C(5)(b) of the AML/CFT Law, subject to the provisions of paragraph (c), express trusts and similar legal arrangements shall be submitted in CyTBOR, if:

- (i) the trustee of an express trust or the person holding an equivalent position in a similar legal arrangement is established or residing in the Republic, or
- (ii) the trustee of an express trust or the person holding an equivalent position in a similar legal position, who is established or resides outside the European Union, enters into a business relationship or acquires immovable property in the name of express trust or similar legal arrangement in the Republic.

The above definitions are applicable to trustees of both **existing and new** express trusts or persons holding an equivalent position in both **existing and new** similar legal arrangement. The different time limits that apply to existing as opposed to new express trusts or similar legal arrangements can be found at Q&A 22.

For express trusts and similar legal arrangements that shall be exempted from registration with CyTBOR under section 61C(5)(c) of the AML/CFT Law, the trustee or the person holding an equivalent position must follow the procedure described in Q&A 44.

10. What is an 'express trust'?

Paragraph 3(2) of the Directive provides that an express trust is the trust which is expressly and voluntarily set up by a settlor and does not include a trust which comes

into being through the operation of the law or a trust for which there is no clear intention or decision of a settlor to establish a trust or similar legal arrangement, such as the Constructive Trust.

Whether a trust is considered an "express trust", this should be assessed by each trustee, taking into consideration the definition provided in the Directive.

11. What is deemed to constitute a 'business relationship' by a trustee of an express trust established or resident outside the European Union?

Section 2 of the AML/CFT Law defines the "business relationship" as 'a business, professional or commercial relationship between the *customer* and the *obliged entity* which is connected with the professional activities of an obliged entity and which is expected by the obliged entity, at the time when the contact is established, to have an element of duration'.

Furthermore, section 2 of the AML/CFT Law defines the "customer" as 'a person which aims to enter into a business relationship or carry out an occasional transaction with an obliged entity in or from the Republic'.

The trustee of an express trust or the person holding an equivalent position in a similar legal arrangement, whose place of establishment or residence is outside the European Union, is required to determine whether it is entering into a business relationship in Cyprus, as defined under section 2 of the AML/CFT Law, and hence it is required to register the express trust and similar legal arrangement in the CyTBOR.

It is the responsibility of the trustee established or resident outside the European Union to assess whether the criteria outlined in the definition of "business relationship" as defined in terms of section 2 of the AML/CFT Law subsist.

Example: a trustee established outside Europe, opens a bank account with a Cypriot Credit Institution on behalf of an express trust. Then, provided that the Credit Institution falls within the definition of an obliged entity (section 2 and section 2A(a) of the AML/CFT Law), a business relationship has been established and the express trust must be registered in the CyTBOR.

12. When an obliged entity provides services to a Cypriot legal entity, whose shareholder is an express trust and its trustee is established or reside outside the European Union, shall the said trust be registered in the CyTBOR?

Section 2 of the AML/CFT Law defines the "**business relationship**" as 'a business, professional or commercial relationship between the *customer* and the *obliged entity* which is connected with the professional activities of an obliged entity and which is expected by the obliged entity, at the time when the contact is established, to have an element of duration'.

Furthermore, section 2 of the AML/CFT Law defines the “**customer**” as ‘a person which aims to enter into a business relationship or carry out an occasional transaction with an obliged entity in or from the Republic’.

In case an obliged entity (section 2A of the AML/CFT Law) provides services to a Cypriot legal entity, that has an express trust as shareholder whose trustee is established or resides outside the European Union (the ‘trust’), then a business relationship is established between the obliged entity and the Cypriot legal entity.

The customer of the obliged entity is the Cypriot legal entity itself and **not the trust**. Hence, the trust does not fall under the provisions of section 61C(5)(a)(b)(ii) of the AML/CFT Law and **shall not be registered in the CyTBOR**.

However, if the said trustee enters into a business relationship, in the name of the trust, with an obliged entity within the Republic, the customer of the obliged entity **is the trust itself** and therefore the **trust shall be registered in CyTBOR**. For instance, the said trustee, opens a bank account with a Credit Institution in the Republic (section 2 of the AML/CFT Law), on behalf of the trust. The Credit Institution falls within the definition of the “obliged entity” (section 2(A)(a) of the AML/CFT Law). Thus, a business relationship has been established between the Credit Institution, being the obliged entity, and the trust, being the customer. In this case, the trust **shall** be registered in the CyTBOR.

13. An express trust has been terminated before the CyTBOR’s starting date. Does it need to be registered in CyTBOR?

No. Only ‘Express Trusts’ as defined in section 2(1) of the AML/CFT Law, that are not terminated upon CyTBOR’s starting date, need to be registered.

The existence in force of a written legal arrangement as provided for in the definition of “trust” in section 2(1) of the AML/CFT Law, signifies that a trust exists. The trustee in an express trust in this case has an obligation under section 61C(6)(a) of the AML/CFT Law to register the express trust in CyTBOR, regardless of whether the transfer of the property (in whole or in part) from the settlor to the trustee has taken place. Express Trusts which are inactive and/or dormant are not exempt from the obligation to be registered in CyTBOR.

14. An express trust or similar legal arrangement is being terminated (according to the relevant trust deed or other document) within few months of the CyTBOR’s starting date. Does it still need to be registered in CyTBOR?

Yes.

15. Who is responsible to submit the required information in CyTBOR?

It is the obligation of the trustee of an express trust or the person holding an equivalent position in a similar legal arrangement, when the circumstances of section 61C(5)(b) of the AML/CFT Law apply (see Q&A 10), to register an express trust or similar arrangement in CyTBOR and provide beneficial ownership information of any express trust or similar legal arrangement under his/her administration. Therefore, the legal responsibility falls upon the trustee to submit the relevant information.

16. Who is responsible for submitting the BO information of an express trust or similar legal arrangement in case of multiple trustees or persons holding an equivalent position?

The legal responsibility falls upon the trustees of express trusts or the person holding an equivalent position in a similar legal arrangement to complete the registration process. When an express trust or similar legal arrangement has multiple trustees persons holding an equivalent position, it is a matter for the trustees or the persons holding an equivalent position to decide and appoint one of them a) to complete the registration process and b) to submit the relevant information in case of any changes to the express trust or similar legal arrangement (see Q&A 30 in relation to changes to an express trust or similar legal arrangement).

The rest of the trustees of an express trust or the persons holding an equivalent position in a similar legal arrangement will not be able to administer the express trust or similar legal arrangement through CyTBOR but rather only view it upon payment (in relation to payments see Q&As 23-27).

17. In case a physical or legal person is appointed as trustee or person holding an equivalent position in multiple express trusts or similar legal arrangements, is this person able to submit the information for each express trust or similar legal arrangement?

Yes.

18. What happens if the trustee of an express trust or the person holding an equivalent position in a similar legal arrangement does not have all information required in relation to the express trust or similar legal arrangement and/or any of the beneficial owners (as defined in section 2 of the AML/CFT Law)? Should the express trust or similar legal arrangement still be registered on CyTBOR?

The trustee of an express trust or the person holding an equivalent position in a similar legal arrangement is expected to obtain the information requested and ensure

adequate, accurate and up to date written records are maintained. With the exception of express trusts or similar legal arrangements described in section 61C(5)(c) of the AML/CFT Law, every express trust or similar legal arrangement that meets the requirements of section 61C(5)(b) of the AML/CFT Law must be registered in CyTBOR.

19. How is CyTBOR updated when there is a change from the current to a new trustee of an express trust or the person holding an equivalent position in a similar legal arrangement?

The new trustee of an express trust or the person holding an equivalent position in a similar legal arrangement must request a change of trustee through a request submitted via CyTBOR. The request must also include all relevant documents/certificates (e.g. Court decisions or decrees) scanned and signed by both parties verifying the appointment of a new trustee of the express trust or a person holding an equivalent position in a similar legal arrangement and the resignation of the current trustee of the express trust or the person holding an equivalent position in the similar legal arrangement.

If CySEC deems appropriate, it may request further clarifications and/or documents for this purpose. The trustee of the express trust or the person holding an equivalent position in the similar legal arrangement submits the request again along with the clarifications (please note that this procedure will only be available once).

If CySEC rejects the request, the procedure is terminated without any change.

If CySEC approves the request, the new trustee of the express trust or the new person holding an equivalent position in the similar legal arrangement will have access to the new express trust or similar legal arrangement once logged in to CyTBOR.

A notification will be sent to the former trustee of the express trust or the person holding an equivalent position in the similar legal arrangement that his access to the express trust or similar legal arrangement is terminated.

20. Is there an annual (or other time related) obligation to the trustees of an express trust or the persons holding an equivalent position in a similar legal arrangement to verify that there has not been any change to the information submitted?

No. Although, there is an obligation under section 61C(6)(b) of the AML/CFT Law, that the trustee of an express trust or the person holding an equivalent position in a similar legal arrangement ensures that the information communicated to the CySEC is adequate, accurate and up to date.

In case of any change to the information submitted in CyTBOR, there is an obligation to notify CySEC (see Q&A 30).

21. What are the applicable time frames for the trustees of an express trust or the persons holding an equivalent position in a similar legal arrangement to complete and submit the registration procedure?

A trustee of an express trust or the person holding an equivalent position in a similar legal arrangement who is **established or resides in the Republic**, must submit an application for registration in the CyTBOR within fifteen (15) days from his appointment.

A trustee of an express trust or the person holding an equivalent position in a similar legal arrangement who is **established or resides outside the European Union** and enters into a business relationship or acquires immovable property in the name of an Express Trust or similar legal arrangement in the Republic, within fifteen (15) days from the date of forming the business relationship or acquisition of the real estate, as the case may be, submits an application for registration in the CyTBOR.

A trustee of an **existing** express trust or a person holding an equivalent position in an existing similar legal arrangement, submits an application for registration in the CyTBOR **the soonest**.

22. Do any fees apply in relation to the registration of an express trust or similar legal arrangement in CyTBOR?

For the purposes of registering an express trust or similar legal arrangement in CyTBOR, the Trustee shall pay an annual subscription fee, which pertains to the total number of the express trusts or similar legal arrangements to be registered in CyTBOR, according to the categories laid down in paragraph 10(1) of the Directive.

Example: A Trustee submits an application for registration of 15 express trusts in CyTBOR. The Trustee falls under category (c) of paragraph 10(1) of the Directive and shall pay 700 euro to proceed with the registration of the relevant express trusts.

23. Are Trustees required to renew their subscriptions with CyTBOR?

The subscription fee paid by Trustees for registration of their express trusts in CyTBOR is valid for one (1) year. The Trustees are required to renew their subscription with CyTBOR which shall pertain to the total number of registered express trusts and new express trusts registered in CyTBOR, if applicable, and shall be calculated according to the categories provided for in points (a)-(j) of paragraph 10(1) of the Directive.

Example: A Trustee submits an application for registration of 15 express trusts in CyTBOR. Based on the categories provided for in points (a)-(j) of paragraph 10(1) of the Directive, the Trustee shall pay a subscription of 700 euro for 1-20 express trusts. If the relevant subscription expires on 02/03/2024 and payment is made on

01/03/2024, the subscription renewal period starts as of 02/03/2024 and expires on 01/03/2025. If the subscription expires on 02/03/2024 and payment is made after 02/03/2024, the renewal subscription period starts as of 02/03/2024 and expires on 01/03/2025.

24. What payments should be made if the Trustee does not renew his/her subscription for a period of time?

The Trustee is required to pay the respective subscription of the expired period as well as a subscription for the current period, which shall pertain to the number of his/her registered express trusts.

Example 1: The Trustee paid a subscription fee of 250 euro for the registration of 4 express trusts for the period 01/01/2022 – 31/12/2022. The Trustee has not renewed his subscription for the period 01/01/2023 – 31/12/2023. On 01/01/2024, the Trustee shall pay a subscription fee of 250 euro for the period 01/01/2023 – 31/12/2023 as well as a subscription fee of 250 euro for the period 01/01/2024 – 31/12/2024.

Example 2: Trustee 'X' paid a subscription fee of 400 euro for the registration of 8 express trusts for the period 01/01/2022 – 31/12/2022. Trustee 'X' has not renewed his subscription for the period 01/01/2023 – 31/12/2023. On 01/01/2024, Trustee 'X' has 5 registered express trusts since 3 express trusts have been transferred to Trustee 'Y'. Thus, Trustee 'X' shall pay a subscription fee of 400 euro for the period 01/01/2023 – 31/12/2023 and a subscription fee of 250 euro for the period 01/01/2024 – 31/12/2024.

25. What happens if a trustee of an express trust or a person holding an equivalent position in a similar legal arrangement submits an application via the CyTBOR to register more express trusts or similar legal arrangements than the number he was allowed to register when he paid the annual subscription fees?

In this case an additional subscription of one (1) year shall be paid which shall pertain to the number of new express trusts or similar legal arrangements not covered by the category for which the annual subscription has been paid, and which shall be calculated according to the categories provided for in points (a) – (j) of paragraph 10(1) of the Directive.

Example: X Trustee pays 400 euro for 1-10 express trusts or similar legal arrangements. Before the expiration of the subscription, he has already registered 10 express trusts or similar legal arrangements, but X Trustee also wishes to register another 2 express trusts or similar legal arrangements. An additional payment of 250 euro should be made which will allow the additional registration of up to 5 express trusts or similar legal arrangements.

26. Do any fees apply for access to beneficial ownership information on CyTBOR?

Access of the competent authorities mentioned in section 61C(12)(a) of the AML/CFT Law to CyTBOR system is free of charge.

The same applies for a trustee of an express trust or a person holding an equivalent position in a similar legal arrangement when accessing the information of the express trusts or similar legal arrangements registered by the same.

Upon submission by obliged entities mentioned in section 61C(12)(b) of the AML/CFT Law of a request for access to the CyTBOR, a subscription fee of four euros (€4) per express trust or similar legal arrangement shall be paid via CyTBOR.

Upon submission of a request for access to the CyTBOR by a natural or legal person of section 61C(12)(b) of the AML/CFT Law demonstrating a legitimate interest, a subscription fee of seventy-five euros (€75) per express trust or similar legal arrangement shall be paid via CyTBOR.

Upon submission of a request for access to the CyTBOR by a natural or legal person under paragraph (d) of section 61C(12) of the AML/CFT Law, a subscription fee of four euros (€4) per express trust or similar legal arrangement shall be paid via CyTBOR.

27. Is it possible for "unused" balance to be credited next year?

No. Subscription fees are valid only for one (1) year and any 'unused' balance cannot be credited the following year.

Example: a trustee of an express trust or a person holding an equivalent position in a similar legal arrangement pays 400 euro for 1-10 express trusts or similar legal arrangements and within the year registers only 6 express trusts or similar legal arrangements, the "unused" balance will not be credited the following year.

28. Can CySEC reject the application of a trustee of an express trust or a person holding an equivalent position in a similar legal arrangement for the registration of a trust or a similar legal arrangement in CyTBOR?

An application for registration in CyTBOR shall be accepted only when the application for registration in CyTBOR is duly completed and complies with the AML/CFT Law and the Directive.

29. In case the application is rejected by CySEC, are any paid fees refunded?

No.

30. What information needs to be submitted in CyTBOR?

The information submitted in CyTBOR can be divided into two main categories:

- i. information related to the express trust or the similar legal arrangement itself, and
- ii. information in relation to the beneficial owners of the express trust or similar legal arrangement (as the term 'beneficial owner' is interpreted in section 2 of the AML/CFT Law).

The information that must be provided in CyTBOR in relation to an express trust or similar legal arrangement is described in section 3.2.1 of the [User Manual for access to CyTBOR by Trustees of express trusts or Persons holding equivalent positions in similar legal arrangements](#) (the 'Manual'). Information in relation to the beneficial owners of the express trust or the similar legal arrangement is described in sections 3.2.9, 3.2.10, 3.2.12 and 3.2.13 of the Manual.

It should be mentioned that where there are multiple beneficial owners (e.g. multiple settlors, trustees or persons holding an equivalent position), relevant information as described in the Manual should be provided for each beneficial owner.

ALL information must be provided. Trustees of express trusts or persons holding an equivalent position in a similar legal arrangement are expected to take all reasonable steps to obtain and hold the information indicated in the relevant sections of the Manual, and to ensure that the records and information provided are accurate and up to date.

31. What should be reported on CyTBOR, in case the beneficiary of an express trust or similar legal arrangement is a 'charitable organisation'?

Pursuant to paragraph c) of section 2(1) of the AML/CFT Law, the 'beneficial owner' of a 'charitable organisation' is considered the natural person holding equivalent or similar positions to the persons referred to in section 2(1)(b) of the AML/CFT Law. For guidance in relation to the information submitted in CyTBOR, please refer to Chapter 3.2.9 of the [User Manual for access to CyTBOR by Trustees of Express Trusts and Persons Holding Equivalent Positions with Trustees in Similar Legal Arrangements](#).

32. What should be reported on CyTBOR in case the beneficiaries of a 'charitable organisation' could not be individually identified by name?

Where the beneficiaries of a 'charitable organisation' are not named, then a description of the 'class of beneficiaries' should be recorded on CyTBOR, pursuant to paragraph b), point(iv) of section 2(1) of the AML/CFT Law.

33. As soon as an express trust or similar legal arrangement is registered in CyTBOR, can a proof of its registration be issued? What is the cost for the issue of such proof?

Yes, a proof of registration is available through CyTBOR and can be issued for free by the trustee of the express trust or the person holding an equivalent position in a similar legal arrangement.

34. Should CyTBOR be notified of any change to the information already provided to CyTBOR and when?

Whenever there is a change to the beneficial ownership information of an express trust which is reported on CYTBOR, the trustee is required to submit updated information on the express trust on CYTBOR within fifteen (15) days from date on which the change is recorded by the trustee.

Changes to the beneficial ownership information include:

- i. Changes to the identification details of beneficial owners (e.g. change in name and surname the settlor, the trustee or person holding an equivalent position or the beneficiary, change in passport details, country of residence, etc).
- ii. Appointment or removal of beneficial owners and so on.

35. Can CySEC suspend the registration of an express trust or similar legal arrangement in the CyTBOR and for how long?

The CySEC may suspend the registration for a period of time deemed necessary, in cases where it deems for any reason that information or details or documents or forms provided under section 61C of the AML/CFT Law are incorrect and/or incomplete and/or false.

The suspension or not of the registration of an express trust or similar legal arrangement in the CyTBOR and/or the continuation or lifting of the suspension of registration, does not prejudice any right of CySEC under subparagraphs (v) and (vi) of paragraph (a) and subparagraphs (i) and (ii) of paragraph (b) of section 61C(9) of the AML/CFT Law.

36. When should an express trust or similar legal arrangement be deleted?

The trustee of the express trust or the person holding an equivalent position in a similar legal arrangement must declare the express trust or similar legal arrangement as deleted when (a) the express trust or similar legal arrangement does no longer abide by the conditions of section 61C(5)(b) (i) or (ii), (b) of the AML/CFT Law it is no longer in force and (c) for other reasons.

Once the express trust or similar legal arrangement is declared as deleted, CySEC proceeds with removing the express trust or similar legal arrangement from the Register.

Further information on the deletion is provided in section 3.2.14 of the [Manual](#).

37. Will CySEC keep historical information on the CyTBOR after it has been informed by the trustees of an express trust or the person holding an equivalent position in a similar legal arrangement that an express trust or similar legal arrangement has been terminated?

Section 61C(10) of the AML/CFT Law specifies that if CySEC is notified that an express trust or similar legal arrangement has been terminated, then it will continue to keep in the CyTBOR the information of the said express trust or of the similar legal arrangement and of the beneficiaries for a period of ten (10) years from the said termination.

38. Who can access the beneficial ownership information on CyTBOR and which information does he have access to? Will the data relating to an express trust or similar legal arrangement become public?

The data submitted to the CyTBOR are not publicly available. Access to beneficial ownership information on CyTBOR is regulated by section 61C(12) of the AML/CFT Law.

Detailed information in relation to the persons:

- mentioned in section 61C(12)(a) of the AML/CFT Law can be found in the CySEC's [User Manual for access to CyTBOR as per section 61C\(12\)\(a\) of the Prevention and Suppression of Money Laundering and Terrorist Financing Law of 2007 \(L.188\(I\)/2007\)](#);
- mentioned in section 61C(12)(b) of the AML/CFT Law can be found in paragraph 12 of the Directive, in the CySEC's [User Manual for access to CyTBOR by Trustees of express trusts or Persons holding equivalent positions in similar legal arrangements](#) and in the CySEC's [User Manual for access to CyTBOR by Credit and Financial Institutions only](#).
- mentioned in section 61C(12)(c) and in section 61C(12)(d) of the AML/CFT Law can be found in paragraphs 13 and 14 of the Directive and in the CySEC's [User Manual for access to CyTBOR by Natural or Legal Persons as per sections 61C\(12\)\(c\) and 61C\(12\)\(d\) of the Prevention and Suppression of Money Laundering and Terrorist Financing Law of 2007 \(L.188\(I\)/2007\)](#).

39. As per section 61C(12)(a) of the AML/CFT Law, no CySEC consent needs to be obtained for providing access to any information to MOKAS. Does this apply also to foreign financial intelligence units as well?

According to section 61C(17)(a) of the AML/CFT Law, CyTBOR shall be interconnected with the European central platform. On the basis of this interconnection, the Financial Intelligence Units of the other Member States have access to BO information of express trusts and similar legal arrangement registered in CyTBOR, via the European central platform. Furthermore, section 61C(19) of the AML/CFT Law specifies that the authorities provide timely and free information to the respective authorities of other Member States, therefore MOKAS should provide the relevant information to the Financial Intelligence Unit of other Member States in a timely manner and free of charge.

40. Will CySEC keep a track record on who gains access to the information of an express trust or similar legal arrangement (in those instances where the consent of the trustee of an express trust or of the person holding an equivalent position in a similar legal arrangement is not required, or the trustee of an express trust or of the person holding an equivalent position in a similar legal arrangement does not need to be informed)? Will the trustee of an express trust or of the person holding an equivalent position in a similar legal arrangement be entitled to have access to it also upon request?

CySEC has full access to the data and information submitted to and maintained in CyTBOR, including performing an audit trail as to who accessed information for an express trust or similar legal arrangement. A trustee of an express trust or a person holding an equivalent position in a similar legal arrangement will not have access to an audit trail regarding the access to the information of the express trust or similar legal arrangement.

41. Is there an option to ask for an exemption from access to all or part of the information on the beneficial ownership of an express trust included in CyTBOR?

Section 61C(16)(a) of the AML/CFT Law states that CySEC may, in exceptional cases and after a detailed assessment of the exceptional nature of the circumstances, exclude access on a case-by-case basis to all or part of the information in relation to the beneficial owner of a registered express trust or similar legal arrangement in case granting access to the persons referred to in paragraphs (b), (c) and (d) of subsection (12) would expose the beneficial owner to a disproportionate risk of fraud, kidnapping, blackmail, extortion, harassment, violence or intimidation or the beneficial owner is a minor or otherwise legally incompetent.

It is noted that, the trustee of an express trust or the person holding an equivalent position in a similar legal arrangement should demonstrate, providing supporting evidence to CySEC, **the exceptional nature of the circumstances that justify the exemption** (i.e. in addition to the supporting evidence that a person is a minor). The trustee of an express trust or the person holding an equivalent position in a similar legal arrangement may submit to CySEC an access exemption request via

CyTBOR. The reasons justifying and best describe the request must be clearly stated. CySEC may ask further information to be provided. Upon the date the request is submitted through CyTBOR, access to the particular information which is the subject matter of the request is suspended until CySEC issues a decision (this does not apply to the persons referred to in paragraph (b) of section 61C(12) of the AML/CFT Law).

42. If an access exemption request is approved by CySEC, is it absolute?

In case the CySEC's decision is positive, then access to the relevant information shall be exempted, except for the persons of paragraph (b) of section 61C(16) of the AML/CFT Law.

43. What happens when a difference and/or discrepancy between the information kept in CyTBOR and that at the disposal of a competent authority or obliged entity (as these are interpreted in the AML/CFT Law) is identified?

In this case the competent authorities and/or the obliged entities shall report the difference/discrepancy to CySEC through CyTBOR and submit relevant information and/or details and/or documents that justify each difference and discrepancy. CySEC shall inform the trustee of an express trust or the person holding an equivalent position in a similar legal arrangement of the report and request its positions. In case CySEC concludes that the information kept in CyTBOR is false and/or inaccurate and/or incomplete, it shall request from the trustee of an express trust or the person holding an equivalent position in a similar legal arrangement to proceed to corrections and/or amendments within a period to be determined by CySEC.

44. What is the procedure for express trusts or similar legal arrangements which do not fall within the scope of section 61C(5)(b) of the AML/CFT Law but instead are exempted from the registration requirement in accordance with section 61C(5)(c) of the AML/CFT Law?

Express trusts or similar legal arrangements which do not fall within the ambit of section 61C(5)(b) of the AML/CFT Law, do not have to register with CyTBOR but instead the trustee or the person holding an equivalent position requests a registration exemption which will require the information mentioned in section 3.3.1 of the [Manual](#) to be provided.

45. What happens if CySEC deems for any reason that any of the information or details or documents or forms provided under section 61C of the AML/CFT Law are incorrect and/or incomplete and/or false?

In such case CySEC may suspend the registration of an express trust or similar legal arrangement in the CyTBOR for a period of time deemed necessary according to paragraph 9 of the Directive.

In case the CySEC suspends the registration, it shall serve a notice to the trustee of an express trust or the person holding an equivalent position in a similar legal arrangement setting a deadline of fifteen (15) days for the correction of the relevant information and/or the provision of explanations to the CySEC. The trustee of an express trust or the person holding an equivalent position in a similar legal arrangement shall inform CySEC of its compliance. CySEC shall then decide whether to continue or not the suspension of the registration.

It is provided that the suspension or not of the registration and/or the continuation or lifting of the suspension of registration, shall not prejudice CySEC's right to take further action according to section 61C(9) of the AML/CFT Law.

46. What are the powers of CySEC if a person does not comply with and/or infringes the provisions of section 61C of the AML/CFT Law or the Directive?

As per section 61C(9)(a) of the AML/CFT Law, the Cyprus Securities and Exchange Commission, may –

“(i) approve or reject an application for registration in the Register on the basis of the conditions laid down in a Directive,
(ii) delete from the Register a registered express trust or similar legal arrangement if the conditions of paragraph (5) (b) are not met or where the express trust or similar legal arrangement is no longer in force,
(iii) suspend the registration of an express trust or similar legal arrangement, on the basis of the conditions laid down in a Directive,
(iv) in the case of failure to submit the information for registration in the Register, as laid down in a Directive issued pursuant to the provisions of paragraph (6) (c), impose a financial penalty of two hundred Euros (€200) and a further financial penalty of one hundred Euros (€100) for each day for which the failure is continued, with the maximum total penalty being twenty thousand euros (€20.000);
(v) if a person does not comply with the provisions of this section or the Directives issued pursuant thereto, take all or any of the following measures:
(aa) a financial penalty not exceeding five hundred thousand euros (EUR 500.000) and in the event of renewed breaches one million euro (EUR 1.000.000), depending on the gravity of the breach; and
(bb) Suspension or removal of the registration of an express trust or a similar legal arrangement from the Register, 140
(vi) where a person, when providing and/or disclosing information to CySEC with a view to fulfilling his obligations under this section or the Directives issued pursuant to this section, knowingly or negligently provides CySEC with false or misleading information or details or documents or forms or conceals material information, to take all or any of the measures referred to in point (v) of subparagraph (a) of this paragraph.”

47. Is there a support line for any issue related to CyTBOR?

Yes, there is a support line number: 22506819 (Monday – Friday: 09:00am – 12:00pm). You can also send an email at cytbor@cysec.gov.cy.