

Dubai International Financial Centre (DIFC) - Ultimate Beneficial Ownership (UBO) Regulations

February 2019

In brief

Further to the recent regulatory changes in the DIFC and due to the global interest and focus on UBO requirements, we have outlined the main elements in the DIFC's new UBO regulations below. These new UBO requirements need to be met by **Tuesday 12 February 2019**.

In detail

The UBO Regulations require every entity registered in the DIFC to maintain a private UBO register at its registered office, unless the entity concerned qualifies for an exemption. An assessment will need to be carried out to determine whether the DIFC entity qualifies for an exemption. In addition, every entity must also file UBO details with the Registrar of Companies via the DIFC portal by the deadline. It is important to note that this information will not be made public by the Registrar of Companies.

Any entity that fails to meet the new UBO requirements may face a fine of up to USD 25,000. Fines will also only be issued if and when an inspection takes place and non-compliance is identified. A 30 day grace period will apply to the issuance of such fines, therefore, they will become enforceable from 14 March 2019.

In order to ensure that these requirements are met prior to the deadline, we can provide you with the following support:

- Assess whether your entity qualifies for an exemption;
- Review the information currently held on the DIFC portal with respect to UBOs;
- Assess whether the information needs to be updated/amended in anyway, and if so process all necessary changes required on the DIFC portal on your behalf;
- Liaise with the DIFC authorities/Registrar of Companies as may be necessary; and
- Draft a private UBO register to be maintained by your entity at its registered office address.

Please note that the private UBO register can be maintained electronically as long as it is accessible from the registered office. The UBO register should be readily available when the DIFC carry out their inspection/s.

The takeaway

Following further clarifications this week on the precise requirements, action needs to be taken urgently to ensure compliance with the new UBO Regulations with the deadline fast approaching. If you would like a deeper discussion on this topic please contact the team below.

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