

corporate – legal changes published in February 2020

The National Trade Registry Office (ONRC) has put into operation the Beneficial Owners Registry

On February 20, 2020, the National Trade Registry Office informed that it put into operation the Beneficial Owners Registry, Romanian companies having the obligation to submit a declaration regarding the beneficial owners of the legal entity in order to be entered in the new registry provided by Anti-Money Laundering and Terrorism Financing Law 129/2019.

ONRC's notice:

In accordance with the provisions of art. 19 paragraph (1), (2) and (5) of Anti-Money Laundering and Terrorism Financing Law no. 129/2019, as well as for amending and supplementing certain acts, the National Trade Registry Office has put into operation the Beneficial Owners Registry for companies.

(I) According to art. 56 paragraph (1) of the aforementioned act, **the legal persons subject to the obligation to register in the trade registry**, except for autonomous government entities, national companies and companies wholly or mainly owned by the state, **must submit a declaration regarding the beneficial owner of the legal person for registration in the Beneficial Owners Registry**, as follows:

(1) **upon incorporation**

Among the other documents required by law, upon registration, one shall also submit the declaration regarding beneficial owners, given by the legal representative, in the form provided by Law no. 129/2019.

(2) **annually**

The annual declaration is submitted to the trade registry office where the legal person is registered within 15 days from the approval of the annual financial statements.

(3) **any time a change occurs**

Within 15 days from the date when a change regarding the identification data of the beneficial owner takes place.

Failure by the legal representative to declare the identification data of the beneficial owner, annually or whenever a change occurs, constitutes an administrative offence and is sanctioned with a fine from RON 5,000 lei to RON 10,000.

The finding of the offence and the application of the sanction is carried out by the bodies with control powers within the Ministry of Public Finance - the National Agency for Fiscal Administration and its territorial units and by the National Anti-Money Laundering Office, through its own agents.

The citation is communicated to the trade registry office, and it mentions that the non-submission of the declaration attracts the dissolution of the company, under the conditions of art. 237 of the Companies Law no. 31/1990, republished, with subsequent amendments and additions.

If, within 30 days from the date of application of the sanction, the representative of the legal person referred to in art. 56 paragraph (1) does not submit the declaration regarding the identification data of the beneficial owner, at the request of the National Trade Registry Office, the court or, as the case may be, the specialized court will be able to rule the dissolution of the company (the dissolution cause can be removed before submitting arguments on the merits).

- (II) **In the case of companies registered until 21.07.2019** (the date of entry into force of the law), except for national companies and companies wholly or mainly owned by the state, **the deadline for submission** (according to art. 62 paragraph (1) of Law no. 129/2019) **is 12 months from the entry into force of the law, namely by 21.07.2020.**

The declaration regarding the identification data of the beneficial owners is submitted, through the care of the legal representative, to the trade registry office where the company is registered for registration in the Beneficial Owners Registry, kept by the National Trade Registry Office.

Non-compliance by the administrator representing the company with the obligation stipulated in art. 62 paragraph (1), at the expiration of the aforementioned term, constitutes an administrative offence and is sanctioned with a fine from 5,000 lei to 10,000 lei.

The finding of offences and the application of sanctions are carried out by the control bodies of the Ministry of Public Finance - the National Agency for Fiscal Administration and its territorial units and by the National Anti-money Laundering Office, through its own agents.

The citation is communicated to the trade registry office, and it mentions that the non-submission of the declaration attracts the dissolution of the company, under the conditions of art. 237 of the Companies Law no. 31/1990, republished, with subsequent amendments and additions.

If, within 30 days from the date of application of the sanction, the representative of the legal person referred to in art. 56 paragraph (1) does not submit the declaration regarding the identification data of the beneficial owner, at the request of the National Trade Registry Office, the court or, as the case may be, the specialized court will be able to rule the dissolution of the company (the dissolution cause can be removed before submitting arguments on the merits).

In all the above cases, the declaration can be given in front of the representative of the trade registry office or it can be submitted in authenticated form.

In 2020, the legal persons established until the date of entry into force of the law, subject to the obligation to submit the beneficial owner **declaration submit a single declaration, after the approval of the annual financial statement**, which will cover both the obligation regulated by the provisions of art. 62 paragraph (1) of the law, as well as the one regulated by the provisions of art. 56 paragraph (4).

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Registration requests aimed at submitting the above statements can be submitted at the **counter, online or by mail, with acknowledgment of receipt**. The application transmitted in electronic form will have the extended electronic signature incorporated, attached or logically associated.

In the case of applications submitted online or by mail, the declarations regarding the beneficial owners will be annexed, in authenticated form.

For more information, go to the institution's website www.onrc.ro, *Section - Entries for legal entities, Subsection - Registration of data from the declaration on the beneficial owner*.