

Disclosure of Ukrainian companies' ownership structure

On 11 July 2021, the Regulation on the ownership structure form and content came into force upon approval by Order of the Ministry of Finance of Ukraine dated 19 March 2021 No. 163. The Order obliges all Ukrainian companies to provide information (ownership structure) to the state registrar for establishing the ultimate beneficial owner.

This means that, starting from 11 July 2021 and within one year, all Ukrainian legal entities registered before 8 June 2021 and obliged to have information on the ultimate beneficial owners in the Unified State Register of Legal Entities, Individual Entrepreneurs and Public Organizations must submit documents for updating the information on the ultimate beneficial owners to the state registrar. Thus, from 11 July 2021 to 11 July 2022, it is necessary to update the information on the ultimate beneficial owners in the state register.

The following documents must be submitted to the state registrar:

- an application for state registration of a legal entity;
- an ownership structure, under the Ownership structure order;
- an extract, statement or other document from the commercial, bank, court register confirming the registration of a non-resident legal entity in the country of its location - if the founder of the legal entity is a non-resident legal entity;
- a notarized passport copy of the person who is the legal entity's ultimate beneficial owner.

Note that the administrative fee will not be charged if the information on the ultimate beneficial owners is provided to the state registrar within one year, i.e., until 11 July 2022. After this date, the administrative fee of UAH 680 (approx. USD 25) must be paid.

It is worth reminding that under the legislation of Ukraine, the fine from UAH 17,000 to UAH 51,000 (approx. USD 625 to USD 1,875) is imposed in case of a failure to submit or untimely submission to the state registrar of the information on legal entity's final beneficial owners or their absence, or a failure to submit documents for confirmation of the legal entity's final beneficial owner information. The fine is imposed on the legal entity's head or on the person authorized to act on behalf of the legal entity.