

Companies (Beneficial Ownership)

GN No. 391 (Contd.)

GOVERNMENT NOTICE NO. 391 published on 14/5/2021

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THE COMPANIES ACT,
(CAP. 212)

REGULATIONS

(Made under section 483(2))

THE COMPANIES (BENEFICIAL OWNERSHIP) REGULATIONS, 2021

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THE COMPANIES (BENEFICIAL OWNERSHIP) REGULATIONS, 2021

PART I
PRELIMINARY PROVISIONS

Citation

1. These Regulations may be cited as the Companies (Beneficial Ownership) Regulations, 2021.

Interpretation
Cap. 212

2. In these Regulations, unless the context otherwise requires-

“Act” means the Companies Act;

“beneficial owner” means a natural person-

- (a) who directly or indirectly ultimately owns or exercises substantial control over an entity or an arrangement;
- (b) who has a substantial economic interest in or receives substantial economic benefit from an entity or an arrangement directly or indirectly whether acting alone or together with other persons;
- (c) on whose behalf an arrangement is conducted; or
- (d) who exercises significant control or influence over a person or arrangement through a formal or informal agreement; and

“Registrar” means the Registrar of companies appointed under section 450 of the Act.

PART II
INFORMATION OF BENEFICIAL OWNERS

Particulars of

3.-(1) A company incorporated or registered under the

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beneficial owner
GN. No.
41 of 2005

Act shall submit to the Registrar particulars of its beneficial owners in form No. 14b prescribed in the Companies (Forms) Rules.

(2) A company shall take reasonable steps to identify its beneficial owners and shall enter in its register of members and beneficial owners the particulars as prescribed under section 14 (2) (b) of the Act.

GN. No.
37 and 41 of 2005

(3) Where a person ceases to be a beneficial owner, a company shall, upon payment of fee prescribed in the Companies (Fees Payable to Registrar) Regulations, file a notice to that effect to the Registrar by filling in form No. 14c prescribed in the Companies (Forms) Rules within thirty days from the date of cessation.

GN. No.
37 of 2005

(4) Where default is made in complying with the provisions of this regulation within the prescribed time, the company and every officer, shareholder and beneficial owner of the company who is in default shall be jointly and severally liable to a late filing fee as prescribed in the Companies (Fees Payable to Registrar) Regulations.

Declaration of
beneficial interest

GN. No.
41 of 2005

4.-(1) A person whose name is entered in the register of members of a company as the registered owner of shares in that company but who does not hold the beneficial interest in such shares shall file with the company a declaration to that effect by filling in form No. 14d prescribed in the Companies (Forms) Rules within a period of thirty days from the date on which his name is entered in the register of members of such company;

Provided that where any change occurs in the beneficial interest in such shares, the registered owner shall, within a period of thirty days from the date of such change, make a declaration of such change to the company by filling in form No. 14d prescribed in the Companies (Forms) Rules.

GN. No.
41 of 2005

(2) A person who holds or acquires a beneficial interest in shares of a company not registered in his name shall file with the company a declaration disclosing such interest by filling in form No. 14e prescribed in the Companies (Forms) Rules within thirty days after acquiring such beneficial interest in the shares of the company;

Provided that where any change occurs in the beneficial interest in such shares, the beneficial owner shall, within a period of thirty days from the date of such change, make a declaration of such change to the company by filling in form No. 14e prescribed in the Companies (Forms) Rules.

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2005

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(3) Where any declaration under this regulation is received by the company, the company shall make a note of such declaration in the register of members and beneficial owners and shall, upon payment of fee prescribed under the Companies (Fees Payable to Registrar) Regulations, and within a period of thirty days from the date of receipt of declaration by it, file a return in prescribed form with the Registrar in respect of such declaration.

Notice of change
in beneficial
owners
GN. No.
37 and 41 of 2005

5.-(1) A company shall, upon payment of fees set out in the Companies (Fees Payable to Registrar) Regulations, lodge with the Registrar the particulars of change of its beneficial owners in form No. 14f prescribed in the Companies (Forms) Rules within thirty days from the date of change.

GN. No.
41 of 2005

(2) Where there is a transfer or transmission of shares or an increase or reduction of share capital or a restructuring of a company's share capital or changes in the voting rights leading to any change in beneficial interest, the company shall, together with the applicable procedures prescribed in the Act, deliver to the Registrar a notice in form No. 14f prescribed in the Companies (Forms) Rules indicating whether or not there has been a change in the beneficial ownership of the company.

(3) The Registrar shall not register a notice of acquisition of shares or any other document relating to changes in issued share capital or voting rights unless the requirements of subregulation (2) have been complied with.

(4) The notices of changes in beneficial ownership referred to in this regulation, duly completed, shall be signed by at least one director of the company or the company secretary and a certified true copy of the official identification document for every beneficial owner shall be submitted to the Registrar.

Non-disclosure of
beneficial owner
information

6. A company shall not use or disclose any information about its beneficial owner except-

- (a) for communicating with the beneficial owner concerned;
- (b) in order to comply with any requirement of these Regulations; or
- (c) in compliance with a court order.

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PART III
REGISTER OF BENEFICIAL OWNERS

Register of
beneficial owners

7. Subject to section 451A of the Act, the information on the beneficial owners of every company provided to the Registrar in accordance with these Regulations shall be entered and held by the Registrar in a register of beneficial owners kept by the Registrar for this purpose.

Refusal of
registration

8. The Registrar may refuse to register any document of a company which is required to be registered under the Act if the beneficial ownership information was not submitted or if he is not satisfied that the company has provided accurate and up to date information on the beneficial owners of the company as required by the Act and shall communicate his decision to the company accordingly.

Submission of
documents

9. Any document which is required to be submitted to the Registrar under any of the provisions of these Regulations may be submitted in such format and by such means including in electronic form and by electronic communication as the Registrar may deem appropriate.

PART IV
MISCELLANEOUS PROVISIONS

Offences and
penalties

10. A person who-

- (a) fails to keep record of beneficial owners;
- (b) fails to provide information to the Registrar about a change in beneficial ownership of a company;
- (c) fails to provide the Registrar with a declaration containing information on the beneficial owners of the company; or
- (d) contravenes any provision of these Regulations, commits an offence and shall be liable to a fine of not less than five million shillings but not exceeding ten million shillings.

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Non-disclosure
of confidential
information

11. Registrar or other officers performing the duties under the Act shall have the obligation, even after the termination of their employment, neither to communicate confidential information obtained in their capacities pursuant to the provisions of these Regulations to persons not entitled to receive it nor to disclose it to the public or make other use of it.

Dodoma,
27th April, 2021

KITILA MKUMBO
Minister for Industry and Trade