User Guidelines

Companies Act (Register of Beneficial Owners) (Amendment) Regulations, 2026 (the "amending Regulations").

Purpose

The aim of these amendments is to:

- Transpose and implement Articles 11, 12, 13 and 15 of Directive (EU) 2024/1640, which deals with mechanisms to prevent the use of the financial system for money laundering and terrorist financing, and to align the beneficial ownership framework with the new EU anti-money laundering package.
- Align the Maltese beneficial ownership regime with Regulation (EU) 2024/1624, insofar as terminology used for AML/CFT, obliged entities, customers, competent authorities.
- Improve the quality and transparency of beneficial ownership information by requiring additional particulars, including place of birth, residential address and information on nominee shareholders, where applicable.
- Strengthen the obligation of companies to identify persons who exercise control through means other than registered shareholding, so that such persons are treated as beneficial owners where appropriate.
- Introduce a simplified compliance approach for straightforward corporate structures. Where all registered shareholders are natural persons, none of them is acting as trustee or in any other fiduciary capacity, no other natural person exercises control over more than twenty-five percent (25%) of voting rights or other ownership interests or through other means, and no natural person holds the position of senior managing official, the company's register of members will be deemed to constitute its beneficial owners register.
- Introduce more detailed rules on who may access beneficial ownership information, including competent authorities, obliged entities and persons who can demonstrate or are deemed to have a legitimate interest.
- Set out procedures for requesting access to beneficial ownership information, including verification of legitimate interest, access certificates, refusal and revocation of access, ongoing obligations, and exceptions where access may expose a beneficial owner to disproportionate risk. This includes that right of the aggrieved applicants to apply to the Administrative Review Tribunal within twenty days from service of the said refusal or revocation by the Registrar and

this in accordance with the Administrative Justice Act, Cap. 490 of the Laws of Malta.

- Update the penalty framework to reflect the amendments being introduced and introduce transitional rules for companies already registered before the relevant amendments come into force.
- For the purpose of these User Guidelines, a company shall also refer to partnerships *en nom collectif* and partnerships en commandite or limited partnerships as defined in regulation 10 of the Companies Act (Register of Beneficial Owners) Regulations, S.L. 386.19 of the Laws of Malta (the "principal Regulations").

Regulations

1. Citation and scope - regulation 1 of the amending Regulations

The amending Regulations provide the title of the new legal notice and clarify that they are to be read together with the principal Regulations.

The scope provision explains that the purpose of the amendments is to transpose and implement Articles 11, 12, 13 and 15 of Directive (EU) 2024/1640.

2. Interpretation and applicability - regulation 2 of the principal Regulations

Regulation 2 is amended to introduce a number of definitions that are necessary for the new access and beneficial ownership framework. These include "AML/CFT", "customer", "Directive", "obliged entity" and "Regulation":

- AML/CFT means anti-money laundering and countering the financing of terrorism.
- Customer follows the meaning used in the Prevention of Money Laundering and Funding of Terrorism Regulations.
- Directive refers to Directive (EU) 2024/1640.
- Obliged entity refers to the meaning used in Regulation (EU) 2024/1624 and also includes persons who fall within the meaning of subject person under the Prevention of Money Laundering and Funding of Terrorism Regulations (S.L. 373.01 of the Laws of Malta) and any regulations issued in accordance with the Prevention of Money Laundering Act (Cap. 373 of the Laws of Malta);
- Regulation refers to Regulation (EU) 2024/1624.

The applicability provision is also updated. The regulations will not apply to a company which is listed, or which is indirectly fully owned by a listed company, on a regulated market that is subject to EU disclosure requirements or equivalent international transparency standards.

3. Declaration on beneficial owners - regulation 3 of the principal Regulations

Regulation 3 is amended to update the information that must be submitted to the Registrar when a company is being constituted. The declaration on beneficial owners must still be filed together with the memorandum and articles, where applicable. The requirement continues to apply where any natural person holds the position of senior managing official.

The information to be provided on each beneficial owner is expanded. In addition to the existing information, companies will need to provide the place of birth and residential address of each beneficial owner. Where shares are held by nominees, the company must also provide the name of the nominee shareholder and refer to that person's status as a nominee shareholder.

A certified true copy of the official identification document for every beneficial owner must still be submitted to the Registrar.

4. Company to keep record of beneficial owners - regulation 5 of the principal Regulations

Regulation 5 is amended to expand the information that every company must obtain and keep in its own beneficial owners register. The register must be adequate, accurate and up to date at all times.

The company's internal records must now include, at least, the name, date of birth, place of birth, nationality or nationalities, residential address, and official identification document details of each beneficial owner. They must also include the names of any nominee shareholders, the nature and extent of the beneficial interest held, and the effective date on which a person became or ceased to be a beneficial owner or changed the level of beneficial interest held.

The amendments require companies to take reasonable and appropriate steps to verify whether any natural person, other than a person already disclosed in the register of members or already identified as a beneficial owner, exercises control over the company through any means. If such a person is identified, that person must be treated as a beneficial owner and the relevant declaration or notice must be filed with the Registrar.

A new simplified approach is introduced for straightforward corporate setups. Where all the registered shareholders are natural persons, none of them acts as trustee or in any other fiduciary capacity, no natural person, other than any natural person who is disclosed in the company's register of members, ultimately owns or controls, whether through ownership or control, more than twenty five percent (25%) of the voting rights or other ownership interests in the company, or otherwise exercises control over the company through other means; and no natural person holds the position of senior managing official, the company's register of members will be treated as its beneficial owners register.

Companies that were already formed and registered before this new rule came into force must take the necessary steps to ensure that they comply with the amending Regulations. Where the simplified approach does not apply, the company must submit a BO4 form and thereafter continue to submit the relevant notices or declarations as and where required. Failure to comply may result in penalties on the company and on the officers, shareholders and beneficial owners who are in default.

A grace period has been included for companies already formed and registered before the coming into force of the simplified approach under the first proviso to regulation 5(3). Such companies must assess, within six months from the coming into force of such provision, whether the simplified approach applies to them.

5. Notice of change in beneficial owners - regulation 6 of the principal Regulations

Regulation 6 is amended so that the obligation to notify changes in beneficial ownership or corporate structure applies to companies to which the simplified approach under the first proviso to regulation 5(3) does not apply.

In practical terms, where a company does not fall within the simplified category, it must continue to notify the Registrar of changes.

6. Annual confirmation and changes in details - regulation 6A of the principal Regulations

Regulation 6A is amended to clarify that, where the simplified approach under the first proviso to regulation 5(3) applies, the annual confirmation requirements in sub-regulations (1) and (2) will not apply for as long as the company continues to satisfy the relevant conditions.

7. Access to information on beneficial owners - regulation 7 of the principal regulations

Regulation 7 is replaced by a new and more detailed access regime. The aim is to set out clearly who can access beneficial ownership information, what information they can access, and under what conditions.

The first category covers competent authorities and other public or EU bodies involved in AML/CFT, taxation, restrictive measures, investigation, prosecution, fraud prevention or law enforcement support. These bodies are to have immediate, unfiltered, direct and free access without restriction and without alerting the company concerned.

The second category covers obliged entities. These are persons or entities that need beneficial ownership information to carry out customer due diligence in line with the AML/CFT framework. They are to receive access in a timely manner and pay a fee for such access which is linked only to the administrative cost of providing the information.

The third category covers natural or legal persons who either fall within a listed category of legitimate interest or who can prove to the Registrar's satisfaction that they have a legitimate interest connected to preventing or combating money laundering, predicate offences or terrorist financing.

Persons with legitimate interest are generally granted access to limited information, namely the name, month and year of birth, country of residence, nationality or nationalities, and the nature and extent of the beneficial interest held. Access is subject to a written request, supporting documentation and payment of the applicable administrative fee.

The amendments list several categories of persons who are deemed to have a legitimate interest. These include journalists and persons acting for the purpose of media reporting connected with AML/CFT, civil society organisations including NGOs and academia, persons likely to enter into a transaction with a legal person, certain persons subject to AML/CFT requirements in third countries, third-country counterparts of Union AML/CFT competent authorities, Member State company law and registry authorities, programme authorities managing EU funds, authorities implementing the Recovery and Resilience Facility, public procurement authorities and providers of AML/CFT products in limited circumstances.

For certain categories, including journalists, civil society organisations and specific third-country counterparts, access may also include historical beneficial ownership information and a description of the ownership or control structure, including information relating to companies that have been dissolved or ceased to exist in the previous five years.

The regulation also makes it clear that obliged entities must not rely exclusively on the beneficial ownership register when fulfilling customer due diligence obligations. They must still carry out their own checks under the applicable AML/CFT rules.

The Registrar is also empowered to share beneficial ownership information with competent authorities in a timely manner and free of charge, notwithstanding professional secrecy, data protection or other laws.

8. Registrar to keep access logs - new regulation 7A introduced in virtue of the amending Regulations

A new regulation 7A requires the Registrar to keep records of persons who access beneficial ownership information on the basis of legitimate interest under regulation 7(1)(c). Beneficial owners may request information about access to their data in line with the General Data Protection Regulation (Regulation (EU) 2016/679).

However, the new regulation protects certain users of the register. Where the person accessing the register is acting for journalism, media reporting or civil society purposes connected with AML/CFT, the Registrar must not disclose information that would identify that person to the beneficial owner. In such cases, only the occupation or function of the person consulting the register may be disclosed.

The Registrar must also refrain from disclosing the identity of certain third-country counterparts of Union AML/CFT competent authorities where disclosure could affect analyses or investigations. The restriction may last for the period requested by the authority, up to five years, and may be extended by justified request for further one-year periods.

9. Procedures and conditions for access based on legitimate interest - new regulation 7B introduced in virtue of the amending Regulations

A new regulation 7B explains how a person may apply for access to beneficial ownership information on the basis of legitimate interest. The applicant must submit a written request to the Registrar.

A legitimate interest must relate specifically to the prevention and combating of money laundering, predicate offences or terrorist financing. It must be supported by documentary evidence showing previous activities and a proven track record in that field. The request must also state the applicant's function or occupation and, except for journalists and civil society organisations, explain the connection with the particular company whose information is being requested.

Where the applicant has already had a legitimate interest verified by a central register in another Member State, the applicant may provide proof of that verification. The Registrar may then allow repeated access without reassessing the applicant's function or occupation each time, although the connection with the company whose information is sought remains relevant except for the specified categories.

The Registrar must verify the identity of applicants whenever they access the register. This may include the use of electronic identification and qualified trust services. The Registrar may request additional information or documents where necessary.

The Registrar must generally respond within twelve working days, which period may be extended further, if the high volume continues.

Where access is granted, the Registrar issues a certificate granting access for three years. Subsequent requests by the same person are to be answered within seven working days and a renewed certificate is issued.

10. Grounds for refusal of access - new regulation 7C introduced in virtue of the amending Regulations

A new regulation 7C lists the circumstances in which the Registrar may refuse access to beneficial ownership information. These include where the applicant does not provide the required documents, does not demonstrate legitimate interest, or where the Registrar has a reasonable concern that the information will not be used for the purpose for which it was requested.

Access may also be refused where an exception under regulation 7F applies, where legitimate interest verified by another Member State does not cover the purpose for which information is requested, or where the applicant is in a third country and providing the information would not comply with Chapter V of the General Data Protection Regulation.

Before refusing a request on certain grounds, the Registrar may request additional information or documents. In such cases, the deadline for the Registrar to respond is extended by seven working days.

11. Procedure following refusal or revocation of access - new regulation 7D introduced in virtue of the amending Regulations

Where the Registrar refuses access, he must inform the applicant of the reasons for refusal and of the right of redress. The Registrar must also document the steps taken to assess the request and to obtain any additional information.

The Registrar must revoke access where any of the refusal grounds arise or become known after access has already been granted, including where relevant because a central register in another Member State has revoked access.

Any natural or legal person who is aggrieved by a decision of the Registrar has a right of recourse to the Administrative Review Tribunal, provided that such appeal is instituted within twenty days from the date of service of the Registrar's decision to refuse or revoke access to beneficial ownership and this in accordance with the provisions of the Administrative Justice Act.

Furthermore, any party who remains aggrieved by the decision of the Administrative Review Tribunal may institute an appeal before the Court of Appeal (Inferior Jurisdiction) within twenty days from the date of that decision, likewise pursuant to the Administrative Justice Act.

12. Ongoing obligations of persons granted access - new regulation 7E introduced in virtue of the amending Regulations

A new regulation 7E creates ongoing obligations for persons who have been granted access to beneficial ownership information. Such persons must confirm annually to the Registrar that they still have a legitimate interest and must update their profile where necessary.

The Registrar may repeat the verification process and may revoke the certificate where there are reasonable grounds to believe that legitimate interest no longer exists.

A person granted access must notify the Registrar within three working days of any change that may result in the cessation of a valid legitimate interest, including changes relating to the person's function or occupation. Failure to inform the Registrar results in a penalty of five thousand euro and the person concerned shall not be granted access to information on the beneficial owners of a company for a minimum period of three years.

13. Exceptions to access - new regulation 7F introduced in virtue of the amending Regulations

A new regulation 7F provides that access to beneficial ownership information by obliged entities and persons with legitimate interest must not be granted where, in exceptional circumstances assessed on a case-by-case basis, access would expose the beneficial owner to a disproportionate risk. This includes risks of fraud, kidnapping, blackmail, extortion, harassment, violence or intimidation. Access must also not be granted where the beneficial owner is a minor or otherwise legally incapable.

If a person or beneficial owner is aggrieved by a decision under regulation 7F, they have twenty days from the service of the decision to file an appeal before the Administrative Review Tribunal. They then have another twenty days to appeal the Tribunal's decision to the Court of Appeal (Inferior Jurisdiction). The Registrar must publish annual statistical data on the number of exemptions granted and the reasons given, and must report that data to the European Commission.

The exemptions do not apply to notaries, lawyers and other independent legal professionals who are public officials where they participate in, or assist with, specified financial, real estate, corporate, trust, foundation or similar transactions.

14. Implementing Acts issued by the European Commission - new regulation 18 introduced in virtue of the amending Regulations

A new regulation 18 provides that the Registrar shall follow and bring into effect the Implementing Acts issued by the European Commission under the Directive (EU) 2024/1640 and, or Regulation (EU) 2024/1624, as applicable from time to time. This gives the framework flexibility to reflect future EU implementing measures without requiring the practical arrangements to be restated each time in full.

15. The Forms of the principal regulations - First Schedule

The First Schedule is to be substituted so that the prescribed forms used under the beneficial ownership regulations are aligned with the new requirements. In practical terms, the forms are expected to reflect the additional information that must be collected and submitted, including place of birth, residential address and details of nominee shareholders, where applicable, and a new BO4 form where the simplified provision in terms of regulation 5(3) does not apply.

16. Administrative penalties - Second Schedule

The Second Schedule is amended to add new penalty entries. A penalty of ten thousand euro and a daily penalty of five hundred euro may apply for failure to comply with the new regulation 5(6) obligation, in terms of regulation 4 of the amending Regulations, within six months from the coming into force of the relevant provisions.

A penalty of five thousand euro is also added for failure by a person with access based on legitimate interest to report to the Registrar the cessation of that legitimate interest.

17. Final - regulation 12 to the amending Regulation

Regulation 12 adds reference to the "Companies Act (Register of Beneficial Owners) Regulations, S.L. 386.19, Inferior Competence" to the Second Schedule to the Administrative Justice Act.

Conclusion

Officers of companies are to be fully aware of the amending Regulations. It is advisable that when they are unsure about their obligations, they consult a lawyer, accountant, or auditor. Failure to make the necessary filings or take the necessary action within the requested time frames will result in penalties being imposed on the company and officers of the company. Penalties can be avoided if the company officers are familiar with the Maltese company law and regulations thereto.

N.B. The User Guidelines contained within this document is solely intended to serve as guidelines and should not be construed as legislation. This document should not be considered as an exhaustive description of the instrument nor a substitute thereof or a legislative supplement to it. The Guidelines do not purport to be an authoritative ruling on the interpretation of the legislation. Please refer to the related legislation for a more comprehensive understanding.

For any other information kindly contact legal.enforcement@mbr.mt / +356 22582300