



REPUBLIC OF NAURU

BENEFICIAL OWNERSHIP (AMENDMENT) BILL 2018

No. of 2018

A Bill for an Act to amend the Beneficial Ownership Act 2017

Certified: []

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Enacted by the Parliament of Nauru as follows:

1 Short title

This Act may be cited as the *Beneficial Ownership (Amendment) Act 2018*.

2 Commencement

This Act commences on 15 January 2019.

3 Amendment of Beneficial Ownership Act 2017

The Beneficial Ownership Act 2017 is amended by the provisions of this Act.

4 Amendment of section 3

Section 3 is amended by:

- (a) deleting '(1)' where it appears;
- (b) repealing '*annual returns*' and its definition and replacing with:

'annual returns' mean:

- (a) in relation to a corporation, the annual returns required by section 133 of the *Corporations Act 1972*;
 - (b) in relation to a partnership, the annual returns required by the Partnership Act 2018;
 - (c) in relation to a trust, the annual returns required by the Trusts Act 2018;
- (c) deleting the words '*beneficial ownership*' where they appear and its definition;
 - (d) deleting the word 'ownership' where it appears in the definition of 'owner' and substituting with 'owners'.
 - (e) deleting the phrase '*registrable beneficial owner*' and its definition; and
 - (f) deleting subsection (2).

5 Amendment of section 4

Section 4 is amended by repealing paragraph (c).

6 General amendment as to reference

Any reference in the Act to '*beneficial ownership*' is deleted and substituted with the words '*beneficial owner*' as appropriate.

7 Amendment of section 5

Section 5 is repealed and replaced as follows:

‘5 Meaning of beneficial owner

- (1) In this Act, **‘beneficial owner’** means a natural person:
 - (a) who has ultimate control, directly or indirectly, over the legal entity;
 - (b) who ultimately owns, directly or indirectly, the legal entity; or
 - (c) on whose behalf a legal entity is created.
- (2) Where two or more natural persons each own or control an interest in a legal entity to which this Act applies, each of them is treated for the purpose of this Act as owning or controlling that interest.
- (3) The Authority in determining the beneficial owner may trace through any number of persons or arrangements to any person who is the owner or has effective control of any owner’s interest.
- (4) The Minister in consultation with the Cabinet may issue guidance to the meaning or interpretation of *‘beneficial owner’*, *‘owner’*, *‘control’*, or *‘legal owner’* which shall be binding on entities or persons to which it applies.
- (5) The guidance issued under subsection (4) shall be published in the Gazette or notified by the Authority in a manner the Authority considers necessary for general public awareness.
- (6) The Cabinet may make regulations to amend, vary or add to the definition of a beneficial owner.

8 Amendment of section 10

Section 10(1) is amended by deleting the word *‘residual’* where it appears.

9 Amendment of section 12

Section 12 is repealed and replaced as follows:

‘12 Required details

- (1) The **‘required details’** in respect of a beneficial owner are:
 - (a) his or her name;
 - (b) his or her usual residential address;
 - (c) a service address, where if the service address is different from the residential address;
 - (d) his or her nationality;