



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN



GUIDELINES

On

Ultimate Beneficial Ownership Framework

for

Companies and LLPs

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Abbreviations

AML Act: Anti-Money Laundering Act, 2010 (as amended up to September 2020)

AML/ML: Anti Money Laundering/Money Laundering

BO: Beneficial Owner

CEO: Chief Executive Officer

Constitution: The Constitution of the Islamic Republic of Pakistan, 1973

FAQs: Frequently Asked Questions on Ultimate Beneficial Ownership

FMU: Financial Monitoring Unit

Guidelines: SECP Guidelines for Ultimate Beneficial Ownership Framework for Companies and LLPs

LLP Act 2017: Limited Liability Partnership Act, 2017

LLP: Limited Liability Partnership

NACTA: National Counter Terrorism Authority

NPO: Non-Profit Organization

Registrar: Registrar of Companies as Designated by the SECP

SECP: Securities and Exchange Commission of Pakistan

SMC: Single Member Company

UBO: Ultimate Beneficial Owner

DISCLAIMER

This document is intended to provide general guidance on what legal entities must do to comply with the ultimate beneficial ownership (UBO) regime, pursuant to the applicable laws of Pakistan.

These Guidelines explain various aspects of the regime and is intended to assist a legal entity, its management and concerned officers to comply with the ultimate beneficial owner(s) requirements under the UBO legal regime. It is not a full statement of the law and should, therefore, not be relied upon as a source of law. It must be read in conjunction with the applicable laws and does not absolve persons from legal obligations, including obligations under other statutory provisions relating to UBO.

Legal entities that fail to comply with their legal duties, could be committing an offence and can be fined. Legal entities and their directors, officers, partners or managers (including authorized members or partners) of such legal entities who are in default could be committing an offence under the applicable law.

This document should not be construed as legal advice and is not intended to be relied upon in relation to any general or specific matter. It deals in broad terms only, and, is intended merely to provide general guidance to ensure timely and accurate compliance by the legal entities. Should you have further questions regarding fact-specific situations, it is recommended that professional legal advice be obtained.

PART-I

The Concept of Ultimate Beneficial Ownership

The Securities and Exchange Commission of Pakistan (SECP) was established under the Securities and Exchange Commission of Pakistan Act, 1997¹ (SECP Act 1997). Section 40B² of the SECP Act 1997 authorizes SECP to issue, *inter alia*, guidelines as are necessary to carry out the purposes of the SECP Act 1997. Section 510(1) of the Companies Act 2017 (Act) specifies that the Commission may issue such directives, prudential requirements, codes, guidelines, circulars or notifications as are necessary to carry out the purposes of this Act and the rules and regulations made thereunder .

1. Introduction to UBO

The Financial Action Task Force (FATF) is an inter-governmental body established in 1989 by the Ministers of its Member jurisdictions. The mandate of the FATF is to set standards for and to promote effective implementation of legal, regulatory and operational measures in order to combat threats to the integrity of the international financial system.

The FATF Recommendations set out a comprehensive and consistent framework of measures which countries should implement in order to combat money laundering and terrorist financing, as well as the financing of proliferation of weapons of mass destruction.

Countries have diverse legal, administrative, operational frameworks and financial systems, and therefore cannot take identical measures to counter the aforesaid threats. The FATF Recommendations, therefore, set an international standard, which countries should implement through measures adapted to their particular circumstances.

FATF Recommendation No. 24³ requires countries to take measures to prevent the misuse of legal persons for ML/TF purposes, and ensure that there is adequate, accurate and timely information available with the companies on the ultimate (actual) beneficial ownership and control of legal persons that can be accessed in a timely manner by competent authorities.

¹ No. F.9(51)/97-Legis.- dated 26th December, 1998.

² 40B. *Power of the Commission to issue directives, circulars, guidelines, etc. –The Commission shall have the power to issue such directives, Codes, guidelines, circulars or notifications as are necessary to carry out the purposes of this Act, the rules and regulations made thereunder and any administered legislation.*

³ <https://www.fatf-gafi.org/media/fatf/documents/recommendations/pdfs/FATF%20Recommendations%202012.pdf>

The FATF published “Guidance on Transparency and Beneficial Ownership” in 2014 to explain what the FATF Standards require⁴. This guidance paper gives a step-by-step guide on how to access publicly available information on legal persons and legal arrangements. FATF has also issued a guidance document in 2020 titled “Best Practices on Beneficial Ownership for Legal Persons⁵” to assist the countries in taking measures to prevent the misuse of legal persons for crime and terrorism.

Pursuant to the requirements of FATF Recommendation 24, the Government of Pakistan has amended various laws relating to the legal persons and legal arrangements in Pakistan including the Anti-Money Laundering Act, 2010 (AML Act 2010).

Consequent to the changes made in the AML Act, 2010, SECP has promulgated the Securities and Exchange Commission of Pakistan (Anti-Money Laundering and Countering Financing of Terrorism) Regulations, 2020. SECP has also made amendments in several other secondary legislation and specified procedures to comply with the statutory requirements.

This document will provide a general overview of the ultimate beneficial owner(s) (UBO) legal regime in Pakistan. It further provides the procedures necessary to comply with the UBO requirements by the companies and limited liability partnerships.

2. An Ultimate Beneficial Owner

‘Ultimate Beneficial Owner’⁶ is the natural person who **owns or controls** *directly or indirectly* **shares, voting rights** or has **effective control** in a company. The UBO legal regime primarily

⁴ <http://www.fatf-gafi.org/media/fatf/documents/reports/Guidance-transparency-beneficial-ownership.pdf>

⁵ <http://www.fatf-gafi.org/publications/methodsandtrends/documents/best-practices-beneficial-ownership-legal-persons.html>

⁶ Section 123A of the Companies Act, 2017

“ultimate beneficial owner” “means a natural person who ultimately owns or controls a company, whether directly or indirectly, through at least twenty-five percent shares or voting rights or by exercising effective control in that company through such other means, as may be specified.”

focuses on identifying the ultimate exerciser of authority over a legal person i.e., the natural person who actually takes advantage of the capital or assets of the legal person⁷ or legal arrangement⁸.

An UBO is, the natural person who has direct or indirect ownership of **25%** or more in **terms of shares, voting rights, ownership or controlling interest** as more comprehensively defined in the “explanation” to Section 123A of Companies Act, 2017⁹.

Voting right¹⁰ is the right of a member (shareholder whose name is entered on members’ register) to vote on an agenda item in a general or an extraordinary general meeting of the company.

Effective control¹¹ in the context of UBO is a term generally understood to refer to situations in which ownership and/or control is exercised through a chain of ownership or by means of control other than direct control.

It is important to understand how the ownership structure of a company can operate. Ownership may be split into units that may amount to less than 25% ownership but due to pre-existing relationships it may amount to 25% or more.

Following illustrations are provided for understanding the concept of UBO:

“Control through other means may be exercised through a chain of ownership or through close relatives or associates having significant influence or control over the finances or decisions of the company”

⁷ FATF Recommendations define legal person any entities other than natural persons that can establish a permanent customer relationship with a financial institution or otherwise own property. This can include companies, bodies corporate, foundations, anstalt, partnerships, or associations and other relevantly similar entities.

⁸ FATF Recommendations define legal arrangement as express trusts or other similar legal arrangements.

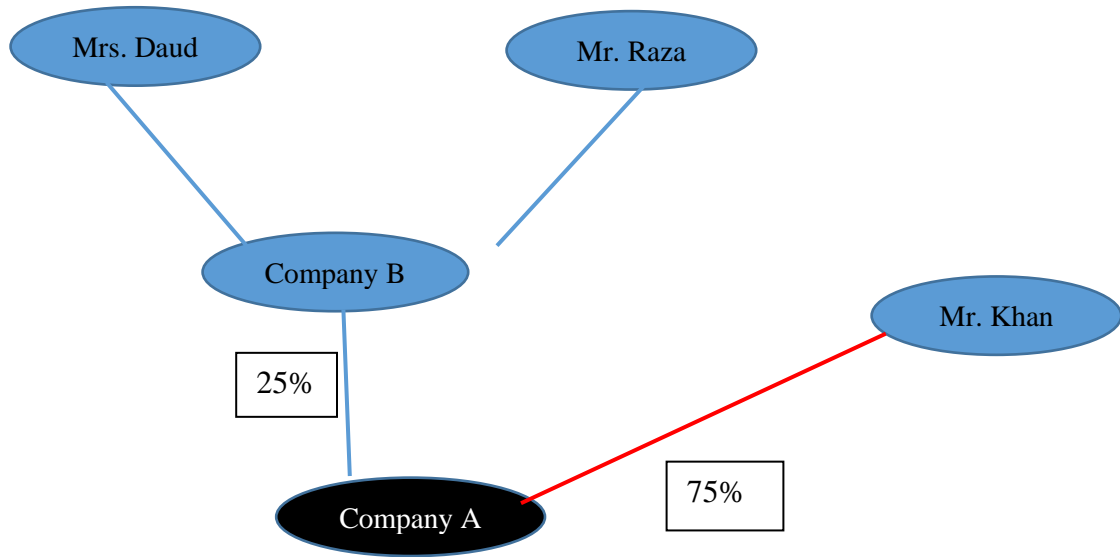
⁹ Inserted *vide* Companies (Amendment) Act, 2020.

¹⁰ Section 2(1)(73), Companies Act, 2017:

“means the right of a member of a company to vote on any matter in a meeting of the company either present in person or through video-link or by proxy or by means of postal ballot: Provided that attending of meeting through video-link shall be subject to such facility arranged by the company and in the manner as may be specified, save as otherwise provided in this Act”.

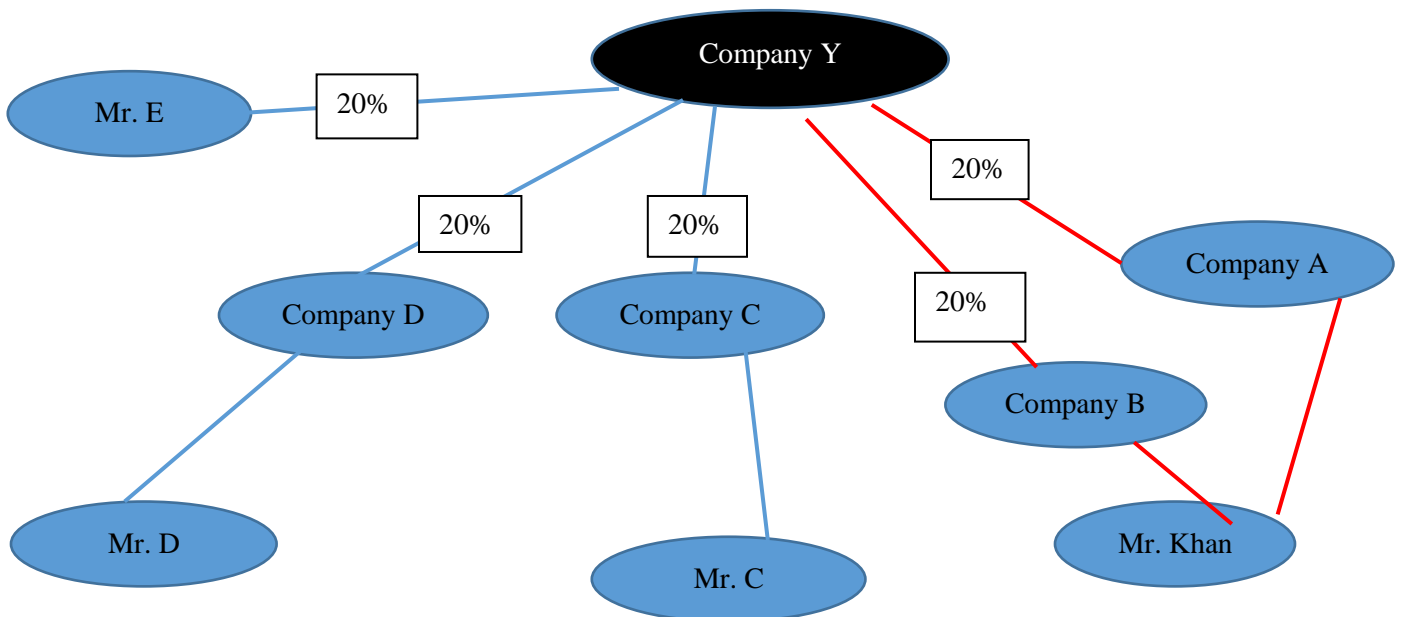
¹¹ The term “*ultimate effective control*” refer to situations in which ownership/control is exercised through a chain of ownership or by means of control other than direct control; (please refer to *FATF Guidance on Transparency and Beneficial Ownership*: <http://www.fatf-gafi.org/media/fatf/documents/reports/Guidance-transparency-beneficial-ownership.pdf>)

Diagram 1:



As can be seen from the Diagram 1, Company A is directly owned by Mr. Khan who owns 75% whereas company B owns 25%. Company B is owned by Mr. Raza and Mrs. Daud. The Company must verify the organization structure and identify the individual who owns greater than 25% of the legal person. In this case that person is Mr. Khan*.

Diagram 2:



Some ownership structures are more complex such as the one demonstrated in Diagram 2. In this case Company A and B which are direct owners of Company Y are wholly owned by Mr. Khan. As such he has a 40% ownership stake in the company Y. As he is the UBO of Company Y, his identity must be identified and verified. Mr. C, D having indirect holding in Company Y through Company C and D are not UBOs with respect to Company Y as they own or hold less than 25% shares in Company Y. Similarly, Mr. E is also not UBO with less than 25% holding in Company Y directly.*

3. Identifying the UBO

Identifying UBO is essential to Pakistan's UBO enforcement and implementation regime. In certain circumstances the legal person is being effectively owned or controlled indirectly by a natural person through a chain of ownership who may exercise this control to carry out ML/TF activities and remain undetected. The objective of regulatory framework for UBOs is to identify the ownership structures of legal persons, to identify the indirect methods deployed to exercise effective control over the legal persons, and to determine the UBO who is the natural person ultimately behind the transactions.

4. Legal Persons

A legal person is a **corporate vehicle that conducts a wide array of commercial and entrepreneurial activities.** A legal person may include **companies, associations, foundations, limited liability partnerships, societies and any other legal person** as defined in section 2(xx) of the AML Act.

The primary objective of UBO legal regime is to identify the beneficial owners behind legal persons to ensure that they do not misuse legal persons for money laundering or terrorist financing activities. Pakistan must ensure that there is adequate, accurate and timely information available on the beneficial ownership and control of legal persons that can be obtained or accessed in a timely fashion by competent authorities.¹²

¹² FATF Recommendation 24 – Transparency and beneficial ownership of legal persons. <https://cfatf-gafic.org/index.php/documents/fatf-40r/390-fatf-recommendation-24-transparency-and-beneficial-ownership-of-legal-persons>

This section contains the *types* of legal persons that are recognized under the laws of Pakistan.

- i) **Private Companies** are companies which through their articles have restricted the right to transfer shares, limits the number of members to 50 (excluding employees) in the company and does not invite the general public to subscribe to shares, debentures or redeemable capital (private company is defined in section 2 (49) of the Companies Act, 2017).
- ii) **Public Companies** are companies that are not private companies. Public companies must have at least three members, without any restriction on maximum number of members. Such a company can invite the public to subscribe for its shares, debentures and /or redeemable capital. Transfer of shares is not restricted (public company is defined in section 2 (51) of the Companies Act, 2017).
- iii) **SMCs** are single member companies as defined in section 2 (65) of the Companies Act, 2017.
- iv) **NPOs**, are Non-Profit Organizations primarily established to promote activities beneficial to the society. For NPOs licensed by SECP under section 42 of the Companies Act 2017, all profits are to be used for that overriding purpose and no dividends are to be paid to members.
- v) **LLPs** are limited liability partnerships registered under the LLP Act 2017. They have a minimum of two (2) partners with each partner liable to an agreed amount of capital contribution and the partnership itself has a separate legal personality by virtue of the LLP Act, 2017.
- vi) **Foreign Companies** are companies or body corporates that are incorporated outside Pakistan, which either (a) have a place of business or liaison office in Pakistan whether by itself or through an agent, physically or through electronic mode or (b) conduct any business activity in Pakistan in any other manner as may be specified.

As per the definition of “legal persons” in the AML Act, 2010, such persons may also include corporate vehicles established under other special laws that are not regulated by SECP such as cooperatives societies, societies registered under Societies Registration Act, 1860 etc.

5. Basic features and creation of legal persons in Pakistan.

This section identifies and describes the different types, terms and basic features of legal persons:

(i) Companies

Companies Act, 2017 is the primary law dealing with registration and regulation of companies, administered by the Securities and Exchange Commission of Pakistan. The Companies Incorporation Regulations 2017 provide mechanism for registration of companies. Starting a company (incorporation) is as simple as reserving a name and completing the incorporation application as per the formats provided in the said regulations, as available on the SECP’s website.

Companies may also be classified as limited companies or unlimited companies:

A. Limited Company

Limited Company can be of two types, i.e. Limited by Shares and Limited by Guarantee

- **Limited by Shares**

It is such a company in which the liability of the members is limited by the memorandum to the amount unpaid on the shares, if any. It can be a Public Company or a Private Company.

If it is a public company, it can be listed on Stock Exchange or an un-listed company.

If it is a private company, it can be a multi-member private company or a single member private company.

- **Limited by Guarantee**

A Guarantee Company may be of two types: i.e. having share capital and (ii) not having share capital.

In both cases, each member undertakes to contribute to the assets of the company in the event of its being wound up while he is a member or within one year afterwards, for payment of the debts and liabilities of the company contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for adjustment of the rights of the contributories among themselves such amount as may be required, not exceeding a specified amount.

B. Unlimited Company

In an un-limited company, the liability of the members is unlimited i-e. in the event of winding-up of a company, if the assets of the company are not sufficient to pay its liabilities, then the property of the members may be utilized for payment of company's liabilities.

There may also be other types of companies including association not for profit, trade organizations, and foreign companies.

(ii) Limited Liability Partnerships

The LLP Act 2017 is a nascent law which provides a new form of business structure, aimed at filling the gap between business firms such as sole proprietorships/partnerships, the liability of whose partners is unlimited, and the companies governed under the Companies Act 2017, whose members enjoy the benefits of limited liability.

The LLP provides an alternative form of business organization, which has the flexibility of a general partnership and would avail all the advantages of a limited liability company. In terms of the LLP Act 2017, an LLP shall be a body corporate by registration under the Act and shall be a legal entity separate from its partners. It shall have perpetual succession, and any change in the partners of an LLP shall not affect the existence, rights or liabilities of the Limited Liability Partnership.

LLP Act 2017 allows formation of two types of LLPs: domestic LLP and foreign LLP.

6. Obtaining information about the UBO of legal persons

Information needs to be obtained in respect of all UBOs by the companies and LLPs. In all cases it is important to remember that information must be obtained of natural persons who are the UBOs in accordance with the UBO legal regime established under the Companies Act, 2017, the LLP Act 2017 and the subordinate regulations made thereunder (discussed in detail in Part II of these Guidelines).

7. Accuracy of the information

The UBO legal regime requires the legal persons to **identify, obtain** and **maintain** UBO information. Further, it requires the legal persons to appoint an **authorized person** to share information with the authorities and agencies including SECP.

8. Information that cannot be obtained or verified

If the UBO information is unavailable or unverifiable, **all reasonable measures** must be taken in order to identify the most senior officer in the management of the legal person. The senior managing officer may include the following;

- Director;
- Chief Executive Officer;
- Company Secretary;
- Chief Financial Officer (**CFO**);
- A natural person who assumes any of these roles or functions;

9. Keeping information updated

There is a legal obligation to continually update all information on UBOs particularly if there is any change in the status of the ownership or control. It is necessary to implement a documentation process where legal persons are periodically requested to confirm and/or provide information as to any structural changes in the record through regularly recorded interactions.

10. UBO record keeping requirement

It is a legal obligation to maintain a register of UBOs pursuant to section 123A of the Companies Act, 2017 or section 8 of the LLP Act, 2017. The provisions further require companies and LLPs, and their directors or officer/partners or designated partners, respectively to keep timely record of

accurate and updated particulars of UBOs including any changes therein. The record retention requirement is **indefinite** however in case of winding up of a company or an LLP, there is an obligation to keep the record of UBOs maintained for a period of five (5) years.

11. List of Laws relevant to Companies and LLP's

- 1) Anti-Money Laundering Act, 2010.
- 2) Companies Act, 2017.
- 3) Limited Liability Partnership Act, 2017.
- 4) Securities and Exchange Commission of Pakistan (Anti Money Laundering and Counter Financing of Terrorism) Regulations, 2020
- 5) Companies Incorporation Regulations 2017
- 6) The Companies (General Provisions and Forms) Regulations, 2018.
- 7) Foreign Companies Regulations, 2018
- 8) Limited Liability Partnership Regulations 2018

PART – II

**Step-wise Procedure for UBO
Compliance under Applicable Laws**

1. Step-wise procedure for UBO compliance at the time of incorporation

SECP has promulgated the Companies (Incorporation) Regulations, 2017 (Incorporation **Regulations**). The Incorporation Regulations describes step-wise procedure to incorporate a company in Pakistan. The up-to-date Regulations 2017 are available on SECP website (<https://www.secp.gov.pk/laws/regulations/>).

2. SECP has made certain amendments in the Incorporation Regulations for compliance with the UBO legal regime. Regulation 9(2) of the amended Regulations requires the subscribers to provide additional information to the Registrar on the UBOs during the company incorporation stage (see, *Step 2* below).

3. For the purposes of the Incorporation Regulations , the term “ultimate beneficial owner” has been defined as *“a natural person who ultimately owns or controls a company, whether directly or indirectly, through at least twenty-five percent shares or voting rights or by exercising effective control in that company through other means. Control through other means may be exercised through a chain of ownership or through close relatives or associates having significant influence or control over the finances or decisions of the company.”*

4. The subscriber(s) need to follow the following step-wise procedure in order to effectively comply with regulation 9(2) of the Incorporation Regulations .

Step 1 (Identify the Percentage of Shareholding):

The subscriber(s) will need to **identify** the direct and/or indirect percentage of shareholding of each subscriber in the proposed company on behalf of some other natural or legal person (Regulation 9 of Incorporation Regulations).

Identify

Step 2 (Direct shareholding of subscriber holding at least 25% of the shares, voting rights or controlling interests in the proposed company):

Following additional particulars of the subscribers holding at least twenty-five percent of the shares, voting rights or controlling interest on behalf of some other natural or legal persons shall be obtained and maintained (Regulation 9(2) of Incorporation Regulations):

Obtain
informati
on

- a. Name of subscriber (natural or legal person);
- b. Name of the natural person(s) who is/are the UBO of subscriber;

- c. Father's name / Spouse's Name of UBO;
- d. NIC / NICOP / Passport No. of UBO along with date of issue;
- e. Nationality of UBO;
- f. Country of origin of UBO (in case of foreign national or dual national);
- g. Usual residential address of UBO;
- h. Email address of UBO; and
- i. Date on which the UBO status was acquired.

Step 3 (Indirect Shareholding):

It shall also be ensured to obtain the particulars of the UBO of legal persons in case of indirect shareholding, control or interest which is being exercised through intermediary companies, entities or other legal persons or legal arrangement in the **chain of ownership** or control through at least twenty-five percent of the shares, voting rights or controlling interest in the proposed company. If there is no natural person, the identity of the relevant natural person who holds the position of senior managing official should be obtained. The format for obtaining such information is given below. (Regulation 9(3) of Incorporation Regulations)

Establish
Chain of
Ownership

| | | | | | | | | | |
|----------------|--|-----------------------|-------------------------------|------------------|---------|---------------|---|---|--|
| Name of Entity | Legal form (Company/LLP/ Partnership Firm/Trust/ Any other body corporate (to be specified)) | Date of Incorporation | Name of registering authority | Business Address | Country | Email Address | Percentage of shareholding, control or interest of UBO in the legal person or legal arrangement | Percentage of shareholding, control or interest of legal person or legal arrangement in the Company | Identity of Natural Person who Ultimately owns or controls the legal person or arrangement |
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) |
| | | | | | | | | | |

Step 4 (Compliance through Submission of Documents)

The subscriber(s) shall submit the declaration of compliance with the requirement to obtain and maintain UBO information to the Registrar through electronic submission or physical submission along with the application for company incorporation (Regulation 10). The format of application for company incorporation is attached as **Annexure – I**.

NOTE: Penalty/Consequence for Non-Compliance

In case of non-provision of the requisite declaration of compliance with the requirements as stated above, the application for registration of the documents for company incorporation may be refused by the registrar, in terms of regulation 11 (Examination of documents by the registrar) of the Incorporation Regulations.

Regulation 11 of Incorporation Regulations is reproduced for ease of reference:

“The registrar shall examine the documents submitted for registration of a company and if he/she is satisfied that the same are complete in all respects and all the requirements of the Act and regulations relating to incorporation of the company have been complied with, he shall register the memorandum and other documents delivered to him.”

(2) *In case of any discrepancies the deficiencies are observed by the registrar in the documents filed, the same shall be communicated to the applicant in writing for resolution and the applicant shall remove the discrepancies and provide requisite information within seven days of date of written communication from the registrar.*

(3) *In case no response is received within stipulated time period, a first reminder shall be issued and a final reminder shall be issued seven days thereafter by the registrar concerned.*

(4) *In case no response is received from the applicant or the applicant fails to remove discrepancies or provide requisite information to the satisfaction of registrar within seven days of issue of final reminder, the registration of the memorandum and other documents may be refused.”*

Comply

Avoid
refusal of
registration

2. *Step-wise procedure for UBO compliance for foreign companies*

SECP has promulgated the Foreign Companies Regulation, 2018 (**FC Regulations 2018**) in exercise of the powers conferred by sub-section (1) of section 512 of the Companies Act, 2017 (XIX of 2017). The FC Regulations 2018 describes step-wise procedure to establish a place of business by a foreign company in Pakistan. The up-to-date FC Regulations 2018 are available on SECP website (<https://www.secp.gov.pk/laws/regulations/>).

2. Section 2(35) of the Companies Act, 2017 defines the expression foreign company which is as follows:

“foreign company” means any company or body corporate incorporated outside Pakistan, which—

(a) has a place of business or liaison office in Pakistan whether by itself or through an agent, physically or through electronic mode; or

(b) conducts any business activity in Pakistan in any other manner as may be specified;

3. SECP has made certain amendments in the FC Regulations 2018¹³ in exercise of the powers conferred by sub-section (1) of section 512 of the Companies Act, 2017 (XIX of 2017) in order to require reporting of particulars about ultimate beneficial owners of such companies.

4. Regulation 2(1)(ix) of FC Regulations 2018 defines the term “ultimate beneficial owner”. The *“ultimate beneficial owner” means a natural person who ultimately owns or controls a foreign company, whether directly or indirectly, through at least 25% of shares or voting rights or by exercising effective control in that company through other means. ‘Control through other means’ may be exercised through a chain of ownership or through close relatives or associates having significant influence or control over the finances or decisions of the foreign company.*

5. Regulation 6A (*Maintenance of records of ultimate beneficial owners of foreign company*) requires obtaining of additional particulars of UBO(s) from members of foreign companies holding at least twenty-five percent of the shares, voting rights or controlling interest in the foreign

¹³ S.R.O.926 (I)/2020 dated 28th September, 2020.

company on behalf of some other person. The foreign company is required to obtain, maintain and duly update the records of UBOs in the foreign company.

6. The foreign company needs to observe the following procedure in order to comply with the requirement of regulation 6A of the FC Regulations 2018.

Step 1 (Identify the members holding 25% shares in the company):

The foreign company shall **identify** the members holding at least twenty-five percent of the shares, voting rights or controlling interest in the foreign company on behalf of some other person. (Regulation 6A of FC Regulations 2018).

Identify

Step 2 (Obtain the UBO Information):

The foreign company shall **obtain** following additional particulars of UBO from the identified members (Regulation 6A of FC Regulation 2018):

Obtain

- a. Name of member of the foreign company not having beneficial interest in the foreign company;
- b. Name of the natural person who is the UBO of the foreign company;
- c. Father's name / Spouse's Name;
- d. NIC / NICOP / Passport No. along with date of issue;
- e. Nationality;
- f. Country of origin;
- g. Usual residential address;
- h. Email address;
- i. In case of *indirect* shareholding or control, following particulars of legal persons and legal arrangement through whom shareholding, interest or control exercised in the chain of ownership or control:
 - i. Name of the entity
 - ii. Legal form (Company/LLP/Partnership Firm/Trust/Any other body corporate (to be specified))
 - iii. Date of incorporation / registration
 - iv. Name of registration authority
 - v. Business Address

- vi. Country
- vii. Email address
- viii. Percentage of shareholding, control or interest of UBO in the legal person or legal arrangement
- ix. Percentage of shareholding, control or interest of legal person or legal arrangement in the foreign company
- x. Identity of natural person who ultimately owns or controls the legal person or arrangement.

Step 3 (Submission of Information)

The foreign company shall submit declaration of compliance to the Registrar that necessary information about the ultimate beneficial owners of the foreign company has been obtained and is available on record, through electronic submission or physical submission on amended Fnc. Form-II (Registration of Documents of a Foreign Company) (Regulation 12 of FC Regulations 2018). Copy of Fnc. Form – II is attached as **Annexure – II**.

Comply

NOTE: PENALTY/CONSEQUENCE FOR NON-COMPLIANCE

Regulation 16 of FC Regulations 2018 states that *“Whoever fails or refuses to comply with, or contravenes any provision of these regulations, or authorizes or permits such failure, refusal or contravention shall, in addition to any other liability under the Act, be also punishable with penalty and, in the case of continuing failure, to a further penalty, as provided in sub-section (2) of section 512 of the Act.”*

Avoid
Penalty

3. Step-wise procedure for UBO compliance in respect of bearer shares

The Companies Act, 2017 has been amended through Companies (Amendment) Act, 2020¹⁴ promulgated on 26th August 2020 (**Amendment Act 2020**). Through the Amendment Act 2020, new section 60A has been inserted in the Companies Act, 2017. The said amendment has imposed certain key obligations on the companies regarding bearer shares. Companies are required to take appropriate measures to ensure timely compliance with the latest legal requirements. The up-to-date Companies (Amendment) Act, 2020 is available on SECP website (<https://www.secp.gov.pk/laws/acts/>). Section 60A is the subject matter of this Chapter.

2. Section 60A of the Companies Act, 2017 prohibits the companies to allot, issue, sell, transfer or assign any bearer shares or bearer share warrants or any other equity or debt security of a bearer nature by whatever name called. It further states that any allotment, issue, sale, transfer, assignment or other disposition of any such bearer shares or bearer share warrants shall be void.

3. Section 60A(1) defines the expression “*bearer shares or bearer share warrants*”. It states that “*bearer shares or bearer share warrants*” “*means a negotiable instrument that accords ownership or control in a company to the person who possess such instrument and includes any other equity or debt security of a bearer nature.*” (sec.60A, Companies Act, 2017).

4. Section 60A(2) further states that all the existing bearer shares or bearer share warrants shall be either **registered** and **on failure to register** shall be **cancelled** in the specified manner. The said manner has been specified in regulation 16A of Companies (General Provisions and Forms) Regulations, 2018 (**GP & F Regulations 2018**). The up-to-date GP & F Regulations 2018 are available on SECP website (<https://www.secp.gov.pk/laws/regulations/>).

5. A company needs to observe the following procedure in order to comply with the requirement of section 60A of the Companies Act, 2017 and regulation 16A of GP & F Regulations 2018.

Step 1 (Publish Notice in the Newspaper):

¹⁴ Act No.XXVII of 2020 dated 26th August, 2020.

The Company shall **publish a notice** in at least one daily English and Urdu language national newspaper having wide circulation in the Province in which registered office of the company is situated. Through this notice, the company shall require the holders of any equity or debt security of a bearer nature, by whatever name called, to **surrender such securities to the company for registration in the name of the holder**. (Regulation 16A(1), GP & F Regulations 2018).

Publish
Notice

The Company shall use Form 40 to issue such notice. A period of **three months** is required to be given to the holders to surrender the securities of bearer nature to the company for registration (Regulation 16A(2), GP & F Regulations 2018). Copy of Form 40 is attached **Annexure – III**.

Step 2 (Submission of Information):

The holder of securities of bearer nature is required to surrender the securities of the Company for its registration within a **period of three months** from the date of publication of such notice. (Regulation 16A(2), GP & F Regulations 2018).

Period for
Surrender

Step 3 (Enquire and Enter name of holder in the register of members):

After the receipt of security of a bearer nature, the Company shall conduct an enquiry as it may deem appropriate. Thereafter, the Company shall **enter the name of the holder** in the register of members or the register of debenture holders as the case may be. (Regulation 16A(3), GP & F Regulations 2018).

Register
the
particulars

Step 4 (In case of failure of holder of securities to surrender and register, Company to apply to the Court for Cancellation of Securities):

- (a) Where the holder of any security of bearer nature fails to surrender the same, the company shall, not later than three months from the deadline for surrender, apply to the concerned high court for **cancellation** of the concerned securities.
- (b) Section 89 of the Companies Act, 2017 provides a procedure to reduce the share capital of a company and the same is reproduced hereunder:

Cancel

89. Reduction of share capital. - *Subject to confirmation by the Court a company limited by shares, if so authorized by its articles, may by special resolution reduce its share capital in any way, namely—*

(a) cancel any paid up share capital which is lost or unrepresented by available assets;

(b) pay off any paid-up share capital which is in excess of the needs of the company.

(c) Within fourteen days from the date of filing an application to the court as specified under regulation 16A (4), the Company shall publish a notice in at least one daily English and Urdu language national newspaper having wide circulation in the province in which the registered office of the company is situated. The notice shall contain the information that an application has been made to the court under regulation 16A(4) of the GP & F Regulations, 2018.

(d) Immediately after the decision of the court, the Company shall initiate the procedure for reduction of share capital in accordance with section 89 of the Companies Act, 2017.

Step 5 (Prepare and maintain a register of cancelled securities)

The Company shall prepare and maintain a **register** of surrendered/registered and cancelled securities of bearer nature as required by section 60A(2) of the Companies Act, 2017 and Regulation 16A(4) and 6 of the GP & F Regulations 2018. The register shall be as per the format given in Form 41 of the GP & F Regulations 2018. Copy of Form 41 is attached as **Annexure –**

IV.

Step 6 (Submission of Information to the Registrar):

The Company shall account for the information on the surrendered, registered and cancelled securities in the next annual return to be filed with the registrar. A step-wise procedure for online filing of annual return is given at Step 7 hereunder. (reg.16A(5), GP & F Regulation 2018.

NOTE: PENALTY/CONSEQUENCE FOR NON-COMPLIANCE

“Any contravention or default in complying with requirement of this section shall be an offence liable in case of: -

- (a) *a director or officer of the company or any other person, to a penalty which may extend to one million rupees; and*
- (b) *the company, to a penalty which may extend to ten million rupees.” (sec.60A(3), Companies Amendment Act, 2020)*

Regulation 44 of GP & F Regulations 2020 provides that *“Whoever fails or refuses to comply with, or contravenes any provision of these regulations, or authorizes or permits such failure, refusal or contravention shall, in addition to any other liability under the Act, be also punishable with penalty as provided in sub-section (2) of section 512 of the Act.”*

Avoid
Penalty

4. Step-wise procedure for UBO compliance for maintenance of UBO record

The Companies Act, 2017 has been amended through Companies Amendment Act 2020. Through the said amendment, section 123A has been inserted in the Companies Act, 2017, which pertains to maintenance of UBO information.

2. Section 123A has imposed certain obligations on companies regarding UBO(s). The companies are required to take appropriate measures to ensure timely compliance with legal requirements. The Companies (Amendment) Act, 2020 is available on SECP website (<https://www.secp.gov.pk/laws/acts/>).

3. Section 123A of the Companies Act, 2017 requires all companies to maintain information about their UBOs in such form and manner, within such period and to obtain such declaration from their members as may be specified (see paragraph 5 below).

4. All companies are further required to maintain a register of their UBOs and to record accurate and updated particulars including any change therein. In case the government or any company or body corporate owned or controlled by it is a member of a company, the register shall also contain information of the relevant government as specified in the Regulations. The companies are also required to submit a declaration to this effect to the registrar. (sec.123A, Companies Act 2017 read with Form 45).

5. Section 123A defines the expression “*ultimate beneficial owner*” as: “*ultimate beneficial owner*” “*means a natural person who ultimately owns or controls a company, whether directly or indirectly, through at least twenty-five percent shares or voting rights or by exercising effective control in that company through such other means, as may be specified.*”

6. Regulation 19A of **Companies (General Provisions & Forms) Regulations 2018** provides detailed and step-wise procedure to ensure compliance with the requirement contained in section 123A of Companies Act, 2017.

7. A company needs to observe the following procedure in order to comply with the requirement of section 123A of the Companies Act, 2017 and regulation 19A of GP & F Regulations 2018.

Step 1 (Identify, obtain information and issue notice to members):

The Company shall take reasonable measure to **identify**:

- (i) member who directly holds at least twenty-five percent of shares or voting rights in the company; or
- (ii) representative of a legal person or legal arrangement which holds at least twenty-five percent of shares or voting rights in the company.

The Company shall issue notice(s) to every identified member or representative of legal person or legal arrangement with a direction to provide information of its UBO(s) as per Form 42 of GP & F Regulation 2018 within fourteen days of the date of notice (Regulation. 19A(1), GP & F Regulations 2020). Copy of Form 42 is attached as **Annexure – V.**

Step 2 (Submission of Information):

- (a) Regulation 19A(2) of GP & F Regulations 2018 requires every person to whom notice has been issued under regulation 19A(1) of GP & F Regulations 2018 to submit a **declaration** to the company within fourteen days of the notice. The declaration shall be provided on Form 43 (reg. 19A(2), GP & F Regulations 2018). Copy of Form 43 / Declaration is attached as **Annexure – VI.**

(b) New Member of the Company:

Regulation 19A(2) of GP & F Regulations 2018 further requires that every person who becomes a new member of the company and his name is also entered in the register of members, shall submit a **declaration** on Form 43 to the company within fourteen days from the date his name is entered in the register of members (*proviso* to reg. 19A(2), GP & F Regulations 2018).

(c) Change in the particulars of UBO:

Regulation 19A(3) of GP & F Regulations 2018 requires an existing member to submit a declaration to the company on Form 44 within fourteen (14) days from the date any **change** occurs ;

- (i) in the particulars of ultimate beneficial owners; or

Identify

Declaration of UBO

Declaration from new member

Change in Particulars

- (ii) in his ownership in the company.

(Copy of Form 44 is attached as **Annexure – VII**):

Step 3 (prepare and maintain a register of UBOs):

The company shall **prepare and maintain a register of UBOs**. The register shall contain the following particulars:

- (i) Name
- (ii) Father's Name / Spouse's Name
- (iii) CNIC/NICOP/Passport No. along with date of issue
- (iv) Nationality
- (v) Country of origin (in case of foreign national or dual national)
- (vi) Usual residential address
- (vii) Email address
- (viii) Date on which shareholding, control or interest acquired in the company
- (ix) Date on which shareholding, control or interest acquired in the company from former ultimate beneficial owner
- (x) In case of indirect shareholding, control or interest being exercised through intermediary companies, entities or other legal persons or legal arrangements in the chain of ownership or control, the company shall take reasonable measures to obtain names and particulars of the ultimate beneficial owner of the legal persons or arrangements, as specified below. If there is no natural person, it should obtain the particulars of relevant natural person who holds the position of senior managing official:

Maintain
Register

| Name | Legal form (Company/LLP/ Partnership Firm/Trust/ Any other body corporate (to be specified)) | Date of Incorporation/ registration | Name of registering authority | Business Address | Country | Email Address | Percentage of shareholding, control or interest of UBO in the | Percentage of shareholding, control or interest of legal person or legal arrangement in the | Identity of Natural Person who Ultimately owns or controls the |
|------|--|-------------------------------------|-------------------------------|------------------|---------|---------------|--|---|---|
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) |
| | | | | | | | | | |

(xi) Any other information incidental to or relevant to enable the company to evaluate the matter. (reg. 19A(4), GP & F Regulations 2018)

Step 4 (Enter the information in the register of UBOs):

After the receipt of declaration on the UBO, the Company shall enter such declaration in the register of UBOs (Regulation 19A(4) of GP & F Regulations 2018).

Failure to provide information by Members:

The company shall make an application to the SECP where notice has been issued to a member(s) but he has not submitted the required information. The said application shall be made in the form and manner specified in regulation 5 of the Companies (Distribution of Dividends) Regulations, 2017 (Regulation 19A(7) of GP& F Regulations 2018).

Step 5 (Submit declaration of compliance to the Registrar and Commission, as the case may be):

The company shall within fifteen (15) days from the receipt of declaration under sub-regulation (2) or sub-regulation (3), of Regulation 19A of GP& F Regulations 2018, submit to the registrar concerned a declaration of compliance as per Form 45 (copy of Form 45 is attached as **Annexure - VIII**). Thereafter, the company shall submit a declaration of compliance along with its annual return. Such submission of declaration will be made in pursuance of section 123A(2) of Companies Act, 2017. (Regulation 19A(5) of GP & F Regulations 2018).

File

Additional requirement for listed company:

In addition to the above, the listed companies shall submit a copy of declaration of compliance with the Commission (proviso to regulation 19A(5) of GP & F Regulations 2018).

Step 6 (Appointment of authorized person for sharing information UBO):

A company which is maintaining a register of UBOs shall **authorize** its chief executive officer or one of its directors or officers to provide the information required under regulation 19A of GP & F Regulations 2018 to:

- (i) Registrar for verification purposes;
- (ii) Any other authority or agency pursuant to the powers to call for information entrusted by law to such authority or agency; and
- (iii) Provide further assistance as may be required by (i) and (ii) above.

The name and particulars of such an officer shall be furnished to the registrar alongwith the declaration.

NOTE: PENALTY/CONSEQUENCE FOR NON-COMPLIANCE

“Any contravention or default in complying with requirement of this section shall be an offence liable in case of: -

- (c) a director or officer of the company or any other person, to a penalty which may extend to one million rupees; and*
- (d) the company, to a penalty which may extend to ten million rupees.” (sec.123A(3), Companies Amendment Act, 2020)*

Regulation 44 of the GP & F Regulations 2018 states that *“Whoever fails or refuses to comply with, or contravenes any provision of these regulations, or authorizes or permits such failure, refusal or contravention shall, in addition to any other liability under the Act, be also punishable with penalty as provided in sub-section (2) of section 512 of the Act.”*

5. Step-wise procedure for UBO compliance for LLPs

SECP has amended the LLP Regulations 2018 in exercise of the powers conferred by section 53 of the LLP Act 2017. The LLP Regulations 2018 describes in detail the procedure to incorporate a limit liability partnership in Pakistan. The up-to-date LLP Act 2017 and LLP Regulations 2018 are available on SECP website (<https://www.secp.gov.pk/laws/acts/>) and (<https://www.secp.gov.pk/laws/regulations/>).

2. The LLP Act, 2017 was amended through Limited Liability Partnership (Amendment) Act, 2020 on 27th August 2020. Through this Limited Liability Partnership (Amendment) Act 2020, it is required that every limited liability partnership shall **obtain, maintain** and **timely update** particulars of ultimate beneficial owner, including any change therein, of any person who is a partner in a limited liability partnership in such form, manner and submit such declaration to the registrar as may be specified. (Sec.8, LLP Act, 2017).

3. SECP has made certain amendments in the LLP Regulations 2018 on 28th September 2020. A new regulation 14A (*Register of UBOs*) has been inserted through these amendments. This new regulation requires the LLP to obtain information from its UBOs on the format given in the LLP Regulations 2018. LLPs are further required to provide a declaration of compliance with the newly introduced requirements to the Registrar.

4. Regulation 2(m) of LLP Regulations 2018 defines the term “ultimate beneficial owner”. The “*ultimate beneficial owner*” “*means a natural person who ultimately and effectively owns or controls a limited liability partnership through direct or indirect rights or who shares at least one fourth of the net profits and losses of the partnership.*”

5. Every LLP is required to ensure compliance with this requirement within three months of coming into force of section 8 of the LLP Act, 2017.

6. The LLP needs to observe the following procedure in order to comply with the requirements of regulation 14A of the LLP Regulations 2018.

3 Keys to
Keep

UBO
definition
for LLPs

Step 1 (Identify the UBO):

The LLP shall take reasonable measures to identify the ultimate beneficial owners amongst its partners (regulation 14A(1) of LLP Regulations 2018).

Step 2 (Obtain the UBO Information):

The LLP shall issue notice and call for information to every partner who shares at least one fourth of the net profits and losses of the partnership or to the representative of every legal person or legal arrangement which holds at least one fourth of the net profits and losses of the partnership. The notice shall be issued as per LLP Form IX. Copy of LLP Form IX is attached as **Annexure – IX**, (regulation 14A(1) of LLP Regulations 2018).

Obtain

Step 3 (Partners to provide the required information):

Regulation 14A(2) of LLP Regulations 2018 requires every partner to whom notice has been issued under regulation 14A(1) of LLP Regulations 2018 to submit a declaration to the LLP within fourteen days of the notice. The declaration shall be provided on LLP Form X. Copy of LLP Form X is attached as **Annexure – X**, (regulation 14A(2) of LLP Regulations 2018).

(a) Existing partners of the LLP:

Regulation 14A(2) of LLP Regulations 2018 further requires that every partner whose name is being entered in the register of partners, shall submit a declaration on LLP Form X to the LLP within fourteen days from the date his name is entered in the register of partners (proviso to regulation 14A(2) of LLP Regulations 2018).

(b) Change in the particulars of ultimate beneficial owner:

Regulation 14A(3) of LLP Regulations 2018 requires an existing partner to submit a declaration to the LLP on LLP Form XI within fourteen days from the date of any change :

Partner
Declarati
on

- (i) in the particulars of ultimate beneficial owners; or
- (ii) in his ownership in the LLP.

(copy of LLP Form XI is attached as **Annexure – XI**)

Step 4 (prepare and maintain a register of ultimate beneficial owners):

The LLP shall prepare and **maintain** a register of ultimate beneficial owners. The register shall contain the following particulars:

- (i) Name
- (ii) Father’s Name / Spouse’s Name
- (iii) CNIC/NICOP/Passport No. along with date of issue
- (iv) Nationality
- (v) Country of origin (in case of foreign national or dual national)
- (vi) Usual residential address
- (vii) Email address
- (viii) Date on which rights or controlling interest acquired in the LLP
- (ix) Date on which rights or controlling interest acquired in the LLP from former ultimate beneficial owner
- (x) In case of indirect rights or controlling interest being exercised through intermediary LLP, entities or other legal persons or legal arrangements in the chain of ownership or control, the LLP shall take reasonable measures to obtain names and particulars of the ultimate beneficial owner of the legal persons or arrangements, as specified below. If there is no natural person, it should obtain the particulars of relevant natural person who holds the position of senior managing official:

Maintain
Register
& Update

| | | | | | | | | | |
|------|--|-------------------------------------|-------------------------------|------------------|---------|---------------|--|--|--|
| Name | Legal form (Company/LLP/ Partnership Firm/Trust/ Any other body corporate (to be specified)) | Date of Incorporation/ registration | Name of registering authority | Business Address | Country | Email Address | Percentage of rights or controlling interest of UBO in the legal person or legal arrangement | Percentage of rights or controlling interest of legal person or legal arrangement in the LLP | Identity of Natural Person who Ultimately owns or controls the legal person or legal arrangement |
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) |

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|

(xi) Any other information incidental to or relevant to enable the LLP to evaluate this matter. (reg. 14A(4) of LLP Regulations 2018).

Step 5 (Procedure upon receipt of Information from UBO through partner):

After the receipt of declaration on the UBO from concerned partners, the LLP shall make a **note** of such declaration in the register of UBO (regulation 19A(4) of LLP Regulations 2018).

Make a note in register

Step 6 (Submission of Information to the Registrar):

The LLP shall within fifteen days from the receipt of declaration, submit to the registrar concerned a declaration of compliance as per LLP Form XII. Copy of LLP Form XII is attached as **Annexure – XII** (regulation 14A(5) of LLP Regulations, 2018).

Comply

Step 7 (Sharing of information for UBO):

Every LLP which is maintaining a register of UBO shall **authorize** any of its partners or designated partners or officers to provide the information required under regulation 14A of LLP Regulations 2018 to:

Designate & Authorize

- (i) Registrar for verification purposes;
- (ii) Any other authority or agency pursuant to the powers to call for information entrusted by law to such authority or agency; and
- (iii) Provide further assistance as may be required by (i) and (ii) above.

The LLP shall communicate the name and particulars of the authorized person to the registrar concerned along with the declaration of compliance.

UBO REQUIREMENT TO BE FULFILLED AT THE TIME OF INCORPORATION OF LLP

Applicable Form: LLP Form – III (Application for Incorporation of LLP):

Clause 7.4 (ii) (c) added to require a declaration that necessary information about the ultimate beneficial owners of the proposed LLP, if any, as specified in regulation 14A, and as defined in these Regulations, has been obtained and is available on record.

NOTE: PENALTY/CONSEQUENCE FOR NON-COMPLIANCE

“Any contravention or default in complying with requirement of this section shall be an offence liable in case of: -

- (a) a partner, designated partner or officer, to a fine which may extend to one million rupees; and*
- (b) the limited liability partnership, to a fine which may extend to ten million rupees.”*
(sec.8(3), LLP Act 2017)

Regulation 34 of LLP Regulations 2018 provides that “Whoever fails or refuses to comply with, or contravenes any provisions of these regulations be punishable with fine and, in the case of continuing failure, to a further fine, as provided in sub-section (3) of section 53 of the Act.”

Avoid
Penalty

ANNEXURES

ANNEXURE - I

Inc. Form-II

COMPANIES (INCORPORATION) REGULATIONS, 2017

[See Section 16 of the Act and Regulation 5]

APPLICATION FOR COMPANY INCORPORATION

PART-I

(To be completed by the applicant in block letters)

1.1 Name of the Company

1.2 Fee Payment Details 1.2.1 Challan No

1.2.2 Challan Amount (Rs.)

PART-II

Section – A - Company information

2.1* Correspondence Address

City District Province

Telephone Number Email Address

Mobile Number

*Information regarding Correspondence address is to be provided only if the company does not have a place as its registered office at the time of Incorporation of company.

2.2 Registered office Address, if any

City District Province

Telephone Number Website(if any)

Mobile Number Email Address

2.3 Principal line of business (Brief objects as per clause 3 (i) of the

Memorandum may be mentioned)

| |
|--|
| |
|--|

Section – B – Capital Structure

| | Class/ Kind | Face Value | Number of shares | Total Amount |
|-----|--------------------|------------|------------------|--------------|
| 2.4 | Authorized Capital | | | |
| | | | | |
| 2.5 | Paid Up Capital | | | |
| | | | | |

Section – C – Special business information*

(Applicable in case of Banking Company, Non-banking Finance Company, Insurance company, Modaraba management company, Stock Brokerage business, forex, managing agency, business of providing the services of security guards and any other business restricted under any other law or as may be notified by the Commission)

2.6 Nature of business in case of specialized business requiring license / permission / approval (please specify and also attach NOC / approval of the relevant authority)

| |
|--|
| |
|--|

**(Additional documents will be required by the registrar)*

Section – D – Company subscribers, directors, chief executive officer, and in case of single member company, nominee

2.7 State Number of directors fixed by subscribers:

[Please note that as per law a company must have minimum director as follows:]

| <i>Kind of Company</i> | Minimum number of directors required by law | No. of proposed directors |
|--------------------------------|--|----------------------------------|
| <i>Single Member Company</i> | 01 | |
| <i>Private Limited Company</i> | 02 | |
| <i>Public Limited Company</i> | 03 | |

2.8 Details of subscribers, directors and chief executive officer *

| |
|---|
| Name and surname (present and former) in full |
| Father's /Husband's Name is full |
| NIC/NICO (in case of Pakistani national) or Passport No (in case of foreigner) |
| ** Incorporation/Registration No. |
| Nationality (with former nationality and nationality of the origin, if different) |
| *** Occupation |
| Residential address/registered office address or principal office (in case of a Subscriber other than a natural person) |
| NTN (in case of director, where applicable) |
| Designation (Director/Subscriber/CEO) Please specify |
| Nature of directorship (appointed, nominee/independent/other) |
| Name of entity nominating the director |
| No. of shares subscribed (for subscriber) |
| **** Signatures |

* Add details as applicable

** Applicable on subscribers other than natural persons^[SEP]

*** Please also mention names of other companies where directorship is held.^[SEP]

**** Signature of subscribers and consent to act as director or chief executive as the case may be. In case of online submission, the document will be signed electronically.

2.9 Details of Nominee (only in case of single member company - Nominee shall not be a person other than relatives of the member- namely, a spouse, father, mother, brother, sister and son or daughter)

Name of Nominee

NIC of Nominee

Residential address of Nominee

Telephone number of Nominee

Email address of Nominee

Relationship of Nominee with subscriber

Signature of Nominee

Section – E- If the company limited by shares intends to adopt tables contained in First Schedule to the Act, tick the relevant table.

- Table A- Part I (Articles of association of company limited by shares)
- Table A- Part-II (Articles of association of single member company limited by shares)

Section – F- The company limited by shares in case it has not adopted articles of association contained in First Schedule to the Act , company limited by guarantee and unlimited company shall attach the articles of association.

PART-III

Declaration under section 16

3.1 Declarant Name

| |
|--|
| |
|--|

3.2 Declarant Profession / Designation
(Please check relevant box)

- Authorized Intermediary
- a person named in the articles as Director of the proposed company

3.3 Declaration

| |
|---|
| I do hereby solemnly and sincerely declare that: a) I have been authorized as declarant by the subscribers; b) all the requirements of the Companies Act, 2017, and the regulations made there under in respect of matters precedent to the registration of the said Company and incidental thereto have been complied with c) necessary information about the ultimate beneficial owners of the proposed company, if any, as specified in regulation 9, has been obtained and is available on record. d) I make this solemn declaration conscientiously believing the same to be true. |
|---|

3.4 Declarant Signature

| |
|--|
| |
|--|

3.5 Registration No of authorized intermediary, if applicable

| |
|--|
| |
|--|

3.6 Date

| Day | | Month | | Year | | | |
|-----|--|-------|--|------|--|--|--|
| | | | | | | | |

Enclosures:

- (i) Original paid bank challan evidencing payment of fee;
- (ii) Memorandum of Association;
- (iii) Articles of Association, where applicable;
- (iv) Copies of valid NIC/NICOP of the subscribers/directors/chief executive officer or copy of Passport in case of a foreigner;
- (v) Copy of valid NIC/NICOP of Nominee only in case of single member company or copy of Passport in case of a foreigner;
- (vi) Copy of valid NIC of witness in case of physical filing;
- (vii) NOC/Letter of Intent/ License (if any) of the relevant regulatory authority in case of specialized business;
- viii) Authority letter for filing of documents for the proposed company as per requirement of clause (vi) of sub-regulation (2) of regulation 5.
- (ix) Copy of valid NIC/Passport of person duly authorized by the Board of directors of a body corporate which is a subscriber along with copy of Board resolution and attendance sheet. In case of a subscriber which is a limited liability partnership, copy of valid NIC/Passport of designated partner empowered to act as such, along with copy of instrument empowering him;

- (x) In case the subscriber is a foreign company or a foreign body corporate, the profile of the company, detail of its directors, their nationality and country of origin, certified copy of its charter, statute or memorandum and articles etc.

- (xi) In case of foreign subscriber/ officer, an undertaking on stamp paper of requisite value duly signed, notarized and witnessed to the effect that in case name of subscriber/officer is not security cleared by MoI, the subscriber/officer and the company, shall take immediate steps for replacement and shall transfer shares if any, held by the subscriber.

Witness to above signatures: *(For the documents submitted in physical form)*

| | |
|------------------------------|--|
| Signatures | |
| Full Name (in Block Letters) | |
| Father's/ Husband's name | |
| Nationality | |
| CNIC No. | |
| Usual residential address | |

**THE COMPANIES ACT, 2017
The Foreign Companies Regulations, 2018
[Section 435 and regulation 5]**

REGISTRATION OF DOCUMENTS OF A FOREIGN COMPANY

PART-I

(Please complete in typescript or in bold block capitals.)

1.1 Name of the Foreign Company in the country of origin as already reserved

1.2 Fee Payment Details 1.2.1 Challan Number 1.2.2 Challan Amount (Rs.)

PART-II

2.1 Incorporated in: *(state name of the country of origin)*

dd mm yyyy

2.2 Date of incorporation: *(in the country of origin)*

2.3 Name of parent / holding company, if any

PART-III

STATUS OF FOREIGN COMPANY IN PAKISTAN AND KIND OF A FOREIGN COMPANY IN THE COUNTRY OF ORIGIN

3.1 Status of the foreign company in Pakistan Liaison Office Branch office
(Mark the appropriate box)

PART-IV

CHARTER, STATUTE ETC. OF A FOREIGN COMPANY

4.1 Presented for filing of: Memorandum & Article of Association Charter Statute

OR

Other instrument constituting or defining the constitution of the company (to be specified)

(Copy of instrument duly certified by public officer / notary public of country of origin and signed by Pakistani diplomat posted in that country as required under these Regulations shall be filed herewith.)

4.2 Language in which the above documents filed in the country of origin.

4.3 Certified translation thereof in English or Urdu language: Enclosed Not required

(Not required if original document are in Urdu or English)

4.4 Brief description of the main object of the company

PART-V

ADDRESS OF THE REGISTERED OR PRINCIPAL OFFICE IN THE COUNTRY OF ORIGIN

5.1 Registered or Principal office address:-
(in the country of origin)

Landline Number Email

Website Address, if any

PART-VI

ADDRESS OF THE PRINCIPAL PLACE(S) OF BUSINESS/ LIAISON OFFICE(S) IN PAKISTAN

6.1 Principal place(s) of business / Liaison offices (s):

| | Place 1 | Place 2 | Place 3 |
|------------------------------------|---------|---------|---------|
| Address | | | |
| City | | | |
| District | | | |
| Province | | | |
| Landline Number | | | |
| Mobile Number of Principal Officer | | | |
| Email Address | | | |
| Website, if any | | | |

(Here state full address of all places of business in Pakistan, Add further pages if required)

PART-VII

PARTICULARS OF DIRECTORS, CHIEF EXECUTIVE, SECRETARY/JOINT SECRETARIES, PRINCIPAL OFFICER AND PERSON(S) AUTHORIZED TO ACCEPT DOCUMENTS/ PROCESSES ON BEHALF OF COMPANY OF A FOREIGN COMPANY

7.1 Particulars of Directors, Chief Executive, Secretary/ Joint Secretaries, Principal officer or Person(s) authorized to accept documents/processes on behalf of Company (in case of individuals only):

| Present and surname in full | Former & surname (if any) | *Father / Husband's Name | Usual residential address | Nationality | Nationality of origin (if other than the present nationality) | Business, Occupation | Other directorship. if any | Status / Designation (Director / Chief Executive, Principal officer, Authorized person resident in Pakistan | N.I.C Number or Passport Number (Whichever is applicable) | Date of appointment/ Cessation/ change in particulars | Remarks, if any |
|-----------------------------|---------------------------|--------------------------|---------------------------|-------------|---|----------------------|----------------------------|---|---|---|-----------------|
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) |
| | | | | | | | | | | | |

| | | | | | |
|---------------------|--------------------------------------|---|---|--------------------------------------|---------------------|
| nominee director | member nominating the director | | | | |
| | | Legal form (Company/LLP/Partnership Firm/Trust/Any other body corporate (to be specified)) | Date of incorporation /registration | Name of registration authority | Business address |

7.3 It is hereby declared that necessary information about the ultimate beneficial owners of the foreign company, if any, as specified in regulation 6A, and as defined in these Regulations, has been obtained and is available on record.

PART-VIII

8.1 Signature

8.2 Name of Authorized
Officer/Authorized Intermediary

8.3 Contact number of Authorized
Officer/Authorized Intermediary

Landline Cell
Number.

8.4 Registration Number of Authorized
Intermediary, where applicable

8.5 Date

dd mm yyyy

| | | | | | | | |
|--|--|--|--|--|--|--|--|
| | | | | | | | |
|--|--|--|--|--|--|--|--|

Enclosures:

1. **Original paid bank challan or other evidence of payment of fee.**
2. **Certified copy of instrument constituting the foreign company.**
3. **Certified translation of instrument constituting the foreign company, if applicable.**
4. **Consent of person authorized to accept on behalf of the company service of process/any notice/document**
5. **Valid approval letter from the Board of Investment, Government of Pakistan, if not already provided.**
6. **Any other document deemed necessary.**

THE COMPANIES ACT, 2017

THE COMPANIES (GENERAL PROVISIONS AND FORMS) REGULATIONS, 2018

[Section 60A and Regulations 16A(1)]

**PUBLIC NOTICE TO HOLDERS OF SECURITIES OF BEARER NATURE ISSUED BY
A COMPANY**

(Name of Company)

<<Insert Date>>

Take Notice that by virtue of section 60A of the Companies Act 2017, no company shall allot, issue, sell, transfer or assign any bearer share, bearer share warrant or any other equity or debt security of a bearer nature, by whatever name called.^[1]_[SEP]

Sub-section 2 of section 60A of the Act requires that all existing bearer shares or bearer share warrants if any, shall either be registered or cancelled.

Sub-regulation (2) of regulation 16A of the Regulations requires every holder of any securities of a bearer nature issued by a <company name> to surrender it to the company for registration.^[1]_[SEP]

Accordingly, every person who is a holder of such securities is advised to surrender the securities of a bearer nature issued by <company name> at < registered office address of the company >, for registration, before the expiration of three months of this notice.

It is, therefore, in the interest of every bearer of such securities to present the securities for registration within the stipulated time period.

Name & Designation^[1]_[SEP]

(Person authorized to issue notice)

THE COMPANIES ACT, 2017

**THE COMPANIES (GENERAL PROVISIONS AND FORMS) REGULATIONS, 2018
[Section 60A(2) and Regulation 16A(4) and (6)]**

**REGISTER CONTAINING PARTICULARS OF HOLDERS OF SECURITIES OF
BEARER NATURE AND PARTICULARS OF SUCH SECURITIES SURRENDERED
OR CANCELLED**

(Name of Company)

| Names, addresses and particulars of holder of securities of a bearer nature | | | | | Particulars of securities surrendered and cancelled | | | | | |
|---|------------------------------------|------------|--|-------------------------------------|---|-----------------------------|----------------------------|------------------------|-------------------|----------------------|
| Given name and Surname /Company Name | Address/ registered office address | Occupation | Nationality/ Country of incorporation/ formation | CNIC/ Passport No./ Registration No | Date of issue | Class of Shares/ Securities | Total number of securities | Serial No. of security | Date of surrender | Date of cancellation |
| | | | | | | | | | | |

Note: Please give particulars depending upon whether the holder is an individual or body corporate

THE COMPANIES ACT, 2017
THE COMPANIES (GENERAL PROVISIONS AND FORMS) REGULATIONS, 2018
[Section 123A(1) and Regulation 19A(1)]

NOTICE TO MEMBERS FOR PROVIDING PARTICULARS OF ULTIMATE
BENEFICIAL OWNERS

<<Insert Date>>^[SEP]

[By post/email]^[SEP]

To: Name and address of member

Date:

Subject: Notice under regulation 19A of the Companies (General Provisions and Forms) Regulations, 2018 (“the Regulations”)

1. Take Notice that sub-regulation (2) of Regulation 19A of the Regulations requires every member of the company who is not the ultimate beneficial owner and who directly holds at least 25% shares or voting rights in the company to submit a declaration to the company providing information and particulars of the ultimate beneficial owner(s), as defined in Regulations.

2. Sub-regulation (7) of regulation 19A defines an ultimate beneficial owner as a natural person who ultimately owns or controls a company, whether directly or indirectly, through at least twenty five percent of shares or voting rights or by exercising effective control in that company through other means. Exercise of control through other means may be exercised through a chain of ownership or through close relatives or associates having significant influence or control over the finances or decisions of the company.

^[SEP]

3. Sub-section (3) of section 123A of the Companies Act, 2017 (the “Act”) provides, *inter-alia*, that any contravention or default in complying with requirement of the said section shall be liable in case of a director or officer of the company or any other person, to a penalty which may extend to one million rupees.

4. Accordingly, in case you do not hold beneficial interest in the shares or voting rights in the Company yourself, please submit the following information about the ultimate beneficial owner(s) of the company, as defined in the Regulations, on whose behalf you are holding such interest, within fourteen days of the date of this notice in accordance with regulation 19A(2) of the Regulations, failing which the company will proceed in the matter without further notice as per the provisions of the Act and the Regulations¹⁵:

¹⁵In case the government or any company or body corporate owned or controlled by it is a member of a company, the particulars required vide this para shall be provided in respect of the senior management official(s) nominated by the said government on the board of directors or governing body of the said company or body corporate, to the extent of investment of the government in the company.

1. Name ^[L]_{SEP}
2. Father's Name/Spouse's Name ^[L]_{SEP}
3. CNIC/NICOP/Passport no. alongwith date of issue (attach copy) ^[L]_{SEP}
4. Nationality ^[L]_{SEP}
5. Country of origin (in case of foreign national or dual national) ^[L]_{SEP}
6. Usual residential address ^[L]_{SEP}
7. Email address ^[L]_{SEP}
8. Date on which shareholding, control or interest acquired in the company ^[L]_{SEP}
9. In case of indirect shareholding, control or interest being exercised through intermediary ^[L]_{SEP} companies, entities or other legal persons or legal arrangements in the chain of ownership or control, following additional particulars to be provided: ^[L]_{SEP}

| Name | Legal form (Company /LLP/ Partnership Firm/ Trust/Any other body corporate (to be specified)) | Date of incorporation/ registration | Name of registering authority | Business Address | Country | Email Address | Percentage of shareholding, control or interest of UBO in the legal person or legal arrangement | Percentage of shareholding, control or interest of legal person or legal arrangement in the Company | Identity of Natural Person who ultimately owns or controls the legal person or arrangement |
|------|---|-------------------------------------|-------------------------------|------------------|---------|---------------|---|---|--|
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) |
| | | | | | | | | | |

10. Any other information incidental to or relevant to enable the company to evaluate this matter.

Name & signature ^[L]_{SEP}
(Person authorized to issue notice on behalf of the company)

**THE COMPANIES ACT, 2017
THE COMPANIES (GENERAL PROVISIONS AND FORMS) REGULATIONS, 2018
[Section 123A(1) and Regulation 19A(2)]**

DECLARATION OF MEMBER ABOUT ULTIMATE BENEFICIAL OWNERS

(To be submitted to the company by every member as specified under regulation 19A(1) or regulation 19A(2))

Name of Company _____

CUIN^[1]_[SEP] _____

Presented by _____

I _____ do solemnly declare as follows;^[1]_[SEP]

1. I _____ having CNIC/Passport No.* _____ and having address at _____ am a person whose name is entered in the register of members of < name of the company > as the holder of (state the percentage of shares or controlling interest) in the company.

2. I (became the holder of the shares)/(acquired control/interest)* in the company on the following date(s) and continue as such at the date of this declaration:

| Number and classes of shares/nature of control/interest in the company | Date of becoming a member of the company |
|--|--|
|--|--|

3. I (myself hold/do not hold) [] %percentage in the said share(s) or controlling interest in the company.

4. The particulars of the ultimate beneficial owner(s), as defined¹⁶ in the Companies (General

¹⁶ Sub-regulation (7) of regulation 19A defines an ultimate beneficial owner as a natural person who ultimately owns or controls a company, whether directly or indirectly, through at least twenty five percent shares or voting rights or by exercising effective control in that company through other means. 'Control through other means' may be exercised through a chain of ownership or through close relatives or

Provisions & Forms) Regulations 2018, in respect of the aforesaid number of shares/control/ interests, is/are:**

| | | | | | | | | | |
|---|---|-------------------------------------|-------------------------------|------------------|---------|---------------|--|---|--|
| 1. Name | | | | | | | | | |
| 2. Father's Name/Spouse's Name | | | | | | | | | |
| 3. CNIC/NICOP/Passport no. alongwith date of issue (copy attached) | | | | | | | | | |
| 4. Nationality | | | | | | | | | |
| 5. Country of origin (in case of foreign national or dual national) | | | | | | | | | |
| 6. Usual residential address | | | | | | | | | |
| 7. Email address | | | | | | | | | |
| 8. Date on which shareholding, control or interest acquired in the company | | | | | | | | | |
| 9. Date on which shareholding, control or interest acquired in the company from former ultimate beneficial owner | | | | | | | | | |
| 10. In case of indirect shareholding, control or interest being exercised through intermediary companies, entities or other legal persons or legal arrangements in the chain of ownership or control, names and particulars are as follows: | | | | | | | | | |
| | Legal form (Company/LP/ Partnership Firm/ Trust/Any other body corporate (to be specified)) | Date of incorporation/ registration | Name of registering authority | Business Address | Country | Email Address | Percent age of shareholding, control or interest of UBO in the legal person or legal arrangement | Percentage of shareholding, control or interest of legal person or legal arrangement in the Company | Identity of Natural Person who ultimately owns or controls the legal person or arrangement |
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) |
| 11. Any other information incidental to or relevant to enable the company to evaluate this matter | | | | | | | | | |

And I make this solemn declaration conscientiously believing the same to be true.

associates having significant influence or control over the finances or decisions of the company.

This _____ day of _____, 20____

Name & signature

* Delete whichever is inapplicable^[]_[SEP]

** Please provide information required under para 4 if you are a:

(i) Legal person, i.e. not an individual or natural person; or ^[]_[SEP]

(ii) Natural person, but do not yourself hold [] % of shares or interest in the ^[]_[SEP]company. ^[]_[SEP]

Note: 1. The form of declaration may be modified or adapted to the circumstances in which the non-beneficial owner is a body corporate or in which there is more than one non-beneficial owner in respect of a particular share.

**THE COMPANIES ACT, 2017
THE COMPANIES (GENERAL PROVISIONS AND FORMS) REGULATIONS, 2018
[Section 123A(2) and Regulation 19A(3)]**

DECLARATION BY MEMBER ABOUT CHANGE OF ULTIMATE BENEFICIAL OWNERS OR PARTICULARS THEREOF

Name of Company _____

CUIN _____ [L]
[SEP]

Presented by _____

1. This is to declare that I (name of member in block letters) having CNIC/Passport No.* _____ and having address at _____ am a person whose name was entered in the register of members of (name of the company) as the holder of (state the number and classes of shares/extent of voting rights/control rights etc.) in the company on _____.

2. With effect from the (date-----), the (natural person(s)/particulars of the natural persons)* who ultimately holds the beneficial ownership in the company (has/have)* been changed to:

| | |
|---|--|
| 1. Name of ultimate beneficial owner/former ultimate beneficial owner | |
| 2. Number and class of shares or voting rights held | |
| 3. Name of the new ultimate beneficial owner | |
| 4. Father's Name/Spouse's Name | |
| 5. CNIC/NICOP/Passport no. alongwith date of issue (copy attached) | |
| 6. Nationality | |
| 7. Country of origin (in case of foreign national or dual national) | |
| 8. Usual residential address | |
| 9. Email address | |
| 10. Date on which shareholding, interest or control acquired in the company from former ultimate beneficial owner | |
| 11. In case of indirect shareholding, control or interest being exercised through intermediate companies, entities or other legal persons or legal arrangements in the chain of ownership or control, names and particulars are as follows: | |

| Name | Legal form (Company/LP/Partnership Firm/Trust/Any other body corporate (to be specified)) | Date of incorporation/ registration | Name of registering authority | Business Address | Country | Email Address | Percentage of shareholding, control or interest of UBO in the legal person or legal arrangement | Percentage of shareholding, control or interest of legal person or legal arrangement in the Company | Identity of Natural Person who ultimately owns or controls the legal person or arrangement |
|---|---|-------------------------------------|-------------------------------|------------------|---------|---------------|---|---|--|
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) |
| | | | | | | | | | |
| 12. Any other information incidental to or relevant to enable the company to evaluate this matter | | | | | | | | | |

And I make this solemn declaration conscientiously believing the same to be true.

This _____ day of _____, 20_____

[]
[SEP]
Name & signature

* Delete whichever is inapplicable

Note: 1. The form of declaration may be modified or adapted to the circumstances in which the non-beneficial owner is a body corporate or in which there is more than one non-beneficial owner in respect of a particular share.[]
[SEP]

2. Please add further columns to the table in para 2 above depending upon the number of ultimate beneficial owners of the company

**THE COMPANIES ACT, 2017
THE COMPANIES (GENERAL PROVISIONS AND FORMS) REGULATIONS, 2018
[Section 123A(2) and Regulation 19A(5)]**

**DECLARATION OF COMPLIANCE WITH THE PROVISIONS OF SECTION 123A OF
THE COMPANIES ACT, 2017**

PART I

| | |
|------------------------------|----------------------|
| 1.1 CUIIN (Registration No.) | <input type="text"/> |
| 1.2 Name of the Company | <input type="text"/> |
| 1.3 Fee Payment Details | <input type="text"/> |
| 1.3.1 Challan No. | <input type="text"/> |
| 1.3.2 Amount | <input type="text"/> |

PART II

2.1 Compliance against notice issued under sub-regulation (1) of Regulation 19A:

| Sr. No | Particulars | Response |
|-------------------------------|--|----------|
| i. | The Company in <month> has issued, a notice as per Form 42 to every member directly holding at least twenty five percent of shares or voting rights in the company or to the representative of every legal person or legal arrangement which holds at least twenty five percent of shares or voting rights in the Company, to obtain information of its ultimate beneficial owners, in compliance with sub-regulation (1) of regulation 19A. The total number of notices issued is _____. | Yes / No |
| ii. If reply to (i) is Yes | The Company has received declarations as per Form 43 from the members/persons to whom notices have been issued, as required under sub-regulation (2) of regulation 19A: Total no. of members directly holding at least twenty five percent of shares or voting rights in the company and representatives of legal persons or legal arrangements holding twenty five | Yes / No |

| | | |
|----------------------------------|--|---|
| | percent of shares or voting rights in the company, as on the date of Form 45: _____ No. of members or submitting the declarations against the notice(s) issued is: _____ No. of members or representatives who have failed to submit the declaration against the notice(s) issued is: _____ | |
| iii. If reply to (ii) is Yes, | The Company has noted accurate particulars of its ultimate beneficial owners, received from the persons vide declaration as per Form 43, in a register of ultimate beneficial owners, as specified under sub- regulation (4) of regulation 19A, and in compliance with the provisions of sub-section (2) of section 123A of the Act. | Yes / No |
| iv. | The board of directors of the Company has authorized its chief executive officer or one of its directors or officers to provide the information required under sub-regulation (6) of regulation 19A to the registrar or any other authority or agency pursuant to the powers to call for information entrusted by law to such authority or agency, and to provide further assistance as may be required. | Yes/ No |
| v. If reply to (iv) is yes, | The Company has nominated the following officer, as required in terms of sub-regulation (6) of regulation 19A: | 1. Name _____ 2. Father's Name _____ [SEP] 3. Designation _____ [SEP] 4. NIC No. _____ [SEP] 5. Cell No. _____ [SEP] 6. Email address _____ 7. Usual residential address _____ |

PART III

3.1 Compliance in respect of induction of new members in terms of sub-regulation (2) or changes in particulars of ultimate beneficial owners in terms of sub-regulation (3) of Regulation 19A:

LIMITED LIABILITY PARTNERSHIP ACT, 2017

LIMITED LIABILITY PARTNERSHIP REGULATIONS, 2018

[Section 8 and Regulation 14A(1)]

**NOTICE TO PARTNERS FOR PROVIDING PARTICULARS OF ULTIMATE
BENEFICIAL OWNERS**

<<Insert Date>>^[SEP]

[By post/email]^[SEP]

To: Name and address of partner

Date:

**Subject: Notice under regulation 14A of the Limited Liability Partnership Regulations, 2018
("the Regulations")**

1. Take Notice that sub-regulation (2) of Regulation 14A of the Limited Liability Partnership Regulations 2018 (the "Regulations") requires every partner of the LLP who is not the ultimate beneficial owner and holds at least one fourth rights or controlling interest in the LLP to submit a declaration to the LLP providing information and particulars of the ultimate beneficial owner(s), as defined in Regulations.

2. Clause (m) of sub-regulation (1) of regulation (2) defines an ultimate beneficial owner as a natural person who ultimately and effectively owns or controls a limited liability partnership through direct or indirect rights or who shares at least one fourth of the net profits and losses of the partnership.

3. Sub-section (3) of section 8 of the LLP Act, 2017 (the "Act") specifies that any contravention or default in complying with the requirements of this section shall be an offence liable in case of a partner, designated partner or officer, to a fine which may extend to one million rupees.

4. Accordingly, in case you do not hold beneficial or controlling interest in the LLP yourself, please submit the following information about the ultimate beneficial owner(s) of the LLP, as defined in the Regulations, on whose behalf you are holding such interest, within fourteen days of the date of this notice in accordance with regulation 14A(2) of the Regulations, failing which the

LLP will proceed in the matter without further notice as per the provisions of the Act and the Regulations:

1. Name [L] [SEP]
2. Father's Name/Spouse's Name [L] [SEP]
3. CNIC/NICOP/Passport no. alongwith date of issue (attach copy) [L] [SEP]
4. Nationality [L] [SEP]
5. Country of origin (in case of foreign national or dual national) [L] [SEP]
6. Usual residential address [L] [SEP]
7. Email address [L] [SEP]
8. Date on which rights or controlling interest acquired in the LLP [L] [SEP]
9. In case of indirect rights or controlling interest being exercised through intermediate holding [L] [SEP]LLPs, entities or other legal persons or legal arrangements in the chain of ownership or control, following additional particulars to be provided:

| Name | Legal form (Company /LLP/ Partnership Firm/ Trust/Any other body corporate (to be specified)) | Date of incorporation | Name of registering authority | Business Address | Country | Email Address | Percentage of shareholding, control or interest of UBO in the legal person or legal arrangement | Percentage of shareholding, control or interest of legal person or legal arrangement in the LLP | Identity of Natural Person who ultimately owns or controls the legal person or arrangement |
|------|---|-----------------------|-------------------------------|------------------|---------|---------------|---|---|--|
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) |
| | | | | | | | | | |

10. Any other information incidental to or relevant to enable the LLP to evaluate this matter.

Name & signature [L] [SEP] (Person authorized to issue notice on behalf of the LLP)

LIMITED LIABILITY PARTNERSHIP ACT, 2017

LIMITED LIABILITY PARTNERSHIP REGULATIONS, 2018 [Section 8 and Regulation 14A(2)]

DECLARATION OF PARTNER ABOUT ULTIMATE BENEFICIAL OWNERS

(To be submitted to the LLP by every partner as specified under regulation 14A(1))

Name of LLP _____

Registration No. ^[]_[SEP] _____

Presented by _____

I _____ do solemnly declare as follows; ^[]_[SEP]

1. I _____ having CNIC/Passport No.* _____ and having address at _____ am a person whose name is entered in the register of partners of (state the name of the LLP) with _____ (state the percentage) of rights to share in the profits and losses of LLP.

2. I became the partner in the LLP on the following date(s) and continue as such at the date of this declaration:

| | |
|---|---------------------------------------|
| Number and monetary value of contribution in the LLP as per LLP Agreement | Date of becoming a partner of the LLP |
|---|---------------------------------------|

3. I (myself hold/do not hold) [] %percentage share in the profits and losses of the LLP.

4. The particulars of the ultimate beneficial owner(s), as defined¹⁷ in the Limited Liability

¹⁷ Sub-regulation 2(m) of regulation 1 defines an ultimate beneficial owner as a natural person who ultimately and effectively owns or controls a limited liability partnership through direct or indirect rights or who shares at least one fourth of the net profits and losses of the partnership.

Partnership Regulations 2018, in respect of the aforesaid rights or interests in LLP, is/are:**

| | | | | | | | | | |
|---|---|------------------------|-------------------------------|------------------|---------|---------------|--|---|--|
| 1. Name | | | | | | | | | |
| 2. Father's Name/Spouse's Name | | | | | | | | | |
| 3. CNIC/NICOP/Passport no. alongwith date of issue (copy attached) | | | | | | | | | |
| 4. Nationality | | | | | | | | | |
| 5. Country of origin (in case of foreign national or dual national) | | | | | | | | | |
| 6. Usual residential address | | | | | | | | | |
| 7. Email address | | | | | | | | | |
| 8. Date on which rights or controlling interest acquired in the LLP | | | | | | | | | |
| 9. Date on which rights or controlling interest acquired in the LLP from former ultimate beneficial owner | | | | | | | | | |
| 10. In case of indirect rights or controlling interest being exercised through intermediate LLPs, entities or other legal persons or legal arrangements in the chain of ownership or control, names and particulars are as follows: | | | | | | | | | |
| | Legal form (Company/LP/ Partnership Firm/ Trust/Any other body corporate (to be specified)) | Date of incorporation/ | Name of registering authority | Business Address | Country | Email Address | Percent age of control or interest of UBO in the legal person or legal arrangement | Percentage of control or interest of legal person or legal arrangement in the LLP | Identity of Natural Person who ultimately owns or controls the legal person or arrangement |
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) |
| 11. Any other information incidental to or relevant to enable the LLP to evaluate this matter | | | | | | | | | |

And I make this solemn declaration conscientiously believing the same to be true.

This _____ day of _____, 20____

Name & signature

* Delete whichever is inapplicable^[11]_[SEP]

** Please provide information required under para 4 if you are a:

(i) Legal person, i.e. not an individual or natural person; or ^[]_[SEP]

(ii) Natural person, but do not yourself hold [] % of rights or control in the LLP. ^[]_[SEP]

Note: 1. The form of declaration may be modified or adapted to the circumstances in which the non-beneficial owner is a body corporate or in which there is more than one non-beneficial owner in respect of the requisite interests or rights. ^[]_[SEP]

2. Please add further columns to the table in para 4 above depending upon the number of ultimate beneficial owners of the LLP.

LIMITED LIABILITY PARTNERSHIP ACT, 2017

LIMITED LIABILITY PARTNERSHIP REGULATIONS, 2018

[Section 8 and Regulation 14A(3)]

DECLARATION OF PARTNER ABOUT CHANGE OF ULTIMATE BENEFICIAL OWNERS OR PARTICULARS THEREOF

Name of LLP _____

Registration No. ^[L]_[SEP] _____

Presented by _____

1. This is to declare that I _____ (name of partner in block letters) having CNIC/Passport No.* _____ and having address at _____ am a person whose name was entered in the register of members of _____ (state the name of the LLP) with _____ (state the percentage) of rights or controlling interest in the LLP.

2. With effect from the (date-----), the (natural person(s)/particulars of the natural persons)* who ultimately holds the beneficial ownership/ controlling interest in the LLP (has/have)* been changed to:

| | |
|---|--|
| 1. Name of ultimate beneficial owner/former ultimate beneficial owner | |
| 2. Percentage of interest or control rights held | |
| 3. Name of the new ultimate beneficial owner | |
| 4. Father's Name/Spouse's Name | |
| 5. CNIC/NICOP/Passport no. alongwith date of issue (copy attached) | |
| 6. Nationality | |
| 7. Country of origin (in case of foreign national or dual national) | |
| 8. Usual residential address | |
| 9. Email address | |
| 10. Date on which interest or control acquired in the LLP from former ultimate beneficial owner | |


11. In case of indirect control or interest being exercised through intermediate LLPs, entities or other legal persons or legal arrangements in the chain of ownership or control, names and particulars are as follows:

| Name | Legal form (Company/LP/ Partnership Firm/ Trust/Any other body corporate (to be specified)) | Date of incorporation/ | Name of registration | Business Address | Country | Email Address | Percentage of control or interest of UBO in the legal person or legal arrangement | Percentage of control or interest of legal persons or legal arrangement in the LLP | Identity of Natural Person who ultimately owns or controls the legal person or arrangement |
|------|---|------------------------|----------------------|------------------|---------|---------------|---|--|--|
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) |
| | | | | | | | | | |

12. Any other information incidental to or relevant to enable the LLP to evaluate this matter

And I make this solemn declaration conscientiously believing the same to be true.

This _____ day of _____, 20____


 Name & signature

* Delete whichever is inapplicable

Note: 1. The form of declaration may be modified or adapted to the circumstances in which the non-beneficial owner is a body corporate or in which there is more than one non-beneficial owner in respect of requisite rights or interest.

2. Please add further columns to the table in para 2 above depending upon the number of ultimate beneficial owners of the LLP

LIMITED LIABILITY PARTNERSHIP ACT, 2017

LIMITED LIABILITY PARTNERSHIP REGULATIONS, 2018

[Section 8 and Regulation 14A(5)]

**DECLARATION OF COMPLIANCE WITH THE PROVISIONS OF SECTION 8 OF
THE LIMITED LIABILITY PARTNERSHIP ACT, 2017**

PART I

| | |
|------------------------------|----------------------|
| 1.1 CUIIN (Registration No.) | <input type="text"/> |
| 1.2 Name of the LLP | <input type="text"/> |
| 1.3 Fee Payment Details | <input type="text"/> |
| 1.3.1 Challan No. | <input type="text"/> |
| 1.3.2 Amount | <input type="text"/> |

PART II

2.1 Compliance against notice issued under sub-regulation (1) of Regulation 14A:

| Sr. No | Particulars | Response |
|-------------------------------|---|----------|
| i. | The LLP has issued in <month>, a notice in LLP-Form-IX to every partner who shares at least one fourth of the net profits and losses of the LLP or to the representative of every legal person or legal arrangement which holds at least one fourth of the net profits and losses of the partnership, to obtain information of its ultimate beneficial owners, in compliance with Regulation 14A (1). The total number of notices issued is _____. | Yes / No |
| ii. If reply to (i) is Yes | The LLP has received declarations as per LLP-Form-X from the partners/persons to whom notices have been issued, as required under sub-regulation (2) of regulation 14A: Total no. of partners who shares at least one fourth of the net profits and losses of the LLP and the representatives of every legal person or | Yes / No |

| | | |
|--|---|---|
| | <p>legal arrangement holding at least one fourth of the net profits and losses of the partnership as on the date of LLP-Form-XII: _____</p> <p>No. of partners or persons submitting the declarations against the notice(s) issued is: _____</p> <p>No. of partners or persons who have failed to submit the declaration against the notice(s) issued is: _____</p> | |
| <p>iii. If reply to (ii) is Yes,</p> | <p>The LLP has noted the accurate and updated particulars of its ultimate beneficial owners received from the partners/persons vide declaration(s) as per LLP Form XI in a register of ultimate beneficial owners, as specified under sub- regulation (4) of regulation 14A, and in compliance with the provisions of section 8 of the Act.</p> | <p>Yes / No</p> |
| <p>iv.</p> | <p>The LLP has authorized one of its partners or designated partners or officers to provide the information required under regulation 14A to the registrar or any other authority or agency pursuant to the powers to call for information entrusted by law to such authority or agency, and to provide further assistance as may be required.</p> | <p>Yes/ No</p> |
| <p>v. If reply to (iv) is yes,</p> | <p>The LLP has nominated the following officer, as required in terms of sub- regulation (6) of regulation 14A:</p> | <p>1. Name _____ 2. _____</p> <p>Father's Name _____</p> <p>3. Designation _____</p> <p>4. NIC No. _____</p> <p>5. Cell No. _____</p> <p>6. Email address _____</p> <p>7. Usual residential address _____</p> |

