

BELIZE:

**LIMITED LIABILITY COMPANIES (AMENDMENT) (NO. 2)
BILL, 2023**

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BELIZE:

BILL

for

AN ACT to amend the Limited Liability Companies Act, Chapter 270:01 of the Substantive Laws of Belize, Revised Edition 2020; to further facilitate compliance with the Financial Action Task Force (FATF) Recommendation 24; and to provide for matters connected therewith or incidental thereto.

(Gazetted2023).

BE IT ENACTED, by and with the advice and consent of the House of Representatives and Senate of Belize and by the authority the same, as follows:

Short title.

1. This Act may be cited as the

LIMITED LIABILITY COMPANIES (AMENDMENT) (NO. 2) ACT,

CAP. 270:01.
Act No. 29 of
2023.

and shall be read and construed as one with the Limited Liability Companies Act, which, as amended, is hereinafter referred to as the principal Act.

Amendment of
section 2.

2. The principal Act is amended in section 2 by–

(a) inserting, in appropriate alphabetical sequence, the following terms and definitions–

CAP. 261:01. ““accounting records” has the meaning specified in section 2 of the Accounting Records (Maintenance) Act;

“accurate information” means information, which has been verified to confirm its accuracy by verifying the identity and status of the beneficial owner using reliable, independently sourced or obtained documents, data or information;

“adequate information” means information that is sufficient to identify the natural person(s) who are beneficial owner(s), and the means and mechanisms through which they exercise beneficial ownership or control;

“document” means any record of information in any form and includes–

- (a) any writing or printing on any material;
- (b) any record of information or data, however compiled, and whether stored in paper, electronic, magnetic or non-paper based form;
- (c) any storage, medium, including disks and tapes;
- (d) books, maps, plans and drawings;
- (e) any photograph, film, tape, negative or other medium in which one or more visual images are embodied so as to be capable, with or without the aid of equipment, of being reproduced; and
- (f) any court application, order and other legal process;

Act No. 8 of 2023. “Director General of the Financial Services Commission” means the person appointed under section 7 of the Financial Services Commission Act;

Act No. 8 of 2023. “Financial Services Commission” or “Commission” means the Financial Services Commission established under the Financial Services Commission Act;

Act No. 11 of 2022. “Registry” means the Belize Companies and Corporate Affairs Registry established under section 284 of the Belize Companies Act;”

“up-to-date information” means information which is as current and up-to-date as possible, and is updated within a reasonable period following any changes.”; and

- (b) deleting the definition of “beneficial owner” and substituting the following –

CAP. 104. “has the meaning specified in section 2 of the Money Laundering and Terrorism (Prevention) Act;”.

Insertion of new sections 2A and 2B.

3. The principal Act is amended by inserting after section 2, the following new sections—

“Administration. 2A. The Commission shall be responsible for the administration of this Act.

Power to impose administrative penalties. 2B. The Commission shall have power to impose administrative penalties for breaches of this Act.”.

Amendment of section 9.

4. The principal Act is amended in section 9—

(a) in sub-section (1)—

(i) in paragraph (f), by deleting the word “and”; and

(ii) by inserting after paragraph (f), the following new paragraph—

“(fa) an accurate, adequate, up-to-date, and updated register of beneficial owners of the names and addresses, and any information sufficient for the identification of beneficial owners, if any; and”;

(b) by inserting after sub-section (3), the following new sub-sections—

“(4) The documents mentioned under sub-section (1) shall be filed with the Registry at the time of registration or no later than 30 days after the entering into force of this Act.

(5) Where any of the documents mentioned under sub-section (1) are amended, the Limited Liability Company, Registered Agent, Manager, Member, or Secretary, shall file the amended document within thirty days after any change in the particulars contained in it.

(6) The documents mentioned under sub-section (1) shall be produced upon request from the Registrar or Commission within 7 days from the date that such request is made.

(7) The Commission, Registrar or any officer of the Commission may inspect and take copies of any record, including those in sub-section (1).

(8) Any person, natural or legal, that fails to keep or provide or produce to, or that obstructs the inspection of records, by the Registrar or the Commission of any of the requested

documents under this section commits an offence and is liable indictment to a penalty of up to \$100,000.00.

(9) In addition to any other penalty for any offence under this section, the Commission may impose an administrative penalty of up to \$100,000.00, along with any other administrative penalty that it may impose”.

5. The principal Act is amended by inserting after section 18, the following new section–

Insertion of new section 18A.

“Annual attestation on beneficial ownership and control.

18A.–(1) A limited liability company shall submit annually an attestation report to the Commission on beneficial ownership and control of the limited liability company, which shall include the following–

- (a) the name and address of any person who owns five percent or more of the limited liability company;
- (b) the name and address of any natural person who controls the limited liability company acting directly or indirectly, and acting individually or jointly;
- (c) the name of all of the members, managers, directors and officers; and
- (d) any other information as the Commission may determine.

(2) Any limited liability company that wilfully fails to file an attestation report on beneficial ownership is liable to an administrative penalty of up to \$100,000.00.”.

6. The principal Act is amended by inserting after section 30, the following new sections–

Insertion of new sections 30A, 30B and 30C.

“Register of beneficial owners.

30A.–(1) A Limited Liability Company shall establish and maintain a beneficial ownership register and shall enter in its beneficial ownership register the minimum required information in respect of every beneficial owner.

(2) The beneficial ownership information shall be filed with the Registrar and be entered into the Online Business Registry System.

(3) Notwithstanding any other section in this Act or in any other law, contract, or agreement, a Limited Liability Company shall–

- (a) update its records and other relevant information required under this Act and its Regulations to ensure that they are adequate, accurate, and up to date, and in any case, ensure that the information is updated no later than 30 days from any change in information or from the entering into force of this Act for existing registered Limited Liability Companies or at the time of registration; and
 - (b) retain its records and provide the Registrar with information that is accurate and up to date, no later than 7 days from when the Registrar makes a request for information, including beneficial ownership information.
- (4) The minimum required information referred to in subsection (1) that the Limited Liability Company shall enter in its beneficial ownership register is as follows—
- (a) the beneficial owner’s full name including, if applicable, any secondary or other name;
 - (b) the beneficial owner’s residential address and, if different from his residential address, an address for service;
 - (c) the beneficial owner’s nationality;
 - (d) the beneficial owner’s date of birth;
 - (e) the beneficial owner’s place of birth;
 - (f) the national identification number and document, social security number and card, or passport number and passport of the beneficial owner.
- (5) The beneficial ownership register shall be kept at the office of the Limited Liability Company’s registered agent.
- (6) No Limited Liability Company or Registered Agent of the Limited Liability Company or manager shall fail to comply with the keeping of the Beneficial Ownership Register.
- (7) No Limited Liability Company or Registered Agent of the Limited Liability Company or manager shall fail to provide or produce the Beneficial Ownership Register or provide false or misleading information.

(8) Every person who contravenes this section commits an offence and is liable on indictment to a fine not exceeding \$100,000, and in addition to any other penalty the Commission may apply any administrative penalty, including but not limited to an administrative fine of up to \$100,000.00.

Duty to provide records and information.

30B. Upon the request of the Commission or Registrar, it shall be the responsibility of a limited liability company or any Registered Agent, to provide or produce any records or information required under section 9 or section 30A, within seven days or earlier period, if the Commission or Registrar so directs from the date that the request is made.

Retention of records.

30C.—(1) Where a limited liability company is administratively removed or is otherwise dissolved or terminated or transfers domicile or consolidates or merges under this Act, the limited liability company or, its Registered Agent, or manager, or liquidator, or any other person involved in the removal, dissolution, termination, transfer, consolidation, merger or winding up of the limited liability company shall retain records, documents, and information referred to in section 9, section 30A, for a period of at least six years from the date on which the limited liability company is removed, dissolved, terminated, transferred, consolidated, merged, or wound up.

(2) Where a resident agent ceases to be the resident agent of the Limited Liability Company, that resident agent shall preserve all the records required to be kept under this Act in respect of that Limited Liability Company for a period of at least six years from the date on which the registered agent ceases to be the resident agent of the Limited Liability Company”.

7. Section 95 of the principal Act is amended by deleting the words “the Government or any public statutory body or authority of Belize, any Minister, Judge, Registrar or any public official” and substituting the words “the Government, the Commission or any public statutory body or authority of Belize, any Minister, Judge, Registrar, public official or any officer or employee of the Commission”.

Amendment of section 95.

8. The principal Act is amended by inserting after section 96, the following new section—

Insertion of new section 96A.

“Disclosure.

96A.—(1) Notwithstanding section 62 or 96 or any other provision of this Act, or any other law, contract, agreement or otherwise, a requirement imposed by or under sections 9, 30A, 30B, 30C, or 97A has effect despite any obligation as to confidentiality or other restrictions on disclosure of any

records, documents, accounting records, information, reports, register, including beneficial ownership information.

(2) A disclosure made or the sharing of any records, accounting records, documents, reports, information, including beneficial ownership information in accordance with section 9, 30A, 30B, 30C, or 97A does not breach any—

(a) obligation of confidence in relation to the records, accounting records, documents, reports, information, including beneficial ownership information so disclosed; or

(b) other restrictions on access to or disclosure of any records, accounting records, documents, reports, information, including beneficial ownership information so accessed, however imposed.

(3) Compliance by any person with any requirement under section 9, 30A, 30B, 30C, or 97A, to disclose or provide any records, accounting records, documents, reports, register, information, including beneficial ownership information, is an absolute defence to any claim brought against that person in respect of any act done or any omission made by him in good faith in compliance with the Act.

Insertion of new sections 97A and 97B.

9. The principal Act is amended by inserting the following new sections immediately after section 97—

“Power to obtain information and records and Retention of records etc.

97A.—(1) The Registrar may request in writing served on a Limited Liability Company or manager or registered agent or beneficial owner require such limited liability company or manager or registered agent or beneficial owner —

(a) to provide the Registrar at such time or times or at such intervals or in respect of such period or periods as may be so specified, with such record, register, account, document, or information, including beneficial ownership information or confidential information as the Registrar may reasonably require for the performance of his functions; **or**

(b) to provide the Registrar with a written report, as specified by the Registrar’s request, of any matter about which the Registrar has required or could require that limited liability company or manager or registered agent or beneficial owner to provide such record, register, account, document, or information.

(2) The Registrar shall retain records, documents, information for a period of at least 6 years from the date on which the limited liability company is removed, dissolved, transferred, consolidated, merged, or wound up.

Powers of cooperation and information sharing.

97B. The Commission shall have the same powers of cooperation and information sharing as stipulated in sections 51 and 52 of the Financial Services Commission Act.

Inspection of Register.

97C.—(1) A person may, in writing to the Registrar, request inspection of following information contained in the Register—

- (a) the name of a limited liability company;
- (b) the name and address of the registered agent of a limited liability company; and
- (c) the date of registration of a limited liability company.

(2) The Registrar shall allow a person to inspect the information specified in sub-section (1) upon the payment of the prescribed fee.

(3) A person allowed to inspect the information specified in sub-section (1) may, upon the payment of a prescribed fee, obtain copies of that information.”.

10. The principal Act is amended by repealing section 99 and replacing it with the following—

Repeal and replacement of section 99.

“**99.**—(1) Every person who—

- (a) does anything which is prohibited by this Act;
- (b) omits to do anything that is required by or directed by this Act;
- (c) knows or ought to have known that he or she was making, or who without due inquiry at the relevant time makes, any material misrepresentation in any document required to be filed with the Registrar under this Act; or
- (d) incites or attempts to incite a person to contravene any of the provisions of this Act,

commits an offence and is liable on indictment to a fine not exceeding five hundred thousand dollars or to both such fine and term of imprisonment.

(2) Any person who contravenes any of the provisions of this Act for which no penalty is specifically provided is liable on indictment to a fine not exceeding five hundred thousand dollars.

(3) Any person who contravenes any of the provisions of this Act for which no penalty is specifically provided, may in addition to any other penalty, be liable to an administrative fine imposed by the Commission, not exceeding one hundred thousand dollars.”.