



Companies and Intellectual
Property Commission

a member of the **dtic** group

NON-AFFECTED COMPANIES WITH BENEFICIAL OWNERSHIP

How, What, When?



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AGENDA

1. Who Really Own The Company?
2. Annual BO Filing
3. Company Categories
4. What Is An Affected Company?
5. Determining The Company Category
6. Non-Affected Co. with BO - Documents
To Be Filed
7. Mandate
8. Certification Of Documentation
 - 8.1 South African Documents
 - 8.2 International Documents



WHO REALLY OWNS THE BUSINESS?

Beneficial ownership is not just about names on paper, but rather about beneficial owners behind the scenes. These are the people who truly control the business and benefit from its profits.

WHO CAN BE DECLARED AS A BENEFICIAL OWNER?

Major Shareholder – people that own a large portion of the company, even through another company or trust.

Ultimate decision makers – people who control the company's actions, even if they are not directors.

Trust beneficiaries – people who benefit from a trust that owns the company.

Silent partners – investors that are not publicly involved but still profit from the business.

ANNUAL BO FILING – WHEN MUST IT FILED?



Do you still need to file BO information if nothing changed during the year? Businesses must file BO information every year, whether there were changes or not.



Yearly BO updates assist CIPC to confirm that your BO details are still valid.



Beneficial ownership must be submitted before filing annual returns

WHAT ARE THE THREE CATEGORIES OF COMPANIES?

Affected company –

Whether these companies have beneficial ownership to declare or not, they must upload mandatory documentation. I.e. Mandate, ID copies and Beneficial Interest Register.

Non-affected company with BO.

These companies are not classified as “affected companies”, and have beneficial ownership information to declare. Standard BO-register requirements apply.

Non-affected company without BO.

These companies are not classified as “affected companies” and have no beneficial owners. Mandatory documentation must be uploaded.

COMPANY CATEGORIES

1. Which category applies to my company?
2. How can I ascertain whether my company has beneficial ownership (BO) to declare?



WHICH CATEGORY APPLIES TO MY COMPANY?

Apply the “affected company” definition as a checklist to establish whether the company is affected or non-affected. Answer “**Yes**” or “**No**” to the following:

- Is the company a public company?
- Is the company a state-owned company?
- Did the private company transfer more than 10% of its securities within the 24 months before the declaration?
- Is the private company majority owned or controlled by an affected company?
- Is the private company a subsidiary of an affected company?

The declaring company is an “**affected company**” if the answer to any of the preceding questions is “**Yes**.”

If the answer to all of the questions above is “**No**” – then the company is a **non-affected company**.

HOW TO ASCERTAIN WHETHER A NON-AFFECTED COMPANY HAS BENEFICIAL OWNERSHIP TO DECLARE?

To determine if the company has any beneficial owners, answer “Yes” or “No” the following questions:

- Does one person hold securities for the beneficial interest of another natural person?
- Is there a person who exercises (or has control over) more than 5% of the voting rights in the company?
- Is there a person with the right to appoint and remove directors of the company?
- Is there a person(s) that have the ability to materially influence the management of the declaring company?

HOW TO ASCERTAIN WHETHER A NON-AFFECTED COMPANY HAS BENEFICIAL OWNERSHIP TO DECLARE? (continue)

A **"Yes"** answer to any of the above questions indicates the company is non-affected with beneficial ownership.

A **"No"** answer to all of the above questions indicates the company is non-affected without beneficial ownership.

NOTE:

The different company types require different documents for uploading. This presentation will only focus on the documents required for a Non-Specific Company with beneficial ownership.



WHICH DOCUMENTS ARE REQUIRED TO BE FILED?

Non-affected company with beneficial ownership to declare



- Beneficial owners must be declared.
- A **mandate** (declaration). The mandate must be signed by 50%+1 of the company directors or 100% of members in CC.
- A **certified copy of the Filer's ID**.
- For complex ownership structure, include a **disclosure form**.
- Companies must submit a **Securities Register**, and CCs a **Members Register**.
- Non-Profit Companies (NPCs) without members need to file a **List of Directors**

WHAT IS THE MANDATE / DELARATION?

It is a compulsory document, wherein the declaring company instructs a filer (natural person) to submit its beneficial ownership declaration on behalf of the company.

Content of mandate –

- A mandate must be in the form of letter / resolution / power of attorney;
- On a declaring company's letterhead (no company logo is required);
- Mandate is given to an individual (natural person);
- Must be signed by 50% + 1 of company directors / all CC members.

EXAMPLE ONLY, may use own format

ON BUSINESS LETTERHEAD:

Include Full Company Name, Registration number, Place registered (e.g. South Africa), Registered address, Address of place of business, Contact details (phone and email)

MANDATE

I, (Full Names, Surname and ID number), the undersigned in my capacity as **Director of** PTY (LTD) 2016/...../07 hereby mandate / appoint (Full Names, Surname, ID number) to file the beneficial ownership declaration (together with mandatory supporting documents) on behalf of the company.

To act on the company's behalf in respect of the following matters at CIPC.

- Filing of Beneficial Ownership

Signature

Date:

CERTIFICATION REQUIREMENTS FOR DOCUMENTS (PRACTICE NOTE 2 OF 2022)

Certification of documents (including ID documents) filed with the CIPC may not be older than **3 (three)** calendar months.

Only one ID/Passport may appear on a single page and in the case of the SA ID Card, both sides have to be scanned in on the same single page.

Only validly issued passports will be accepted

No asylum seeker / temporary resident document will be accepted as valid confirmation of identity

See requirements with regard to Commissioner of Oath hereunder..

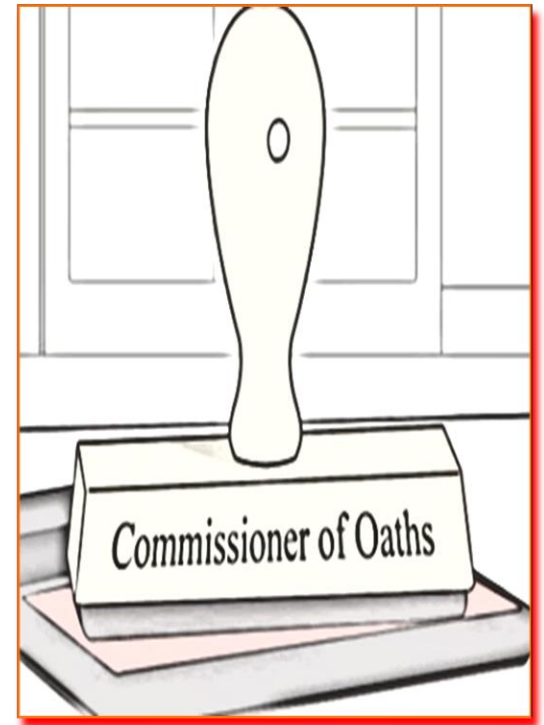
WHAT ARE THE CERTIFICATION REQUIREMENTS FOR SOUTH AFRICAN DOCUMENTS ?

CIPC will only accept documents that have been commissioned by a Commissioner of Oaths in South Africa.

The following information of the Commissioner of Oaths must appear on documents:

- Full name and Surname
- Business Address
- Signature
- Designation
- Documents certified by police officials also need to indicate the persons rank and rank number.
- Date of certification

The above information is required to ensure the Commissioner of Oaths is traceable for accountability purposes.



WHAT ARE THE CERTIFICATION REQUIREMENTS FOR INTERNATIONAL DOCUMENTS

(PRACTICE NOTE 2 OF 2022)

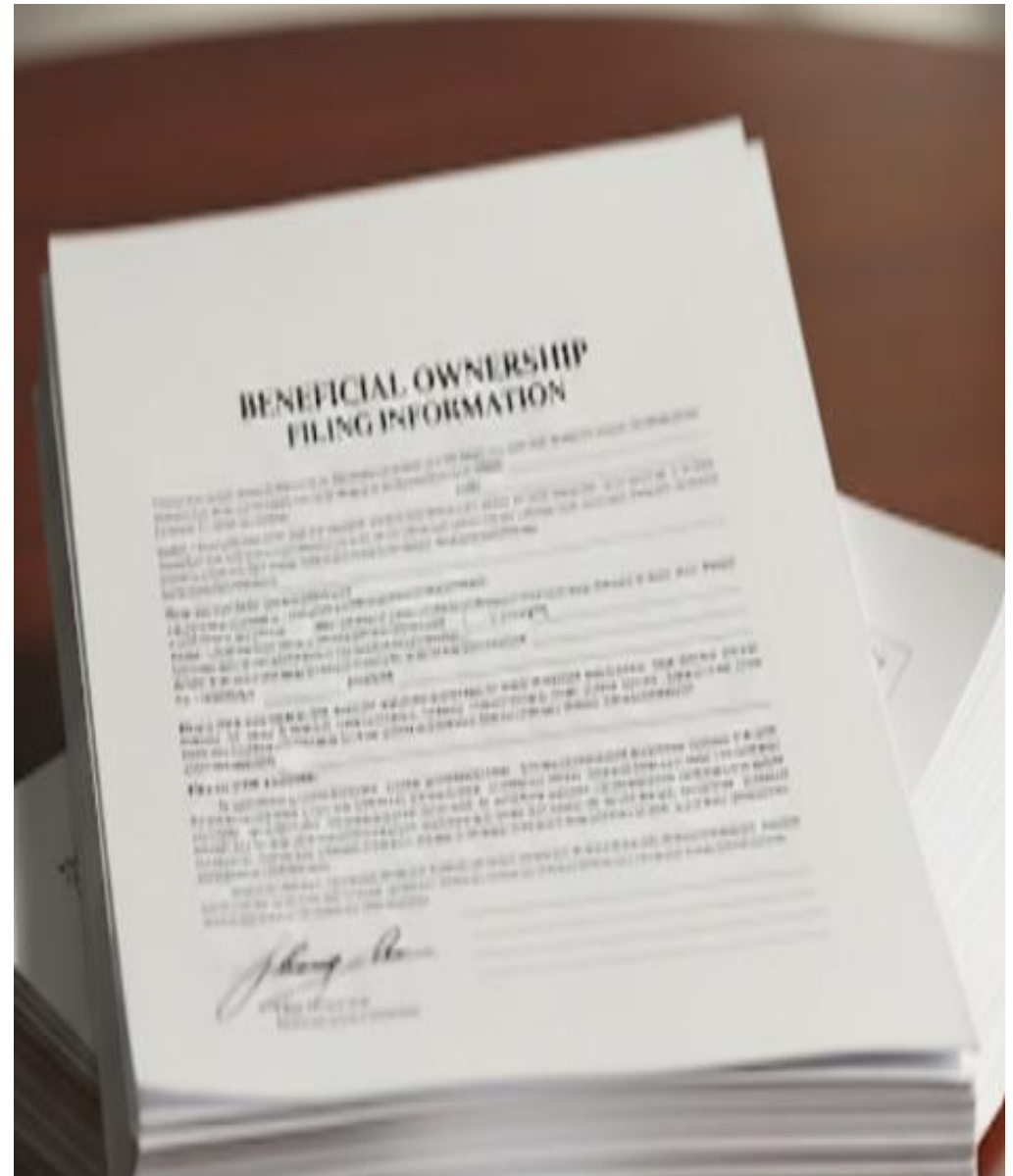
- If a person is based in another country and has to file documents with CIPC, a **certificate of authentication** needs to accompany the documents to confirm authenticity.
- A **Notary Public** is an internationally recognized form of certification or affirmation of documents, and the CIPC will accept both South African and international Notary Public certifications. A Notary Public certified document, must be accompanied by a Notary Public certification seal and/or certificate.



WHERE CAN I FIND DETAILS AND INSTRUCTIONS FOR FILING BO?

www.cipc.co.za –
Notices, FAQ, Step by
Step Guides

Please refer to the legal definitions of “Beneficial Ownership” and “affected company”, together with the CIPC step-by-step guides. These resources provide a breakdown of each company type and will guide you on the necessary information to be filed.



WHERE ARE THE STEP-BY-STEP GUIDES LOCATED?

Step by Step Guide link: https://www.cipc.co.za/?page_id=4447

Guides available:

- BO technical troubleshooting FAQ
- Step-by-step guide: E-Services Beneficial Ownership Filing (Affected Company)
- Step-by-step guide: E-Services Beneficial Ownership Filing (Non-Affected Company With Beneficial Ownership)
- Step-by-step guide E-Services Beneficial Ownership Filing (Non-Affected Company With NO Beneficial Ownership)
- Step-by-step guide: Beneficial Ownership filing (Complex structure – Juristic persons and trusts)
- Mandate
- Beneficial Interest Register
- securities register content
- Securities Register Template

THANK YOU!

