

## CLIENT ALERT UBO update deadline

The deadline for updating Czech UBO registrations based on an amendment to the Czech UBO law adopted last year is 1 April 2023.

Check that your UBO registration is up to date and that the registered UBO(s) still meet the UBO definition under the updated laws. Particular careful should be the companies with multiple shareholders or those who have previously registered as their UBO a person being the ultimate beneficiary.



### FAILURE TO COMPLY WITH THE UBO REGISTRATION REQUIREMENTS MAY RESULT IN:

- A fine of up to CZK 500,000 (approx. EUR 20,000);
- Czech banks threatening to close bank accounts or deny credit (we have seen an increasing number of cases where banks have threatened to close bank accounts or report the discrepancy to the UBO register);
- Czech notaries refusing to execute notarial deeds required for various types of corporate resolutions or;
- Suspension of certain shareholder rights, in particular the right to receive dividends and the right to exercise voting rights (which can have a significant impact on transactions, planned corporate restructurings or financial distributions).



### CONTACT US

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