

GOVERNMENT OF PAKISTAN
SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

-:-:-

Islamabad, the 11th September, 2020

NOTIFICATION

S.R.O. 864 (I)/2020.- The following draft amendments to Limited Liability Partnership Regulations, 2018 proposed to be made by in exercise of the powers conferred under section 53 of the Limited Liability Partnership Act, 2017 (XV of 2017), are hereby published, as required by sub-section (2) of the said section 53, for information of all the persons likely to be effected thereby and notice is hereby given that suggestions or objections, if any, received within a period of fourteen days from the date of its publication in the official Gazette, shall be taken into consideration by the Securities and Exchange Commission of Pakistan, namely:-

DRAFT AMENDMENTS

In the aforesaid Regulations,-

1. in regulation 2, in sub-regulation (1),-

- (a) in clause (k), the word “and” at the end shall be omitted;
- (b) in clause (l), after the full stop at the end, the expression “; and” shall be inserted; and
- (c) after clause (l), amended as aforesaid, the following new clause shall be added, namely:-

“(m) “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;

2. After regulation 14, the following new regulation 14A shall be added, namely:-

Regulation 14A. Register of Ultimate Beneficial Owners (1) Every LLP shall, within three months of coming into force of amended section 8 of the Act, take reasonable measures to identify and obtain the information of its ultimate beneficial owners, as per LLP Form IX, by issuing a notice to every partner who shares at least one fourth of the net profits and losses of the partnership.

(2) In reply to the notice issued by the LLP, every partner to whom the notice has been issued under sub-regulation (1), shall submit a declaration in the form specified as LLP Form X to the LLP, within fourteen days of the notice, indicating the

(xi) Any other information incidental to or relevant to enable the LLP to evaluate this matter.

(5) Every LLP required to maintain a register of ultimate beneficial owners shall, within fifteen days from the receipt of declaration received under sub-regulation (2) or (3), and thereafter on an annual basis, submit to the registrar concerned a declaration of compliance with section 8, as per LLP Form XII.

(6) Every LLP required to maintain a register of ultimate beneficial owners shall authorize any of its partners or designated partners or officers to provide the information required under this regulation to the registrar for verification purposes, or to 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, and the name and particulars of such an authorized person shall be furnished to the registrar along with the declaration specified hereinabove.

3. in LLP-Form-III, in Part III, in clause 7.4,

i. after sub-clause (b), the word "and" shall be deleted;

ii. following sub-clause (c) shall be added, namely:-

c) 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; and

iii. existing sub-clause (c) shall be renumbered as sub-clause (d)

4. after LLP Form VIII, the following new Forms shall be inserted, namely:-

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>>

[By post/email]

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

2. Father's Name/Spouse's Name
3. CNIC/NICOP/Passport no. alongwith date of issue (attach copy)
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. In case of indirect rights or controlling interest being exercised through intermediate holding 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 :	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
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)

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

Name & signature

(Person authorized to issue notice on behalf of the LLP)

LLP FORM X

LIMITED LIABILITY PARTNERSHIP ACT, 2017

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

DECLARATION BY 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. _____

Presented by _____

I _____ do solemnly declare as follows;

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:

Nature 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 net profits and losses of the LLP.

4. The particulars of the ultimate beneficial owner(s), as defined¹ in the Limited Liability 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)	

¹ 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.

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 of such entities are as follows:								
Name	Legal form (Company/LLP/Partnership Firm/Trust/Any other body corporate (to be specified))	Date of incorporation/	Name of registering	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 person or legal arrangement in the LLP
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
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

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

(i) Legal person, i.e. not an individual or natural person; or

- (ii) Natural person, but do not yourself hold a [] percentage of rights or interest in the LLP.

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.

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

LLP FORM XI

LIMITED LIABILITY PARTNERSHIP ACT, 2017

**LIMITED LIABILITY PARTNERSHIP REGULATIONS, 2018
[Section 8 and Regulation 14A(3)]**

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

Name of LLP _____

Registration No. _____

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 partners 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 person(s))* , 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 interests 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 of such entities are as follows:																																		
<table border="1"> <thead> <tr> <th>Name</th> <th>Legal form (Company/LLP/Partnership Firm/Trust/Any other body corporate (to be specified))</th> <th>Date of registration</th> <th>Business Address</th> <th>Country</th> <th>Email address</th> <th>Percentage of control or interest of UBO in the legal person or legal arrangement</th> <th>Percentage of control or interest of legal person or legal arrangement in the LLP</th> </tr> <tr> <th>(a)</th> <th>(b)</th> <th>(c)</th> <th>(d)</th> <th>(e)</th> <th>(f)</th> <th>(g)</th> <th>(h)</th> <th>(i)</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>									Name	Legal form (Company/LLP/Partnership Firm/Trust/Any other body corporate (to be specified))	Date 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 person or legal arrangement in the LLP	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)									
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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 the 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

LLP FORM XII

LIMITED LIABILITY PARTNERSHIP ACT, 2017

**LIMITED LIABILITY PARTNERSHIP REGULATIONS, 2018
[Section 8 and Regulation 14A(1)]**

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

PART I

- 1.1 Registration No. _____
1.2 Name of the LLP _____
1.3 Fee Payment Details
1.3.1 Challan No. _____
1.3.2 Amount _____

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, to obtain information of its ultimate beneficial owners, in compliance with Regulation 14A (1). The number of notices issued to partners is _____.	Yes/No
ii. If reply to (i) is Yes,	The LLP has received declarations as per LLP-Form-X from the partners to whom notices have been issued, as required under sub-regulation (2) of regulation 14A:	Yes/No

	<p>Total no. of partners of the LLP as on the date of LLP-Form-XII: _____</p> <p>No. of partners submitting the declarations against the notice(s) issued is: _____</p> <p>No. of partners who have failed to submit the declaration against the notice(s) issued is: _____</p>	
iii. If reply to (ii) is Yes,	The LLP has noted the accurate and updated particulars of its ultimate beneficial owners received from the partners vide declaration(s) as per Form 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.	Yes/No
iv.	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.	Yes/No
v. If reply to (iv) is yes,	The LLP has nominated the following officer, as required in terms of sub-regulation (6) of regulation 14A:	<p>1. Name _____</p> <p>2. Father's Name _____</p> <p>3. Designation _____</p> <p>4. NIC No. _____</p> <p>5. Cell No. _____</p> <p>6. Email address</p>

		7. Usual residential address _____
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PART III

3.1 Compliance in respect of induction of new partners in terms of sub-regulation (2) or changes in particulars of ultimate beneficial owners in terms of sub-regulation (3) of Regulation 14A:

Sr. No.	Particulars	Response
i.	The LLP has received, during the <year>, declaration filed by the new partner in LLP Form X or declaration(s) for changes in the beneficial ownership or controlling interest from the partners in LLP Form XI, as required under sub-regulation (2) or (3) of regulation 14A, respectively.	Yes/No
ii. If reply to (i) is Yes,	The LLP has noted the accurate and updated particulars of its ultimate beneficial owners received through declaration(s) during the <year> 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.	Yes/No
iii.	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.	Yes/No

