

Bermuda Beneficial Ownership Act 2025

The Bermuda Beneficial Ownership Act 2025 (the “BO Act”) came into effect on 3rd November 2025, replacing the previous beneficial ownership regime and introducing a more streamlined framework for transparency and accountability.

The Act outlines the entities within its scope, the information that must be collected and verified, and the procedures governing the filing and ongoing maintenance of beneficial ownership information in the Central Register.

Transfer of the Central Register to the Registrar of Companies

Responsibility for Bermuda’s beneficial ownership Central Register has been transferred from the Bermuda Monetary Authority (“BMA”) to the Registrar of Companies (the “Registrar”).

The Registrar now oversees the approval of persons seeking to become beneficial owners of in-scope entities. Beneficial owners previously approved by the BMA remain approved, no reapproval is required.

Beneficial ownership information must be filed with the Registrar:

- upon registration, continuation in Bermuda, conversion, or when applying for permission to carry on business; and
- whenever there is a change in beneficial ownership.

Access, Disclosure, and Confidentiality

The Central Register is a secure, restricted-access electronic database that maintains beneficial ownership information for in-scope entities. Access to this information is strictly controlled.

The Registrar may disclose information to specified authorities and AML/ATF-regulated institutions solely for the purpose of enabling them to carry out their statutory or regulatory functions. The Registrar may also restrict or prohibit disclosure when appropriate, and recipients must not further disclose information except as permitted by law.

Importantly, legal professional privilege is preserved, and no person is required to disclose privileged information.

Unauthorised disclosure of information obtained from the Central Register is an offence punishable by:

- a fine of up to \$100,000 or two years’ imprisonment on summary conviction; or
- a fine of up to \$250,000 or five years’ imprisonment on indictment.

In-Scope Entities

The BO Act applies to every legal person.

However, a legal person whose shares or interests are listed on the Bermuda Stock Exchange or an appointed stock exchange, and any subsidiary of such legal person, is exempt. Exempt entities must still confirm their exemption with the Registrar, file proof, and notify any change within 14 days.

Key Definitions

Legal person includes a company, limited liability company, exempted partnership, limited partnership, exempted limited partnership, and overseas partnership.

Registrable person means a beneficial owner or a relevant legal entity (“RLE”).

Beneficial owner generally means an individual or individuals who ultimately own or control a legal person. Specifically, this includes:

- (a) individuals who directly or indirectly own or control 25% or more of the shares, voting rights, or partnership interests;
- (b) individuals who otherwise exercise ultimate effective control over the management; or
- (c) individuals who exercise control by other means.

If no individual meets these conditions, the senior manager is identified as the beneficial owner.

If trustees of a trust meet any of the above conditions, they are identified as beneficial owners of the legal person if they have ultimate effective control over the trust’s activities.

Relevant legal entity means:

- (a) any legal entity incorporated, formed, or registered in Bermuda or elsewhere; and
- (b) any legal arrangement that would be a beneficial owner if it were an individual.

Identification and Verification of Beneficial Ownership

Legal persons must take reasonable steps to identify their beneficial owners and relevant legal entities. This includes issuing notices where necessary and keeping records of actions taken if no beneficial owners are identified or confirmed.

Recipients of such notices must respond within 30 days to confirm their status.

If a registrable person fails, without reasonable excuse, to respond, the entity may:

- issue a warning notice and later a decision notice imposing restrictions on the person’s shares or interests; or
- apply to the Supreme Court for an order imposing restriction (including on transfers, voting, and payments).

The entity must give the person an opportunity to make representations and must consider the potential impact on third parties and secured creditors.

Each legal person must also take reasonable measures to verify the identity of its beneficial owners using reliable and independent sources and must retain records showing how verification was conducted.

Beneficial Ownership Register

Every legal person must establish and maintain a Beneficial Ownership Register (BO Register) containing the prescribed information for each registrable person.

The Register must include details such as:

- names, addresses, nationalities, and dates of birth (for individuals);
- government-issued ID details;
- corporate details for legal entities (including registration jurisdiction, date, and registered address); and
- the nature and extent of each ownership interest.

It must also record when each person became, and if applicable ceased to be, a registrable person. The information must be adequate, accurate, and current.

The BO Register must be kept at the entity's registered office (or another approved location in Bermuda) and be made available for inspection by the Registrar.

Duty to Keep the Register Current and Retain Records

Legal persons must update their BO Register promptly following any change that affects recorded information and in any event within 14 days of being notified of the change.

Where a change is suspected or identified, the legal person must issue written notice to the registrable person to confirm or correct the information within 30 days.

Records relating to any person who ceases to be a registrable person must be retained for at least five years from the date the person ceased to have beneficial ownership.

The Registrar expects the Central Register to be fully updated by 1 June 2026, after which enforcement measures are anticipated.

Conclusion

The BO Act strengthens Bermuda's commitment to global transparency standards while ensuring proportionality and protection of confidential information. Entities should review their ownership structures, update internal compliance processes, and ensure that filings and notifications are made within the required timeframes.

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