

**TURKS AND CAICOS ISLANDS**

**LIMITED PARTNERSHIPS (AMENDMENT) ORDINANCE  
2024**

**(Ordinance 42 of 2024)**

**ARRANGEMENT OF SECTIONS**

SECTION

1. Short title and commencement
2. Interpretation
3. Section 2 amended
4. Sections 2A, 2B and 2C inserted
5. Section 4 amended
6. Sections 5A, 5B, 5C and 5D inserted
7. Section 7 amended
8. Sections 17A to 17M inserted
9. Section 18A inserted



## TURKS AND CAICOS ISLANDS

### LIMITED PARTNERSHIPS (AMENDMENT) ORDINANCE 2024

(Ordinance 42 of 2024)

*Assent*.....21<sup>st</sup> November 2024

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*Commencement*.....in accordance with section 1

AN ORDINANCE TO AMEND THE LIMITED PARTNERSHIPS ORDINANCE.

**ENACTED** by the Legislature of the Turks and Caicos Islands.

#### **Short title and commencement**

1. This Ordinance may be cited as the Limited Partnerships (Amendment) Ordinance 2024 and shall come into operation on such day as the Governor may appoint by Notice published in the *Gazette*.

#### **Interpretation**

2. In this Ordinance the “principal Ordinance” means the Limited Partnerships Ordinance.

#### **Section 2 amended**

3. Section 2 of the principal Ordinance is amended by inserting the following definition—

““registered agent” means a person under section 5A;”.

## **Sections 2A, 2B and 2C inserted**

**4.** The principal Ordinance is amended by inserting after section 2 the following sections—

### **“Meaning of “beneficial owner”**

**2A.** (1) “Beneficial owner” means the natural person who ultimately owns or controls or has significant control or significant influence over a limited partnership and includes but is not restricted to—

- (a) a natural person who ultimately owns or controls, whether through direct or indirect ownership or control, more than 25% of the shares or voting rights of the limited partnership;
- (b) a natural person who otherwise has the right to exercise or actually exercises significant influence or control over the limited partnership; or
- (c) the trustee or other person who exercises significant influence or control over the legal arrangement, whether alone or jointly with any other person or persons.

(2) For the purposes of subsection (1), it is immaterial whether an individual’s ultimate ownership or control of the limited partnership is direct or indirect.

### **Persons registerable as beneficial owners**

**2B.** A person registerable as a beneficial owner includes—

- (a) a partner;
- (b) a person with significant influence or control over the partnership or one or more of the partners;
- (c) a person who controls directly or indirectly more than 25% of the voting rights of the partnership;
- (d) a trustee (where a partner is a trust);
- (e) where a partner is a company, the controller, director or beneficial owner of the company; and
- (f) a person who has significant influence over any of the persons listed herein.

### **Guidance on significant influence or control**

**2C.** (1) The Commission may issue guidance concerning the meaning of “significant influence or control”.

(2) Regard shall be had to any guidance issued under subsection (1) in interpreting references in this Ordinance to “significant influence or control”.

### **Section 4 amended**

**5.** Section 4(5)(b) of the principal Ordinance is amended by deleting the word “XI” and substituting the word “XVI”.

### **Sections 5A, 5B, 5C and 5D inserted**

6. The principal Ordinance is amended by inserting after section 5 the following sections—

#### **“Registered agent**

5A.(1) A limited partnership shall at all times have a registered agent.

(2) The registered agent shall be a person who holds a licence under the Company Management (Licensing) Ordinance.

(3) A limited partnership shall file a notice of the appointment of a registered agent, endorsed by the registered agent to act as registered agent.

(4) The appointment of a registered agent takes effect on the registration, by the Registrar, of the notice filed under subsection (3).

#### **Registered agent may be changed**

5B.(1) A limited partnership may, by resolution of the partners, change its registered agent and appoint a new agent.

(2) A limited partnership that wishes to change its registered agent shall file a notice of the resolution passed which shall be accompanied by a notice of appointment of the new registered agent to be filed under section 5A.

(3) A change of registered agent takes effect on the registration by the Registrar of the notice filed under subsection (2).

(4) As soon as reasonably practicable after registering a notice of change of registered agent, the Registrar shall send a copy of the notice endorsed by the Registrar with the time and date of registration to the limited partnership’s new registered agent.

(5) A limited partnership shall be deemed not to have changed its registered agent if it fails to comply with the requirements of subsection (2).

#### **Resignation of registered agent**

5C.(1) A person may resign as a registered agent of a limited partnership —

(a) by giving not less than thirty days written notice of his intention to resign as registered agent of the limited partnership, on the date specified in the notice, to a person specified in subsection (2); and

(b) by filing a copy of the notice with the Registrar.

(2) A notice under subsection (1) shall be sent to a partner at the partner’s last known address or, if the registered agent is not aware of the identity of any partner of the limited partnership, to the person from whom the registered agent last received instructions concerning the limited partnership.

(3) If the limited partnership does not appoint a new registered agent on or before the last day of the expiration period specified in the notice of intention to resign, the registered agent may file a notice of resignation with the Registrar.

(4) The resignation of a registered agent takes effect on the earlier of—

- (a) the registration by the Registrar of the notice of a new registered agent under section 5A; or
- (b) on the registration by the Registrar of the notice of resignation filed under subsection (3).

### **Filing of documents**

**5D.** (1) Except as otherwise provided in this Ordinance, Rules or the Regulations, a document required or permitted to be filed by a limited partnership under this Ordinance, may only be filed by the registered agent.

(2) The Commission may, by notice published in the *Gazette* and its website provide for the filing, registration and issuing of documents, or certain specified types of documents, on a non-working day.”.

### **Section 7 amended**

7. Section 7 of the principal Ordinance is amended -

- (a) by repealing subsection (1) and substituting the following subsection—

“(1) The registration of a limited partnership shall be effected on payment to the Registrar of a registration fee of such amount as shall be prescribed by rules made under section 18 and by filing with the Registrar –

- (a) an application;
- (b) a statement signed, subject to subsection (7), by or on behalf of the general partners containing the following particulars—
  - (i) the firm’s name;
  - (ii) the general nature of the firm’s business;
  - (iii) the address in the Turks and Caicos Islands of its registered office;
  - (iv) the term, if any, for which the limited partnership is entered into or, if for an unlimited duration, a statement to that effect and the date of its commencement; and
  - (v) the full name and address of each partner specifying each of them as a general partner or limited partner;
- (c) the limited partnership agreement;

- (d) such other documents as may be prescribed; and
- (e) the written consent of the proposed registered agent to act as registered agent.”;

(b) by inserting after subsection (1) the following subsection—

“(1A) An application for the registration of a Limited Partnership may be filed only by the person proposed as the limited partnership’s registered agent on its registration.”; and

- (c) in subsection 2, by deleting the word “XI” and substituting the word “XVI”.

### **Sections 17A to 17M inserted**

8. The principal Ordinance is amended by inserting after section 17 the following sections—

#### **“Limited Partnerships to identify and verify the identity of beneficial owners**

**17A.** (1) A limited partnership shall take reasonable steps to identify and verify the identity of all persons who are beneficial owners of the limited partnership.

(2) For the purposes of identifying and verifying the identity of persons who are beneficial owners under subsection (1), a limited partnership is entitled to rely, without further enquiry, on the response of a person to a written notice sent in good faith by the limited partnership, unless the limited partnership has reason to believe that the response is misleading or false.

(3) A limited partnership, and after its dissolution the former partners, shall keep records of all documents used to verify the identity of the beneficial owners for a minimum of five years after the date on which the person ceases to be a beneficial owner of the limited partnership.

#### **Duty of limited partnership to give notice to a person registrable as a beneficial owner**

**17B.** (1) A limited partnership shall give written notice to each beneficial owner identified in accordance with section 17A and to any person that it knows or has reasonable cause to believe is a person registrable as a beneficial owner in relation to it.

(2) A notice given under subsection (1) shall require the person to whom it is given, within 14 days of receipt of the notice—

- (a) to state whether or not the person is a beneficial owner; and

(b) where the person is a beneficial owner, to confirm or correct any of the prescribed beneficial ownership information that is included in the notice and supply any of the prescribed beneficial ownership information that is missing from the notice.

(3) A limited partnership is not required to comply with subsection (1) or (2) with respect to a person registrable as a beneficial owner where—

(a) the limited partnership has already been informed of the person's status as a beneficial owner in relation to it and has been supplied with the prescribed beneficial ownership information; and

(b) the information was provided by the beneficial owner or with his knowledge.

(4) A partner that is a company may also give written notice to a registered shareholder or to a legal entity that the partner knows or has reasonable cause to believe knows the identity of a beneficial owner of the partnership.

(5) A notice under subsection (4) may require the person to whom it is given (the addressee)—

(a) to state whether or not they know the identity of a person registrable as a beneficial owner or any person likely to have that knowledge; and

(b) if so, within fourteen days of receipt of the notice, to supply, at the expense of the limited partnership, any prescribed beneficial ownership information respecting such registrable persons that is within the addressee's knowledge, and to state whether the information is being supplied with or without the knowledge of the person concerned.

(6) A person to whom a notice is given under this section is not required by the notice to disclose any information—

(a) in respect of which a claim to legal privilege could be maintained in any legal proceedings; or

(b) that the person is prohibited by any enactment applicable in the Islands from disclosing.

(7) A limited partnership or a partner who contravenes this section commits an offence and is liable on summary conviction to a fine of \$200 for each day or part of a day during which the default continues.

### **Duty to supply information**

**17C.** (1) This section applies to a person where—

(a) the person is a beneficial owner of a limited partnership;

(b) the person knows the facts referred to in paragraph (a);

- (c) the person believes that the prescribed beneficial ownership information concerning the person is not stated in the limited partnership's beneficial ownership register;
  - (d) the person has not received a notice from the limited partnership under section 17B; and
  - (e) the circumstances described in paragraphs (a), (b), (c) and (d) have continued for a period of at least one month.
- (2) The person shall—
- (a) notify the limited partnership of the person's status as a beneficial owner of the limited partnership;
  - (b) state the date, to the best of the person's knowledge, on which the person acquired that status; and
  - (c) give the limited partnership the prescribed beneficial ownership information.
- (3) The duty under subsection (2) shall be complied with by the end of the period of one month beginning with the day on which the conditions in subsection (1)(a), (b) and (c) were first met with respect to the person.
- (4) A person who contravenes this section commits an offence and is liable on summary conviction to a fine of \$20,000.

**Duty of limited partnerships to keep beneficial ownership register**

- 17D.** (1) A limited partnership shall maintain a register setting out the prescribed beneficial ownership information of each of its beneficial owners and each person who was previously a beneficial owner of the partnership.
- (2) Where a limited partnership becomes aware of any change in the particulars registered in its beneficial ownership register, it shall enter in its register—
- (a) details of the change; and
  - (b) the date on which the change occurred.
- (3) A limited partnership shall not enter in its beneficial ownership register—
- (a) the particulars of a beneficial owner or any change in those particulars, unless the particulars or change have been confirmed in accordance with subsection (4); or
  - (b) any particulars in relation to a person who is not a beneficial owner.
- (4) The particulars of a person registerable as a beneficial owner are considered to be confirmed if—



- (a) the person supplied or confirmed them to the limited partnership, whether voluntarily, under a duty imposed by the Ordinance or otherwise;
- (b) another person supplied them to the limited partnership with the person's knowledge; or
- (c) they are provided on the registration of the limited partnership.

(5) A limited partnership, and after its dissolution the former partners, shall retain the beneficial ownership register for a minimum of five years after the date of the dissolution of the limited partnership.

(6) A limited partnership that contravenes this section commits an offence and is liable on summary conviction to a fine of \$50,000 and every officer of the limited partnership who is in default, commits an offence and is liable in the same manner as the limited partnership.

### **Duty of limited partnership to keep information up to date**

**17E.** (1) Where a limited partnership knows or has reasonable cause to believe that, in relation to a person whose particulars are stated in the limited partnership's beneficial ownership register—

- (a) the person ceases to be a beneficial owner of the limited partnership; or
- (b) any other change occurs as a result of which the particulars stated in the beneficial ownership register for the beneficial owner are incorrect or incomplete,

the limited partnership shall, as soon as reasonably practicable after it learns of the change or first has reasonable cause to believe that the change has occurred, give written notice that complies with the Regulations to the person requiring the person to provide the limited partnership with the prescribed beneficial ownership information as at the date of the notice.

(2) A limited partnership is not required to comply with subsection (1) with respect to a person if—

- (a) the limited partnership has already been informed that the person has ceased to be a beneficial owner or of the change in particulars; and
- (b) in the case of a person registrable as a beneficial owner that is not another relevant limited partnership, the information was provided by the registrable person or with his knowledge.

(3) A limited partnership that contravenes this section commits an offence and is liable on summary conviction to a fine of \$50,000 and every officer of the limited partnership who is in default, shall each commit an offence and is liable in the same manner as the limited partnership.

### **Duty of other persons to keep information up to date**

**17F.** (1) This section applies to a person where—

- (a) the person has stated that he is a beneficial owner, in response to a notice received under section 17B or the person has reason to believe that beneficial ownership information is stated in a limited partnership's beneficial ownership register;
- (b) a change in the beneficial ownership information specified in section 17E(1) occurs with respect to the person;
- (c) the person knows of the change;
- (d) the person has no knowledge that the beneficial ownership register has been altered to reflect the change; and
- (e) the person has not received a notice from the company under section 17B by the end of the period of one month beginning with the day on which the change occurred.

(2) A person to which this section applies shall—

- (a) notify the limited partnership of the change;
- (b) state the date on which the change occurred; and
- (c) give the limited partnership any information needed to update the limited partnership's beneficial ownership register.

(3) The duty under subsection (2) shall be complied with by the end of the period of one month beginning with the day on which the person discovered the change.

### **Rectification of limited partnership's beneficial ownership register by Court**

**17G.** (1) Where—

- (a) the name of any person as a registrable person is, without sufficient cause, entered in or omitted from a limited partnership's beneficial ownership register; or
- (b) default is made or unnecessary delay occurs in entering on the limited partnership's beneficial ownership register the fact that a person has ceased to be a registrable person,

the person aggrieved, any member of the limited partnership or any other person who is a registrable person in relation to the relevant limited partnership may apply to the Court for rectification of the register.

(2) On an application under subsection (1), the Court may—

- (a) refuse the application; or
- (b) order rectification of the register and, if it orders rectification, the Court—

- (i) shall direct that notification of the rectification be given to the Registrar; and
- (ii) may order the limited partnership to pay damages to the aggrieved party.

### **Register of Beneficial Owners of Limited Partnerships**

**17H.** (1) The Commission shall maintain a Register of Beneficial Owners of Limited Partnerships.

(2) The Register of Beneficial Owners of Limited Partnerships maintained by the Commission and the information contained in any document provided to the Commission may be kept in such manner as the Commission considers fit including, either wholly or partly, by means of a device or facility—

- (a) that records or stores information magnetically, electronically or by other means; and
- (b) that permits the information recorded or stored to be inspected and reproduced in legible and usable form.

(3) The Commission may establish systems and facilities enabling the filing of documents and the provision of information to the Commission in electronic form.

### **Giving beneficial ownership information to Commission**

**17I.** (1) A limited partnership shall, no more than fourteen days after its registration, deliver a notice to the Commission in the approved form—

- (a) setting out the prescribed particulars of each person whose particulars are registered in its beneficial ownership register; or
- (b) stating that no person is registrable as a beneficial owner of the limited partnership.

(2) A limited partnership shall, no more than fourteen days after any change to the particulars recorded in its beneficial ownership register, deliver a notice to the Commission in the approved form setting out details of the change.

(3) The Commission shall, on receipt of a notice under subsection (1) or (2) register the particulars in the Register of Beneficial Owners of Limited Partnerships.

(4) A limited partnership that contravenes subsection (1) or (2) commits an offence and is liable on summary conviction to a fine of \$50,000.

### **Protection of beneficial ownership information**

**17J.** (1) The following information is protected information for the purposes of this section—

- (a) the Register of Beneficial Owners of Limited Partnerships;
- (b) beneficial ownership information provided to the Commission; and
- (c) information concerning—
  - (i) a request made to the Commission under section 17K for information, including the fact that a request has been made; or
  - (ii) a disclosure of information made in accordance with section 17K.

(2) Subject to section 17K, the Commission, an officer of the Commission, including the Managing Director, an employee of the Commission or any person acting under the authority of the Commission, shall not disclose protected information to any person.

(3) A person who contravenes subsection (2) commits an offence and is liable on summary conviction to a fine of \$50,000.

### **Gateways for disclosure**

**17K.** (1) Section 17J does not apply to a disclosure made to—

- (a) the Royal Turks and Caicos Islands Police Force;
- (b) the Anti-Money Laundering Committee established under section 115(1) of the Proceeds of Crime Ordinance;
- (c) the Financial Intelligence Agency established under section 3(1) of the Financial Intelligence Agency Ordinance;
- (d) the Integrity Commission established under section 3(1) of the Integrity Commission Ordinance;
- (e) the Attorney General's Chambers;
- (f) the competent authority designated under section 4 of the Tax Information (Exchange and Mutual Administrative Assistance) Ordinance;
- (g) the Registrar of Lands appointed under section 5(1) of the Registered Lands Ordinance;
- (h) an entity undertaking procurement in accordance with the Public Procurement Ordinance; and
- (i) any person or authority prescribed by Regulations as a person or authority to whom beneficial ownership information may be disclosed,

pursuant to a request made in accordance with Regulations.

(2) A person or authority prescribed by Regulations shall be entitled to obtain timely access to the basic and beneficial ownership information held by the Commission.

(3) The Commission may, in respect of the beneficial ownership register of a legal person—

- (a) provide information to;
- (b) provide access to; or
- (c) execute a search on behalf of,

the bodies specified in subsection (1) in accordance with this Ordinance for a purpose specified in subsection (4).

(4) A purpose referred to in subsection (3) is—

- (a) the performance of its functions under this Ordinance;
- (b) assisting with the prevention and detection of crime;
- (c) furthering the interest of national security;
- (d) enabling those listed in subsection (1) to fulfil their statutory obligations including statutory obligations with respect to international cooperation; or
- (e) statistics and preparation of statistical reports.

(5) The Commission may restrict or prohibit access to any information on the Register of Beneficial Owners of Limited Partnerships to the extent that it sees fit.

(6) The Commission may charge a prescribed fee for access to beneficial ownership information held by the Commission.

(7) For the purposes of subsection (8), a relevant disclosure is a disclosure of protected information made in accordance with subsection (1).

(8) Subject to subsection (7), a person commits an offence if he discloses the fact that a relevant disclosure is being or has been requested or that a relevant disclosure is being or has been made.

(9) It is not an offence for a person to make a disclosure to a professional legal adviser for the purposes of legal advice or for a professional legal adviser to make a disclosure—

- (a) to, or to a representative of, a client of his in connection with the giving by the legal adviser of legal advice to the client; or
- (b) to any person—
  - (i) in contemplation of, or in connection with, legal proceedings; and
  - (ii) for the purpose of those proceedings.

(10) Subsection (9) does not apply to a disclosure made with the intention of furthering a criminal purpose.

(11) A person who contravenes subsection (8) commits an offence and is liable on summary conviction to a fine of \$50,000.

(12) A person who conducts a search of the Register of Beneficial Owners of Limited Partnerships contrary to subsections (3)

and (4) commits an offence and is liable on summary conviction to a fine of \$50,000 or to imprisonment for twelve months, or to both.

### **Cancellation of registration**

**17L.** (1) The Registrar may cancel the registration of a limited partnership if—

- (a) the limited partnership does not have a registered agent;
- (b) the limited partnership fails to file any return, notice or document required to be filed under this Ordinance, the Rules or the Regulations;
- (c) the Registrar is satisfied that the limited partnership has ceased to carry on business;
- (d) the Registrar is satisfied that the limited partnership is carrying on business for which a licence, permit or authority is required under the laws of the Islands without having the licence, permit or authority;
- (e) the limited partnership fails to comply with its obligations to provide beneficial ownership information to the Commission;
- (f) the limited partnership fails to pay its annual fee or any late payment penalty by the due date; or
- (g) the limited partnership, being a regulated entity, has its licence cancelled or revoked by the Commission.

(2) If the Registrar is of the opinion that there is some reason why the limited partnership's registration should not be cancelled, the Registrar may, instead of cancelling the limited partnership's registration, refer the limited partnership to the Commission for investigation.

(3) Before cancelling the registration of a limited partnership on the grounds specified in subsection (1), the Registrar shall—

- (a) send the limited partnership a notice stating that, unless the limited partnership shows cause to the contrary, its registration will be cancelled no less than thirty days after the date of the notice; and
- (b) publish a notice of intention to cancel the registration of the limited partnership in the *Gazette*.

(4) After the expiration of the time specified in the notice, unless the limited partnership has shown cause to the contrary, the Registrar may cancel the limited partnership's registration.

(5) The Registrar—

- (a) shall publish a notice of the cancellation in the *Gazette*; and
- (b) may publish it in such other way as he considers appropriate.

(6) The cancellation of the limited partnership's registration is effective from the date of the notice published in the *Gazette*.

(7) The cancellation of a limited partnership's registration shall not be affected by any failure on the part of the Registrar to serve a notice on the registered agent or to publish a notice in the *Gazette* under subsection (3).

### **Subsequent registration**

**17M.** (1) This section applies where—

- (a) the registration of a limited partnership has been cancelled under section 17L; and
- (b) the limited partnership subsequently applies to be registered under section 7.

(2) The Registrar shall not register a limited partnership to which subsection (1) applies unless the limited partnership has paid all fees and penalties that were due to the Registrar at the date of cancellation of the limited partnership's registration.

(3) The registration of a limited partnership to which subsection (1) applies takes effect from the date of its registration in accordance with this section, not the date of the cancellation of its registration or the previous date of registration.

### **Section 18A inserted**

**9.** The principal Ordinance is amended by inserting after section 18 the following section—

#### **“Regulations**

**18A.** The Governor may, after consulting with the Commission, make Regulations—

- (a) empowering the Commission to disclose to members of the public such beneficial ownership information as may be prescribed;
- (b) to provide for financial penalties for any contravention of or failure to comply with specified requirements of this Ordinance or the Regulations;
- (c) to specify the amount, or maximum amount, of financial penalty, or the range of financial penalties that may be imposed by the Commission for a contravention of this Ordinance; and
- (d) generally for giving effect to this Ordinance.”