

Dear Sir/Mdm,

You have a new message.

[NOTICE 44-25] CLARIFICATION ON BENEFICIAL OWNERSHIP REQUIREMENTS FOR PUBLIC LISTED ENTITIES

Dear Key Executive Officers and Real Estate Salespersons,

[NOTICE 44-25] CLARIFICATION ON BENEFICIAL OWNERSHIP REQUIREMENTS FOR PUBLIC LISTED ENTITIES AND RELATED PMLPFTF GUIDANCE

1. The Council for Estate Agencies (CEA) has been actively engaging the real estate agency industry and gathering feedback on the implementation of the Prevention of Money Laundering, Proliferation Financing and Terrorism Financing (PMLPFTF) obligations under the revised Estate Agents (Prevention of Money Laundering, Proliferation Financing and Terrorism Financing) Regulations 2021.
2. Following the consultations and reviews, the following additional guidance is issued to address industry queries regarding beneficial ownership (BO) information requirements for entities and legal arrangements, an area which has been raised frequently by the industry:

a. Due Diligence Checks on **Public Listed Entities (PLEs)**

- i. This applies to entities that are publicly listed on the Singapore Exchange or a stock exchange outside Singapore that is subject to regulatory disclosure requirements, including those that relate to adequate transparency in respect of its beneficial owners which are imposed through stock exchange rules, laws or other enforceable means.
- ii. Estate agents (EAs) and real estate salespersons (RESs) are not required to identify and verify the identities of individual beneficial owners of such PLEs.
- iii. When dealing with such PLEs, the requirements are to:

Obtain and verify identifying information of the PLE (e.g., **UEN, incorporation documents, ACRA Bizfile searches**);

Understand the business structure and ownership through publicly available information (e.g., annual reports, stock exchange filings);

Screen the **PLE against sanctions lists**.

- iv. Therefore, when RESs deal with PLEs:

Section 3 of Form A2/A4/U2/U4 does not need to be completed for the BOs of the PLE.

Form B/U5 does not need to be completed for the BOs of the PLE.

Form B/U5 only needs to be completed for the PLE (where the PLE is the client or unrepresented counterparty).

b. **25% Threshold Guidance for Beneficial Ownership on Entities/Legal arrangements other than PLEs**

i. For entities and legal arrangements that are not publicly listed, where it is unclear whether an individual falls within the definition of a beneficial owner, EAs and RESs may rely on the following general guidance to determine the BO(s) on which due diligence measures should be conducted:

An individual who **holds** at least 25% of the shares of the entity;

An individual who **controls** at least 25% of the entity or legal arrangement; or

An individual who **benefits** from at least 25% of the assets of the entity or legal arrangement.

3. These clarifications take effect immediately. They will also be incorporated into a revised version of the PMLPFTF Guide, which will be released in due course to provide more details and further guidance on PMLPFTF compliance requirements.

4. For queries relating to this Notice and the PMLPFTF Regulations, please email us at inspection@cea.gov.sg.

5. Thank you.

Yours sincerely,

NICHOLAS ONG

DEPUTY DIRECTOR (INSPECTION & COMPLIANCE)

COUNCIL FOR ESTATE AGENCIES