

December 8, 2022

BGI ALERT

This alert is issued for general circulation – please feel free to share with your colleagues / contacts:

As you may be aware, for the purposes of opening and, more importantly, maintaining a bank account with a Georgian commercial bank, all companies are required to submit, periodically, to the local banks a number of corporate documents as those may be requested by the banks within the framework of AML(anti-money laundering) , KYC (know your customer) and UBO (ultimate beneficial owner(s)) identification procedures. Please note that recently one of the international banks terminated all corresponding relations with Georgian banks. This is very likely to result in tightening the AML, KYC and UBO identification procedures by the commercial banks even further. In other words, we expect that the banks will be less inclined to make any exceptions including in terms of notarization/certification of required documents, submission timelines, *etc.*

With this in mind, it would be prudent that the entire corporate structure of all companies involved in the shareholding chain of a locally registered entity is brought into compliance with applicable reporting laws. Most importantly, in countries where there is no registry extract available (e.g. the United States), for every company in the corporate ownership chain one needs to make sure there is a third party registered agent who would be able to issue certain confirmations when and if needed.

Please treat this as a high importance matter. If bank requests are not complied with, local banks may suspend operations on your company accounts.

For any inquiries, please contact:

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