

**BENEFICIAL
OWNERSHIP
TRANSPARENCY
TO COMBAT
CORRUPTION**

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Beneficial Ownership & Belize: Policy Needs & Opportunities

WHAT IS BENEFICIAL OWNERSHIP?

The "beneficial owner" is the individual or individuals that truly control and economically benefit from a company. When beneficial ownership (BO) information is not available or inaccurate, it allows companies to be used as vehicles for illicit activity.

WHY IS IT IMPORTANT TO COLLECT THIS INFORMATION?



To combat tax evasion, corruption, money laundering, shell companies, and terrorism financing



To provide greater financial and fiscal transparency



To help law enforcement with investigations



To meet international standards and best practices

CASE STUDIES: BENEFICIAL OWNERSHIP IN BELIZE

Unknown Owners a Gamble: From 2009 until early 2023, Brad's Gaming Group Ltd. (BGGL) held an exclusive license from the Belizean government to run the government boledo and lottery games. A previous search at the Belize Companies and Corporate Affairs Registry revealed that BGGL is majority owned (60 percent) by Good Lee Limited, an offshore company registered in St. Lucia, with the remaining 40 percent owned by Kim Y. Chee, the owner of Brad's Store, however information released by the government in January 2023 also shows Countach Technologies Ltd, registered in Grand Cayman, as a shareholder. The beneficial owner(s) of Good Lee Ltd, is unknown, and three of its directors are companies registered in St. Lucia and Dominica; neither jurisdiction has publicly available information on beneficial owners. Because the beneficial owner(s) of BGGL is unknown, the Belizean government never truly knew with whom they were doing business, presenting the potential for fraud as well as conflicts of interest.¹

Fraud Scheme with Shell Companies: In May 2016, Robert Bandfield, a U.S. citizen and resident of Belize, pleaded guilty to money laundering conspiracy for setting up fraudulent shell companies and brokerage firms in Belize and the West Indies. Bandfield and his corrupt clients fraudulently manipulated the stocks of dozens of U.S. publicly traded companies. The structure was designed to conceal the clients' ownership interest in the stock of U.S. public companies that enabled the corrupt investors to engage in trading under the nominee's names through brokerage firms.²

¹ See ["In Opposition, Briceno Complained About Company Secrecy," "P.M. Briceno Lays into Former Prime Minister Barrow Over Boledo Contract,"](#) and ["GOB revokes Brad's license, company seeks payout."](#)

² See ["Architect Of Offshore Fraud Haven And Orchestrator Of More Than 40 Pump And Dump Schemes Sentenced To 6 And 12 Years In Prison, Respectively, For Executing A \\$250 Million Money Laundering Scheme."](#)






[HTTPS://GFINTEGRITY.ORG](https://gfinTEGRITY.org) › BO-FACT-SHEET-FINAL2

AMENDMENTS OF 2023

- FINANCIAL SERVICES COMMISSION ACT, 2023
 - Online Business Registry System Portal
 - BELIZE COMPANIES (AMENDMENT) ACT, 2023
 - Section 93 (1) states that all entities shall file with the Registrar its registers of Beneficial Owners.
 - ACCOUNTING RECORDS (MAINTENANCE) (AMENDMENT) ACT, 2023
 - require entities to maintain accounting records within Belize at its registered office or office of its registered agent in Belize
 - TRUSTS (AMENDMENT) ACT, 2023
 - Duty to submit Attestation Report. Annual Attestation on Beneficial Ownership for each trust
- <https://www.nationalassembly.gov.bz/acts-of-parliament/acts-parliament-2023/>

PENALTIES

- **FINANCIAL SERVICES COMMISSION ACT, 2023**
 - a contravention or breach thereof shall be punishable on indictment by such fine not exceeding fifty thousand dollars or by such term of imprisonment not exceeding one year as may be specified in such regulations, or by both such fine and imprisonment.
- **BELIZE COMPANIES (AMENDMENT) ACT, 2023**
 - Any person who contravenes sub-section (11) is guilty of an offence and liable to an administrative fine imposed by the Commission as set out in Regulations
- **ACCOUNTING RECORDS (MAINTENANCE) (AMENDMENT) ACT, 2023**
 - In addition to any penalty for an offence under this Act, the Commission may impose an administrative fine of up to \$100,000.00
- **TRUSTS (AMENDMENT) ACT, 2023**
 - on summary conviction to a fine not exceeding one thousand dollars for each day or part thereof for which the contravention continues.
 - In addition the Registrar may impose an administrative fine up to \$100,000.00

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- Belize has an official definition for a “beneficial owner” in the Money Laundering and Terrorism (Prevention) Act.
 - Companies must maintain a list (“register”) of those individuals who own or control 10 percent or more of the entity. This register must be kept at a company’s registered office and/or with their registered agent and provided to the Belize Companies Register.
 - The government requires financial entities, securities dealers, life insurance companies, brokers or independent agents, and money services businesses to obtain BO information from their clients.

THE **FSC** REPORTS THAT 3 COMPANIES HAVE BEEN
SUSPENDED

RECENTLY 1 COMPANY HAS BEEN CLOSED DOWN

