

LEGAL ALERT



GOVERNMENT EMERGENCY ORDINANCE NO. 142/2020 REGARDING THE EXTENSION OF TERMS FOR SUBMITTING DOCUMENTS BY ASSOCIATIONS AND FOUNDATIONS

CONTEXT

On 24 August 2020, the Government Emergency Ordinance no. 142/2020 ("GEO 142") regarding the extension of terms for submitting documents by associations and foundations, was published in the Official Gazette of Romania, entering into force on the same day.

SCOPE

In the current context of the state of alert, during which a number of normative acts have been passed regarding the prolongation of the deadlines that companies regulated under the Companies' Law no. 31/1990 have in order to fulfill their obligations to declare the ultimate beneficial owner, it became necessary to adopt a similar legislative measure for **non-profit** legal entities.

GEO 142 aligns the benefits granted by the legislator to the subjects of Law no. 129/2019 for combating and preventing money laundering and terrorist financing, as well as for amending and supplementing other normative acts ("Law 129"), which have the obligation to file with the competent authorities the statement regarding the identity of the ultimate beneficial owners.

The necessity to align the deadlines for filing the statement was even greater as the sanction provided by Law 129 for non-fulfilment of the obligation to declare the ultimate beneficial owner is the dissolution of the legal entity, by court decision, at the request of the Public Ministry or any other interested person.

REGULATION

According to the previous regulation in this matter, Law 129 and Government Ordinance no. 26/2000 regarding associations and foundations, it was mandatory to file the statement regarding the identity of the ultimate beneficial owners by associations and foundations, in order to update the database of ultimate beneficial owners, within 12 months as of the entry into force of Law 129. Subsequently, during the state of emergency, this term was prolonged until 14 August 2020 by GEO no. 29/2020.

GEO 142 prolongs once more the deadline for submitting the statement regarding the ultimate beneficial owners by associations and foundations, until **1 November 2020**.

Also, the deadline for fulfilling the obligation to fill in the documents regarding the incorporation and registration of associations and foundations with respect to drafting and filing the statement regarding the identity of the ultimate beneficial owners is extended until 1 November 2020.

We mention that the statement regarding the identity of the ultimate beneficial owners can be filed by non-profit legal entities directly with the Ministry of Justice, physically or via mail, avoiding this way overburdening the courts of law with files that would have the sole purpose of filing this statement.



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