



End of bearer securities

As from 4 May 2017, bearer securities are no longer permitted in Portugal. Existing bearer securities must be converted into nominative securities within the next 6 months.

As from today, 4 May, bearer securities will no longer be permitted in Portugal and any existing bearer securities must be converted into nominative securities within the next 6 months.

Pursuant to Law no. 15/2017, enacted today, terms applicable to the conversion of bearer securities into nominative securities will be defined under a specific regulation to be enacted within 120 days. In case this regulation is issued towards the end of this 120-day period, entities may, in practical terms, have less than 6 months to complete the required conversion.

Once the 6-month period has elapsed, transfer of bearer securities will not be permitted. In addition, rights of the holders of bearer securities to receive any dividends in respect of such securities will be suspended.

Bearer securities, such as, for example, bearer shares of a limited liability company, belong to whoever holds the relevant share certificate. Unlike nominative securities, the issuing entity is not able to identify to the owner of bearer securities nor to track transfers of ownership.

The prohibition of bearer securities now enacted aims at controlling and preventing money laundering and tax evasion by ensuring that ultimate beneficial owners of investments and assets may be identified.

✉ CONTACTS

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