

# Identification of the beneficial owners according to the Money Laundering Act

## General information

According to the Money Laundering Act (MLA), notaries are considered as obliged entities. Therefore, they shall identify the **beneficial owners** of companies in certain transactions (Sec. 10, para. 1, pt. 2 of the MLA).

Beneficial owners are **natural persons** who, directly or indirectly (in the case of a multi-level shareholder structure), **hold more than 25 % of the capital or voting shares or exercise control in a similar way** (Sec. 3, para. 2 of the MLA).

The **involved parties have to make information and documents** required to identify the beneficial owners **available** (Sec. 11, para. 6 of the MLA). If they do not fulfill this obligation, they might be subject to a **prohibition to authenticate** which was introduced on 1 January 2020 (Sec. 10, para. 9, sentence 4 of the MLA).

Besides, since 1 January 2020, the notary is generally obliged to provide an **excerpt from the Transparency Register<sup>1</sup>** for all German companies (except for civil law partnerships (*Gesellschaften bürgerlichen Rechts, GbR*) (see Annex 2). The same applies to foreign companies that intend to purchase real estate in Germany; if the company is not registered in the German Transparency Register or another EU Member State, the notary is mandatorily required to refuse the authentication (Sec. 10, para. 9, sentence 4 of the MLA).

In view of the above, you are kindly asked to complete this questionnaire in order to disclose information on the ownership and control structure of the company and to provide certain documents.

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1. Can the shareholder structure of the company be derived correctly from company documents (especially articles of association or list of shareholders; excerpts from the commercial register are not sufficient)?

Yes

→ Please attach the corresponding document(s) and explain if necessary  
(in the case of private limited liability companies (GmbH), the notary can consult the list of shareholders in the commercial register)

No

→ Please indicate the shareholder structure (see Annex 1)

*Note: If other companies hold shares of the company (= multi-level shareholder structure), their shareholder structure should be disclosed as well; this continues to apply until only natural persons appear at the end of the corporate ownership chain. In the case of a multi-level shareholder structure, a graphical representation is recommended, see Annex.*

2. Does the number of voting shares correspond to the number of shareholders?

Yes (this is usually the case)

No (e.g. due to agreements on voting rights, pooling agreements or incongruent voting rights)

→ Please attach the corresponding document(s) and explain if necessary  
(the notary can consult the articles of association of private limited liability companies (GmbH) and public limited liability companies (AG) in the commercial register)

<sup>1</sup> For further information on the Transparency Register, see <https://www.transparenzregister.de/treg/en/start?0>.

3. Are there persons or companies which, although they do not hold more than 25 % of the company's capital or voting shares or do not hold any shares at all, can substantially influence or prevent decisions of the company?

No (*this is usually the case*)

Yes (*e.g. due to trust or control agreements, special or veto rights*)

- Please attach the corresponding document(s) and explain if necessary  
(*the notary can consult the articles of association of private limited liability companies (GmbH) and public limited liability companies (AG) in the commercial register*)

4. Do you have an excerpt from the Transparency Register regarding the company?

Yes

- Please attach

No; I mandate the notary to issue an excerpt from the Transparency Register.

*Note: This question is not relevant for domestic civil law partnerships (GbR). Foreign companies only have to submit an excerpt from the Transparency Register if they purchase real estate in Germany.*

**Further explanations:**

Information on the company:

(company name, seat, business address)

Place and date:

Name of the declarant:

## Annex 1 – ownership and control structure

Template for an overview of the ownership and control structure

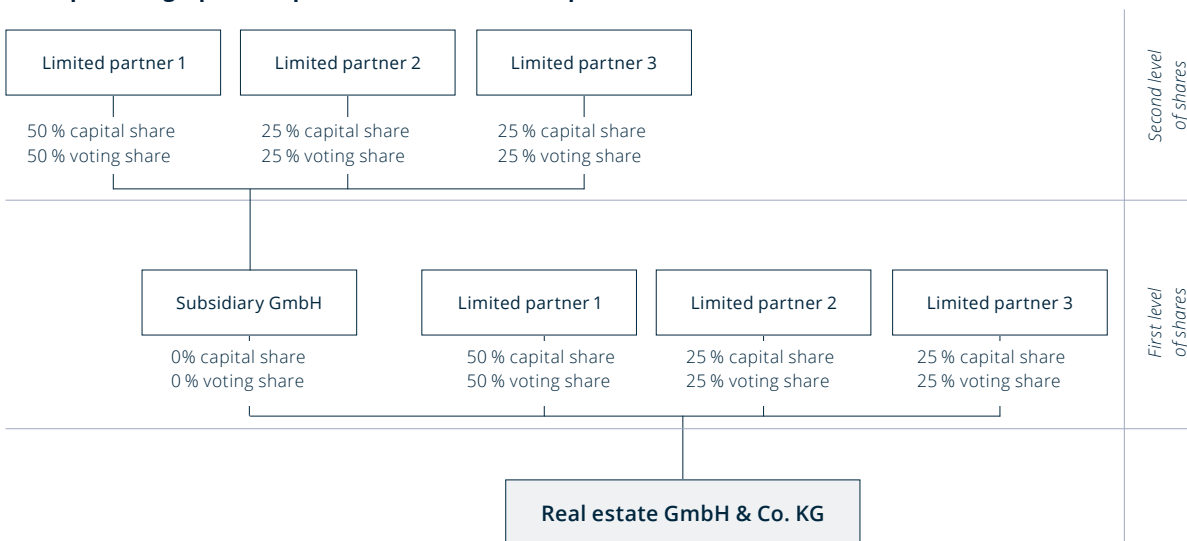
First and last name / company name of the shareholder	Place of residence / business address of the shareholder	capital share	voting share

### Remarks

If other companies hold shares of the company (= **multi-level shareholder structure**), their ownership and control structure shall be disclosed as well; this continues to apply until only natural persons appear at the end of the shareholder structure. In the case of a multi-level shareholder structure, a **graphical representation** is recommended (see below).

If there is **no natural person** who holds directly or indirectly more than 25 % of the capital or voting shares of the company or can by other means substantially influence or prevent decisions of the company, legal representatives, managing shareholders or partners of the company shall be indicated as (**fictitious**) **economic owners**.

### Example for a graphical representation of ownership and control structure



## **Annex 2 – Real estate acquisition by foreign companies**

### **Obligation of registration**

If a company, which has its registered office abroad, undertakes to acquire ownership of real estate located in Germany, it is obliged to provide the German Transparency Register with certain information on the beneficial owner for registration (Sec. 20, para. 1, sentence 2 of the MLA). It is sufficient, if this information has already been transmitted to another transparency register of a Member State of the European Union. As long as the company has not complied with this obligation, the notary is mandatorily required to refuse the authentication (Sec. 10, para. 9, sentence 4 of the MLA).

### **Mandatory information**

The Transparency Register must be provided with the following information of the beneficial owners (Sec. 19, para. 1 of the MLA):

- First and last name
- Date of birth
- Place of residence
- Nature and scope of the economic interest
- Nationality

### **Further information**

For further information on the German Transparency Register as well as on the registration and transmission of information about beneficial owners, see <https://www.transparenzregister.de/treg/en/start?1> (the website is available in English as well).