

EXPLANATORY LEAFLET

Explanatory Leaflet on the Application and Enforcement of the Money Laundering Act and the Prevention of Terrorist Financing

Dear Sir, dear Madam,

In money laundering, assets obtained by criminal means, especially money (e.g. drug money, extortion money, money used to finance a terrorist organisation), are smuggled into and through the legal financial system in such a way that their origin remains unknown.

The goal of the states comprising the European Union is to prevent this from happening in the long term. In Germany, the legal framework for this is provided in particular by the Money Laundering Act (GwG) and the Banking Act (KWG). In order to prevent financial service providers from being misused for money laundering or terrorist financing, they are required to implement a series of measures in accordance with the GwG and the KWG.

The Money Laundering Act (GwG) therefore requires us as a retailer of goods or as a financial services company to determine the beneficial owner(s) (§ 3 GwG) and the identity of the customer and the individuals acting on their behalf (§§ 10, 11 GwG) when a business relationship is established (signing a rental/leasing contract) as part of the "know-your-customer principle".

Acting persons and customers (provided they are natural persons) must provide proof of their identity

by means of a piece of identification.

Identification is established by ascertaining the person's name, place of birth, date of birth, nationality and address using a valid official identity document. This also applies to legal representatives entered in the commercial register (e.g. managing directors, board members) in accordance with the BaFin's explanatory notes from December 2018 (paragraph 5.1.2).

The Money Laundering Act moreover requires verification that the person who signed a contract was authorised to do so. If this authorisation cannot be obtained from the entry in a register, as is the case, for example, with a managing director or an authorised signatory, we also require proof that the person is authorised to conclude the contract on behalf of the company (e.g. copy of a power of attorney).

In the event that a business relationship is extended (= increased), the acting person must only be identified again if their authorisation cannot be traced through an entry in a register (e.g. managing director, authorised signatory) or the authorisation for the representative was not granted with the signature when the business relationship was established.

The identification process can be carried out by a reliable third party. Under the terms of the lease agreement concluded between the customer and a TA Triumph-Adler company, this task is performed by the sales department of the TA Triumph-Adler Group. The leasing company must accept responsibility for the actions of the third party.

The law does not take into account the fact that long-standing customer relationships may already exist. We are obliged to verify the identity of all our customers or to identify the beneficial owner if this has not previously been performed.

The person(s) signing the contract must be identified by means of a valid (check expiry date) official identification document (identity card or passport; not a driving licence). The identification process must take place in person, in other words in the presence of the signatory, and serves to confirm that the identity of the acting person matches the information in the identification document.

When making the copy, always photograph the front and back of the valid proof of identity and submit it together with the contract documents. The copy of the identity document must be of good quality (preferably a colour scan) and must be easily legible.

Further information on the beneficial owner, if required, can be provided in a separate form which will be sent to you if necessary. More detailed information is provided in the form.

Please contact us if you have any questions about the GwG and how it is enforced. We are very grateful for your understanding and support.

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