

Money Laundering Prevention - Display appointment of a (Group) Money Laundering Officer for Financial Enterprises and Bookmakers

As a financial enterprise and as a bookmaker, you are obliged under the Money Laundering Act (GwG) to appoint a money laundering officer at management level and a deputy.

The *Money Laundering Officer* is responsible for compliance with money laundering regulations. He is directly subordinate to the management.

The most important tasks of an anti-money laundering officer include the following:

* You are the point of contact for the law enforcement authorities, the Central Financial Transaction Investigation Unit (FIU) and for the supervisory authority, who check compliance with the due diligence obligations.

* You are responsible for conducting and updating the risk analysis, designing internal safeguards and monitoring compliance with due diligence obligations within the company.

* You submit suspicious activity reports to the Central Financial Transaction Investigation Unit (FIU) or respond to requests for information from these bodies.

As a *mother company of a group of companies*, you are also obliged under the Money Laundering Act (GwG) to appoint a *group money laundering officer* and his deputy. This applies to all obligated parties according to § 2 section 1 GwG. The group money laundering officer is responsible for compliance with money laundering regulations within the group. The *group money laundering officer does not replace the* money laundering officers that may be required at the group member companies, but performs additional functions.

The key responsibilities of a group or group money laundering officer include, but are not limited to:

* They ensure the creation of a uniform group-wide strategy for the prevention of money laundering and terrorist financing, as well as its coordination, monitoring and enforcement within the group or group of companies.

* You are responsible for the creation and implementation of binding cross-company procedures for the implementation of money laundering obligations in the group's branches, subsidiaries and affiliated companies at home and abroad. In doing so, they develop their own security measures to be applied within the entire group for the respective obligor groups in the group and adapt them individually to the respective different obligor characteristics (e.g. one strategy for financial companies, another for motor vehicle dealers, etc.).

* keep them informed about compliance with money laundering obligations in the branches, subsidiaries and group companies at home and abroad. At regular

intervals - also by means of on-site visits - monitor compliance with the obligations under money laundering law or take the necessary measures to ensure that these are effectively implemented.

The competent authority must be notified in advance of the appointment of the (group) money laundering officer and his deputy.

Procedure:

As an obliged person, you notify the competent authority in advance of the appointment of a (group) money laundering officer and his deputy for your company.

Your notification will be examined by the competent authority.

You will receive a final notification.

If the person does not have the required qualification or reliability, the appointment of the (group) money laundering officer or the deputy must be revoked and a new person must be appointed at the request of the supervisory authority.

Prerequisites

Obligated parties according to the Money Laundering Act

Natural or legal entities are legally obliged to notify a *Money Laundering Reporting Officer* if they act as

* 1. financial enterprises within the meaning of § 1 section 24 Money Laundering Act (GwG) (obligated persons according to § 2 section 1 no. 6 GwG)

* 2. bookmakers within the meaning of § 2 section 1 Racing Lottery Act (RennwLottG) (obligated person pursuant to § 2 section 1 no. 15 b GwG) are active.

Only legal entities that act as a group or group mother company as a

* 1. financial enterprises within the meaning of § 1 section 24 Money Laundering Act (GwG) (obligated persons according to § 2 section 1 no. 6 GwG)

* 2. bookmakers within the meaning of § 2 section 1 Racing Lottery Act (RennwLottG) (obligated party pursuant to § 2 section 1 no. 15 b GwG)

* 3. insurance intermediaries domiciled abroad, insofar as they maintain branches in Germany (obligated persons pursuant to § 2 section 1 no. 8 GwG)

* 4. service providers for companies and for trust assets or trustees, if they provide the services specified in § 2 section 1 no. 13 AMLA to third parties (obligated persons pursuant to § 2 section 1 no. 13 AMLA)

* 5. real estate agents (obligated persons pursuant to § 2 section 1 no. 14 AMLA)

* 6. commodity dealers, art brokers and art warehouse keepers, insofar as the warehousing takes place in duty-free zones (obligated persons pursuant to § 2 section 1 no. 16 GwG) are active.

https://www.gesetze-im-internet.de/gwg_2017/_2.html

Power of representation

The person making the notification must be a member of the management or an internal/external (group) money laundering officer of the company.

The legal counsel of the obliged person may also make the report upon presentation of the original power of attorney and designation of the subject matter.

Company based in Germany

The (group) money laundering officer or his deputy must practice their activities in Germany.

https://www.gesetze-im-internet.de/gwg_2017/__7.html

Personal reliability and qualification

The (group) money laundering officer and his deputy must prove the required personal reliability and professional qualification.

https://www.gesetze-im-internet.de/gwg_2017/__7.html

Documents required

Notification of the appointment of a (group) money laundering officer and his deputy

The notification is possible in text form, either by post or electronically via the online procedure.

Evidence of authorisation to notify

- * Proof of appointment as (group) money laundering officer or
- * Contract on the outsourcing of internal security measures or
- * Evidence that the person making the report is a member of the management level of the company (e.g. extract from the commercial register or shareholders' agreement).
- * if applicable, an original mandate of the representing legal counsel related to the individual case.

Evidence of qualification

The future (group) money laundering officers and deputies are each required to provide:

- * a curriculum vitae in tabular form of their professional career and
- * if applicable, certificates of attendance or certificates of attended further training or comparable qualification measures.

Certificate of good conduct for presentation to an authority

In order to verify the personal reliability of the (group) money laundering officer and his/her deputy, a certificate of good conduct is required in each case for submission to an authority (also official certificate of good conduct). The certificate must not be older than 3 months. When applying, please state "Appointment as money laundering officer pursuant to the Money Laundering Act" as the purpose of use.

The Federal Ministry of Justice also offers an online application procedure. (see "More information")

<https://service.berlin.de/dienstleistung/120926/>

Excerpt from the central business register for presentation to an authority

In order to verify the personal reliability of the (group) money laundering officer and his deputy, an extract from the central commercial register is required for submission to an authority. The certificate must not be older than 3 months. When applying, please state "Appointment of money laundering officer according to GwG" as the purpose of use.

If you are a natural person resident/registered in Berlin, you can apply for an extract from the commercial central register for submission to a public authority at any Berlin citizens' registration office.

Legal entities with their place of business in Berlin can apply for an extract from their local public order office.

The Federal Ministry of Justice also offers an online application procedure. (see "More information")

<https://service.berlin.de/dienstleistung/327835/>

- Up to date excerpt from the Trade Register, if applicable
Registered companies please submit a current excerpt from the commercial register. Legal entities in the process of formation (GmbH, AG) please submit the company agreement or articles of association.

https://www.handelsregister.de/rp_web/welcome.do;jsessionid=2A22D37A1C112D6FB89E72AAA6F66A80-n1.tc032n01

Fees

none

Legal basis

- Money Laundering Act (Geldwäschegesetz - GwG) § 7 section 1 sentence 1 & section 4 sentence 1
https://www.gesetze-im-internet.de/gwg_2017/__7.html
- Money Laundering Act (Geldwäschegesetz GwG) - financial companies § 1 section 24
https://www.gesetze-im-internet.de/gwg_2017/__1.html
- Money Laundering Act (Geldwäschegesetz - GwG) § 9 section 1 sentence 2 No. 2
https://www.gesetze-im-internet.de/gwg_2017/__9.html
- Money Laundering Act (Geldwäschegesetz - GwG) § 1 section 16
https://www.gesetze-im-internet.de/gwg_2017/__1.html
- Race Betting and Lottery Act (RennwLottG) - bookmaker § 2 section 1
https://www.gesetze-im-internet.de/rennwlottg_2021/__2.html

More information

- Information about prevention of money laundering by the Senate Department for Economics
<https://www.berlin.de/sen/wirtschaft/wirtschaft/wirtschaftsrecht/geldwaesche/>
- Central Office for Financial Transaction Investigations (FIU)
https://www.zoll.de/DE/FIU/fiu_node.html
- Requesting certificates of conduct and information from the Commercial Central Register online - BfJ
https://www.bundesjustizamt.de/DE/Themen/Buergerdienste/Buergerdienste_node.html
- Casinos: information from the Senate Department in charge of internal matters
<https://www.berlin.de/sen/inneres/buerger-und-staat/weitere-themen/gluecksspielaufsicht/artikel.103276.php>
- Other betting agents: information from the federal authority for citizen

and public order matters

<https://service.berlin.de/dienstleistung/328800/>

Responsible authorities

* For financial enterprises, insurance intermediaries, service providers for companies and for trust assets or trustees, real estate agents, bookmakers, commodity dealers, art brokers and art warehouse keepers (insofar as warehousing takes place in duty-free areas), with their place of business in Berlin, the Senate Department for Economics is responsible.

* Other obligated parties in the non-financial sector, such as casinos or other betting agencies, please contact other supervisory authorities (see "More information").

PDF downloaded on 28.11.2021