Preparing for the KYC process

Handout for Aareal Bank customers

Purpose of this handout

This handout helps you gather the required information and documents in advance. It explains the topics that may be covered during the KYC process. You remain responsible for ensuring that the information you enter is correct and complete.

Important

Aareal Bank cannot determine which answers apply to your situation. Therefore, answer all questions based on your own organisation, structure, transactions and documentation. If in doubt, please contact your contact person at Aareal Bank.

The KYC process forms part of banks' legal obligations, including customer identification, integrity, anti-money laundering and sanctions legislation.

Welcome

To open the account and complete the Know Your Customer (KYC) process, you will receive a personal link to the digital KYC environment. This handout provides an overview of the steps and the information you may need.

Read the explanations in the KYC environment carefully. The questions and documents may vary depending on your situation, for example due to the legal form, ownership structure or activities of the organisation.

Step 1 - Log in

• Open the personal link you received.

• Use the email address at which you received the invitation.

• You will then receive a token code. Enter this code to access the KYC environment.

Structure of the environment

• On the left, you will see an overview of the steps to be completed.

• On the right, you will find additional explanations of the information requested.

Step 2 - Master data

In this step, enter basic information about the relationship and the organisation. Always check that the information matches official documents, such as a KvK extract or the articles of association.

Contracting party

State which party is the contracting party or account holder in your situation. This may depend on the legal and organisational structure.

Partner or customer number

If Aareal Bank has already completed this field, you do not need to change it. If the field is blank or you are unsure, contact your contact person.

Entity type / legal form

Select the legal form that matches the organisation’s official registration. Refer, for example, to the KvK extract or other official documents.

Topics determined by your own situation

Topic	Neutral explanation for the customer
Source of funds	Based on your own situation, describe where the organisation’s financial resources come from.
Expected payment transactions	State which types of payment transactions you expect for this relationship. Consider the activities for which the account will be used.
Purpose of the account	Describe the purpose for which the account is being opened or used. Base this on the organisation’s actual use.

Topic	Neutral explanation for the customer
Escrow, collection or third-party funds account	State whether your situation involves an escrow, collection or third-party funds account. Consult your internal documentation if necessary.
Countries of transactions	State the countries relevant to the organisation’s expected or existing transactions.
Primary activities	Describe where and how the organisation’s primary activities take place.
Third-party payments	State whether third-party payments take place or are expected in your situation.

Step 3 - Further questions

Additional questions may be asked in this section. Answer them fully and based on your own situation.

• Real estate in Germany: state whether this applies to your organisation. This question may be relevant for tax regulations.

• Multiple nationalities: state what applies to your personal situation.

• Relationships with high-risk countries: state whether business relationships exist with countries appearing on international risk lists.

• Politically Exposed Person (PEP): state fully and correctly whether you or a directly involved person holds or has held a prominent political function. Aareal Bank may also verify this information using external sources.

After completing this section, you may be asked to sign certain parts digitally.

Step 4 - Customer details

Enter the details of the representative and the organisation. Check that these details match official documents and authorisations.

• Representative: enter the details of the person acting on behalf of the organisation, such as a board member, director or other authorised representative.

• Organisation details: enter the requested company details based on official registrations.

• Registered office: enter the registered office exactly as officially registered.

• Tax identification number: enter this if applicable to or available for your organisation.

• Financial institution: state whether the organisation qualifies as a financial institution based on its own situation.

After completion, you may be asked to sign this section.

Step 5 - UBO details

UBO stands for Ultimate Beneficial Owner. In this step, you record which natural persons ultimately own or control the organisation.

General guidance

The UBO details must reflect the actual ownership and control structure of your organisation. Use current documents such as shareholder information, KvK records, articles of association or an organisation chart. Aareal Bank cannot determine who must be recorded as a UBO in your specific situation.

Who is a UBO?

The situations below are examples that may help you prepare the required information. Always check that the final registration reflects the actual ownership and control structure.

Situation 1 - One shareholder

A natural person owns 100% of the shares. This person is recorded as a UBO.

Situation 2 - Two shareholders

Two natural persons each own more than 25% of the shares. Both persons are recorded as UBOs.

Situation 3 - Four shareholders

Four natural persons each own 25% of the shares. All four persons are recorded.

Situation 4 - No shareholder owns more than 25%

If no natural person owns more than 25% of the shares or otherwise exercises ultimate control, a different UBO method may apply.

Important

In that case, carefully check which persons must be registered as UBOs under the applicable regulations. Consider, for example, actual control, voting rights, indirect ownership or directors/pseudo-UBOs.

• Check which natural persons have a direct or indirect interest or control.

• If there are several intermediate entities, clearly document how the structure is organised.

• If a tax number or TIN is not available, follow the instructions in the KYC environment and explain the situation in the comments field.

Step 6 - Document management

Upload the documents requested for your situation. Ensure that the documents are current, complete and clearly legible.

Examples of documents that are often relevant

• KvK extract for the relevant entity or entities.

• KvK extracts or comparable registration documents for any holding companies or intermediate entities.

• Organisation chart or shareholder structure showing ownership relationships and percentages.

• Articles of association or other documents, where needed to substantiate the structure or authorisations.

• Identity documents of the natural persons involved, insofar as these are requested in the process.

Tip for swift processing

A complete and clear organisation chart helps the ownership and control structure to be assessed more quickly. Include the relevant entities, natural persons and ownership percentages.

Step 7 - Video identification

Once all information and documents have been submitted, digital identification can be started.

Identification takes place via PostIDENT.

Preparation

• Download the PostIDENT app to your smartphone or tablet before you start.

• Make sure you have a valid identity document.

• Check in advance that the personal details entered exactly match the identity document, including first names, surname and date of birth.

• Ensure a stable internet connection and sufficient lighting.

Important

The identification link can only be used once. Only start the identification when you have enough time to complete the process immediately.

Completion

After all steps have been completed, Aareal Bank will review the information and documents provided. If information is missing or unclear, additional explanations or documentation may be required.

Check before submitting

• Have all relevant UBOs and other persons involved been included?

• Has the full and clear shareholder or ownership structure been added?

• Are KvK extracts or comparable documents available for all relevant entities?

• Have the requested identity documents been added?

• Does all information match the official documents?

Questions?

Explanations and help texts are available in the KYC environment. If you are unable to proceed, please contact your contact person at Aareal Bank.