

Summary

1. In Germany public registers provide for a great number of relevant information. The two most important public registers which enjoy public faith are the real estate register (*Grundbuch*) and the commercial register (*Handelsregister*).
2. Entries in the real estate or the commercial register enjoy public faith because the German legal system assures in a particular way that these entries are in accordance with the actualities of the situation.
3. Authentic instruments constitute the basis for this “guarantee of correctness”. Entries in the register are made only on the grounds of an application if this application or the authentic instrument from which results the change operated by the legal transaction, has been recorded or certified by a civil law notary.
4. Registers can be consulted online. Only a small fee will be charged for consultations. Inquiries may be conducted by entering keywords.
5. There is no other way for investors to get access to this information with the same amount of reliability, rapidity and at such low costs.
6. The authentic instrument established by a civil law notary constitutes the most rapid and the most cost-efficient way to enforce a claim. Even according to the criteria of the World Bank’s Doing Business Report, execution resulting from an enforceable instrument is considerably faster than to engage a court procedure. The associated costs and other enforcement expenses lie well below of what the best jurisdiction quoted in the Report (Luxemburg) can offer in case of a court procedure.
7. The authentic instrument achieves best to approach the economic ideal of a complete contract. Due to the information provided, the drawing up of the contract by a qualified jurist offering impartial advice, information and assistance during the execution of the contract, contractual risks become more transparent and are diminished for the parties involved.
8. The above mentioned qualities of the authentic instrument as well as of the authentication procedure permit to avoid litigation. Being an unambiguous and privileged means of proof, the authentic instrument constitutes in every court procedure the secure basis of a legal position against which it is hardly worth litigating.

9. Authentic instruments offer legal security for everyone and protect especially the weakest contractual party, e.g. the consumer. As such, authentic instruments constitute the basis for a confidence which has been built up over generations. This confidence is worth protecting and, if necessary, even to be reinforced. Current crises show how quickly confidence can be abused as well as the resulting consequences. Key words such as liberalization or standardization are no justification for weakening the basis of such confidence.
10. Confidence is the basis of each investment. That is why the authentic instrument should not be underestimated as a means of investment security.