

**MEMO**

**DANISH FINANCIAL  
SUPERVISORY AUTHORITY**

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J.no.6919-0069

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## **Statement on inspection in the Payment Service Institution Clearhaus A/S (Anti Money Laundering Inspection)**

### **Introduction**

In May 2015 the Danish FSA (hereafter "Finanstilsynet") conducted an on-site inspection with the purpose to determine whether Clearhaus A/S (hereafter "Clearhaus"), comply with the Danish AML/CTF- and Payment Service Act and related regulations.

### **Risk Assessment and Summary**

Clearhaus provides acquiring of international payment cards, for example Mastercard for Internet shops.

At the time of the inspection Clearhaus had limited business volume as the Company's actual operation began in March 2015.

In connection to the inspection Finanstilsynet carried out an assessment of Clearhaus' inherent risk of money laundering. Based on the company's business model Finanstilsynet assesses Clearhaus' inherent risk on money laundering to be low to medium compared relatively to other companies on the Danish market covered by Finanstilsynet's supervision.

Considering Clearhaus' risk, organization and the management's involvement in the daily operation and ongoing attention to the money laundering, Finanstilsynet finds that the company's procedures were generally adequate at the time of the inspection.

However, Finanstilsynet assesses that Clearhaus is not considered to be compliant with the Danish AML/CTF Act in some areas.

The company has no internal written procedures on internal control and reporting to the management. In connection hereto Clearhaus informs that the appointed person responsible for complying with the AML Act currently approves all customer relationships and carries out manual monitoring of the customers.

Consequently Finanstilsynet has decided to place an administrative order with Clearhaus to ensure preparation of adequate written internal rules on risk management, including functional description for the appointed person responsible for complying with the AML Act, internal control and management reporting.

Considering that Clearhaus had only been in operation a few months at the time of inspection, has a flat organisation with few employees and managers who are still involved in the daily operations, Finanstilsynet has no further comments on the company's risk management as of the time of the inspection.

However, given Clearhaus' increasing number of customers Finanstilsynet finds, there is a risk that it is not possible for the appointed person responsible for complying with the AML Act to be involved in the approval of all customer relationships, and that Clearhaus will not conduct adequate internal controls according to current procedures.

Finally, Finanstilsynet has ordered Clearhaus to clarify the ownership and control structure of new business customers and to obtain verification hereof based on a risk assessment.

*In case of discrepancies the Danish text of 23 September 2015 shall prevail.*