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09/03/2021

On 8 March, following a planned risk-based supervisory procedure, Finantsinspektsioon required AS LHV Pank to review its procedures for submitting information to the Financial Intelligence Unit and to involve the management of the bank more in making decisions on risk management measures. LHV Pank must also make its due diligence measures more effective so that they can handle money laundering risks more accurately in cases where LHV Pank provides services to other financial institutions.

LHV Pank provides payment services to other financial institutions, which use accounts opened at LHV Pank to provide services to their own clients. The business of LHV Pank has grown rapidly in recent years, and risk control measures in the organisation continues to need sufficient attention.

The purpose of the regular supervisory procedure was to assess the anti-money laundering organisational solutions of LHV Pank and the application of due diligence while providing services within correspondence relationships. LHV Pank has the right to appeal the decision of Finantsinspektsioon at the Tallinn Administrative Court within 30 days after being notified of the administrative decision.

The strategic priority of Finantsinspektsioon is to guide market participants in anti-money laundering efforts so that their internal control systems would be appropriate for their business models. To this end it continuously maps the risks in the financial sector and applies supervisory measures to the subjects of financial supervision. In 2020 Finantsinspektsioon carried out 106 activities on money-laundering risk controls, required credit institutions to improve their organisation on eight occasions and issued a misdemeanour fine for a million euros.