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Finantsinspeksioon withdrew the operating licence as a payment institution from GFC Good Finance Company AS on 27 May 2019 for serious breaches of the law. Finantsinspeksioon also cancelled its identification code as a payment institution.

GFC Good Finance Company AS has in recent years seriously breached the requirements of the Money Laundering and Terrorist Financing Prevention Act and the Payment Institutions and E-money Institutions Act. There have been wide-ranging problems in the operations of the payment institution in its anti-money laundering activities and its implementation of know-your-client procedures. At the same time the own funds held by the payment institution have not been of the legally required minimum amount for a long time despite repeated warnings from Finantsinspeksioon. Finantsinspeksioon has several times applied penalty payments, but GFC did not comply with the injunctions of the financial supervisor.

“A regulated payments market cannot tolerate a payment institution that ignores its important obligations under anti-money laundering law to this extent, showing as it does so contempt or incompetence towards the law, or an outright desire to break the law. GFC Good Finance Company has lost the trust of a financial supervisor that acts in the public interest”, said Chair of the Finantsinspeksioon Management Board **Kilvar Kessler**. “All parties in the financial sector must abide by the applicable legislation and meet even higher standards for due diligence where needed”.

Finantsinspeksioon has given GFC Good Finance Company AS multiple opportunities to bring its activities into compliance with the law. In October 2017 an on-site inspection by Finantsinspeksioon at GFC Good Finance Company AS identified serious violations and shortcomings in all the areas inspected, and an injunction was issued for these to be rectified. Finantsinspeksioon again found wide-ranging violations of the law in an on-site inspection in summer 2018. In January 2019 Finantsinspeksioon issued a second injunction to the payment institution for violation of the minimum requirements for own funds. The company started to comply with the minimum requirements for own funds and obeyed the second injunction only a year or so after Finantsinspeksioon had first issued a warning about the violation of the requirement to hold the minimum level.

Finantsinspeksioon issued the operating licence as a payment institution to GFC Good Finance Company AS on 5 July 2013. On 23 October 2015 Finantsinspeksioon issued an additional operating licence for providing services related to issuing payment instruments and receiving payment transactions.

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