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Consolidating Act no. 1022 of 13 August 2013

Act on Measures to Prevent Money Laundering and Financing of Terrorism¹

This is an Act to consolidate the Danish Act on Measures to Prevent Money Laundering and Financing of Terrorism, cf. Consolidating Act no. 353 of 20 April 2012, as amended by section 39 of Act no. 1231 of 18 December 2012, section 4 of Act no. 1287 of 19 December 2012, section 4 of Act no. 615 of 12 June 2013 and section 12 of Act no. 634 of 12 June 2013.

Part 1

Scope etc.

1.-(1) This Act shall apply to the following undertakings and persons:

- 1) Banks.
- 2) Mortgage-credit institutions.
- 3) Investment firms.
- 4) Investment management companies.
- 5) Life-assurance companies and multi-employer occupational pension funds.
- 6) Savings undertakings.
- 7) Providers of payment services and issuers of electronic money.

¹ This Act contains provisions implementing parts of European Parliament and Council Directive 2005/60/EC of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing (Official Journal 2005 L 309, p. 15) and Commission Directive 2006/70/EC of 1 August 2006 laying down implementing measures for Directive 2005/60/EC of the European Parliament and of the Council as regards the definition of »politically exposed person« and the technical criteria for simplified customer due diligence procedures and for exemption on grounds of a financial activity conducted on an occasional or very limited basis (Official Journal 2006 L214, p. 29). This Act includes certain provisions from Council Regulation (EC) No. 1338/2001 of 28 June 2001 laying down measures necessary for the protection of the euro against counterfeiting (Official Journal 2001, no. L181, p. 6) and Council Regulation (EC) No. 1339/2001 of 28 June 2001 extending the effects of Regulation (EC) No. 1338/2001 laying down measures necessary for the protection of the euro against counterfeiting to those Member States which have not adopted the euro as their single currency (Official Journal 2001, no. L181, p. 11), and parts of Commission Regulation no. 1031/2010/EU of 12 November 2010 on the timing, administration and other aspects of auctioning of greenhouse gas emission allowances pursuant to Directive 2003/87/EC of the European Parliament and of the Council establishing a scheme for greenhouse gas emission allowances trading within the Community. According to Article 288 of the EC Treaty, a Regulation applies immediately in each Member State. The reproduction of these provisions in this Act is therefore exclusively due to practical considerations and shall not affect the direct applicability of the regulations in Denmark.

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- 8) Insurance brokers, when they act in respect of life assurance or other investment-related insurance activities.
 - 9) Foreign undertakings' branches and agents in Denmark, carrying out activities under nos. 1-8 and 10.
 - 10) Investment associations and special-purpose associations, collective investment schemes, restricted associations, professional associations and hedge associations.
 - 11) Undertakings and persons, including branches and agents of foreign undertakings, that commercially carry out activities involving currency exchange or transfer of money and other assets.
 - 12) Other undertakings and persons, including branches and agents of foreign undertakings, that commercially carry out one or more of the activities mentioned in Annex 1.
 - 13) Lawyers when they participate by providing assistance in the planning or execution of transactions for their clients concerning
 - a) purchase and sale of real property or undertakings,
 - b) managing their clients' money, securities, or other assets,
 - c) opening or managing bank accounts, savings accounts, or securities accounts,
 - d) raising the necessary capital for establishment, operation, or management of undertakings or
 - e) establishing, operating, or managing undertakings.
 - 14) Lawyers when they, on behalf of their client and at said client's expense, carry out a financial transaction or a transaction concerning real property.
 - 15) State-authorized public accountants and registered public accountants.
 - 16) Authorized estate agents.
 - 17) Undertakings and persons that otherwise commercially supply the same services as the groups of persons mentioned in nos. 13-16, including tax advisors and external accountants.
 - 18) Providers of services for undertakings, cf. section 3, no. 5.
 - 19) Danmarks Nationalbank (Denmark's central bank), insofar as it carries out activities corresponding to those of the undertakings specified in no. 1.
- (2)** Section 2 of this Act shall apply to businesses which are not covered by subsection (1).
- (3)** The Danish FSA may lay down regulations stipulating that this Act is not to apply to the undertakings or persons mentioned in subsection (1), nos. 1-12 in the situations where the Commission decides this pursuant to Article 40 of the Third Money Laundering Directive.
- (4)** For operators on a regulated market licensed as auction platforms in Denmark pursuant to Commission Regulation no. 1031/2010 of 12 November 2010 (CO2 Auctioning Regulation), sections 6, 7 and 9-11, section 12(1)-(7), section 13(1) and (2), sections 15, 17 and 18, section 19(1), (2) and (4), sections 21-29, section 34(1) and (4)-(7), section 34a, section

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34c(2)-(5), section 34d and sections 35-37 shall apply to activities on the regulated market as auction platforms pursuant to the CO2 Auctioning Regulation).

Ban against cash transactions

2. Businesses which are not covered by section 1(1) may not receive cash payments of DKK 50,000 or more irrespective of whether payment is effected in one instance or as several payments that seem to be mutually connected.

Part 2

Definitions

3.-(1) For the purposes of this Act:

- 1) "Companies" shall mean: Legal persons.
- 2) "Undertakings" shall mean: Companies and other similar legal arrangements.
- 3) "Regulated market" shall mean: A market as defined by Article 4(14) of Directive 2004/39/EC on markets in financial instruments. If said market is in the European Union or in a country with which the Union has entered into an agreement for the financial area, the market shall be included in the list mentioned in Article 47 of Directive 2004/39/EC on markets in financial instruments. If the market is in a country outside the European Union with which the Union has not entered into an agreement for the financial area, the market shall be a member of the World Federation of Exchanges (WFE).
- 4) "Beneficial owners" shall mean: The natural persons who ultimately own or control the customer or the natural person on whose behalf a transaction or activity is being conducted, including:
 - a) Persons who ultimately own or control a company through direct or indirect ownership or control more than 25% of the ownership interests or the voting rights in the company, except companies the ownership interests of which are traded on a regulated market.
 - b) Person who otherwise exercise control over the management of a company.
 - c) Persons who, according to the articles of association of a fund or in another manner, are to receive 25% or more of the distribution funds from a fund or another similar legal arrangement or other property, if the persons are known.
 - d) The group of persons, in whose main interest a fund or another similar legal arrangement has been set up or operates.
 - e) Persons who exercise control over 25% or more of the distribution funds from a fund or another similar legal arrangement or other property.
- 5) "Providers of services for undertakings" shall mean: Any person, legal or natural, that is not covered by section 1(1), nos. 13-15, when said person carries out the following activities on a commercial basis:
 - a) Forming companies.

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- b) Acting as or arranging for another person to act as a member of the management of an undertaking, or as partner of a partnership, or a similar position in relation to other companies.
- c) Provides a domicile address or another address, which is similarly suitable as contact address and related services, for an undertaking.
- d) Acting as or arranging for another person to act as a trustee or administrator of a fund or another similar legal arrangement.
- e) Acting as or arranging for another person to act as a shareholder for a third party, unless this is an undertaking the ownership interests etc. of which are traded on a regulated market.

6) "Politically exposed persons" shall mean: Persons who are or have been entrusted with a prominent public function, members of the immediate family of such persons, or persons who are known to be their close cooperation partners.

7) "Occasional customers" shall mean: Customers who are assisted in isolated transactions or isolated consultancy assignments for whom a regular customer relationship or business relationship is not established.

8) "Control information" shall mean: Information on the proof of identity provided to verify identity information.

(2) The Danish FSA may lay down more detailed regulations on the meaning of politically exposed persons in subsection (1), no. 6.

4.-(1) For the purposes of this Act "money laundering" shall mean,

- 1) unlawfully to accept or acquire for oneself or others a share in profits, which are obtained by a punishable violation of the law,
- 2) unlawfully to conceal, keep, transport, assist in disposal or in a similar manner subsequently serve to ensure, for the benefit of another person, the profits of a punishable violation of the law, or
- 3) attempting or participating in such actions.

(2) The provision in subsection (1) shall also cover actions carried out by the person who committed the punishable violation of the law from which the profits originate.

5. For the purposes of this Act, "financing of terrorism" shall mean financing of terrorism as defined in section 114b of the Danish Criminal Code with regard to actions covered by section 114 of that Act.

Part 3

Investigation and reporting obligations

6.-(1) The undertakings and persons covered by this Act shall pay special attention to customers' activities which, by their nature, could be regarded as being particularly likely to be associated with money laundering or financing of terrorism. This applies in particular to complex or unusually large transactions and all unusual patterns of transactions in relation to

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said customer as well as transactions which have connection to countries or territories where, pursuant to declarations from the Financial Action Task Force, there is deemed to be a special risk of money laundering or financing of terrorism. The Danish FSA may lay down more detailed regulations about when the obligation to pay special attention to transactions linked to the relevant countries and territories, shall enter into force.

(2) The purpose of the transactions mentioned in subsection (1) shall be investigated and the results of such investigation shall be recorded and kept, cf. section 23.

7.-(1) If there is a suspicion that a customer's transaction or enquiry is or has been associated with money laundering or financing of terrorism, the undertakings and persons covered by this Act shall investigate the transaction or enquiry in more detail. If the suspicion relates to offences punishable by imprisonment of more than one year and this suspicion cannot be disproved, the Public Prosecutor for Serious Economic Crime shall be informed immediately.

(2) In the event of suspicion as mentioned in subsection (1), members of the Danish Bar and Law Society may notify the secretariat of the Danish Bar and Law Society, which shall, following an assessment of whether the suspicion is subject to reporting obligations under subsection (1), immediately forward the notification to the Public Prosecutor for Serious Economic Crime.

(3) If the suspicion is related to money laundering, and the transaction has not already been carried out, the transaction shall be suspended until notification has been effected pursuant to subsection (1). If notification is effected pursuant to subsection (2), the transaction shall be suspended until the Danish Bar and Law Society has forwarded the notification to the Public Prosecutor for Serious Economic Crime or has stated that, following specific assessment, the notification will not be forwarded. If effectuation of the transaction cannot be avoided, or if this is deemed to be potentially harmful for the investigation, notification shall instead be given immediately after the effectuation, cf. however subsection (4).

(4) If the suspicion is related to financing of terrorism, transactions from the account or person in question may only be carried out with the consent of the Public Prosecutor for Serious Economic Crime. The Public Prosecutor for Serious Economic Crime shall decide, as soon as possible and no later than at the end of the business day following receipt of notification, whether seizure is to be effected.

(5) The Police may, under the regulations stipulated in the Administration of Justice Act, demand any information necessary for investigation of the case from the undertakings and persons covered by this Act.

(6) The Danish FSA may lay down more detailed regulations on the reporting obligation to the Public Prosecutor for Serious Economic Crime, cf. subsection (1).

8.-(1) Lawyers are exempted from the obligation in section 7 to report information they receive from or obtain about one of their clients, in the course of determining the legal position for their client or performing their task of defending or representing said client in, or concerning judicial proceedings, including advice on instituting or avoiding proceedings. This shall apply irrespective of whether the information is received before, during or after such judicial proceedings or in connection with the relevant client's legal position being ascertained.

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(2) The persons and undertakings mentioned in subsection (1), nos. 13-17 shall, when assisting a lawyer before, during, and after judicial proceedings or in ascertaining a client's legal position, be exempt from the duty to submit information to the same extent as the lawyer they assist, cf. subsection (1).

(3) Subsections (1) and (2) shall also apply to cases brought before the Danish National Tax Tribunal and to cases brought before a court of arbitration. When representing clients before the Danish National Tax Tribunal, auditors shall also be exempt from the duty to submit information pursuant to this Act.

(4) Subsections (1) and (2) shall not apply if the assistance is provided with a view to money laundering or financing of terrorism, or if the undertaking or person knows that the client is seeking assistance with a view to money laundering or financing of terrorism.

(9) If the Danish FSA, the Danish Commerce and Companies Agency or the Danish Bar and Law Society learns of circumstances that are presumed to be associated with money laundering or financing of terrorism covered by the reporting obligation in section 7, said authority shall notify the Public Prosecutor for Serious Economic Crime in this respect.

(10) The Danish FSA may, when acting on the recommendations of the Financial Action Task Force, common positions or Regulations adopted by the European Union, lay down more specific regulations on the duty applying to the undertakings and persons specified in section 1, requiring them to systematically submit information to the Public Prosecutor for Serious Economic Crime concerning financial transactions with non-cooperative countries in connection with combating money laundering or financing of terrorism. In this connection, the Danish FSA may stipulate that notification is to be carried out systematically in all cases, even though no suspicion has arisen.

Part 4

Customer identification etc.

11. The undertakings and persons covered by this Act shall always require that customers identify themselves, if they suspect that a transaction or consultancy assignment is associated with financing of terrorism or money laundering covered by the reporting obligation under section 7.

Regular customer relationships

12.-(1) The undertakings and persons covered by this Act shall have knowledge of their customers in accordance with subsections (2)-(8), and they shall require that their customers provide proof of identity when establishing a business relationship with said customers, including the opening of an account or a custody account.

(2) If the customer is a natural person, proof of identity shall include name, address, civil registration number (CPR number) or similar documentation if the person in question does not have a CPR number.

(3) If the customer is an undertaking, the proof of identity shall include name, address, CVR number (business registration number) or similar documentation if the undertaking does not

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have a CVR number. The ownership and control structure of the undertaking shall be clarified and the beneficial owners of the undertaking shall provide proof of identity, cf. however section 21(1), no. 2.

(4) Information shall be obtained about each customer's objective regarding the business relationship and the intended extent hereof.

(5) The customer relationship shall be monitored on a regular basis. Transactions undertaken throughout the course of said relationship shall be monitored to ensure that the transactions being conducted are consistent with the undertaking's or person's knowledge of the customer and the customer's business and risk profile, including, where necessary, the source of the funds. Documents, data or other information about the customer shall be kept up to date.

(6) In the event of doubts about the veracity or adequacy of previously obtained customer identification data, new proof of identity shall be required as mentioned in subsections (2) and (3).

(7) The undertakings and persons covered by this Act may decide to carry out the identification procedure etc. in subsections (1)-(5) on the basis of a risk assessment, depending on the risk related to the individual customer or business relation, the product or the transaction. The undertaking or person shall, however, be able to prove to the authority carrying out supervision of the relevant undertaking's or person's compliance with this Act that the extent of their investigation is adequate in relation to the risk of money laundering and financing of terrorism.

(8) For customer relationships established before entry into force of this Act and where the information mentioned in subsections (1)-(5) does not exist, proof of identity and collection of information under subsections (1)-(5) shall be carried out at a suitable time and on the basis of a risk assessment.

13.-(1) The identification procedure in section 12 shall be completed in connection with the establishment of the customer relationship and no later than before carrying out the transaction. Provided that it is necessary in order not to interrupt the normal conduct of business, the identification procedure may, on the basis of a risk assessment, be completed in immediate continuation of the establishment of the customer relationship. In the situations mentioned in the 2nd clause, the identification procedure shall, however, be completed as soon as practicable after the initial contact with the customer.

(2) If customer identification of the customer cannot be carried out in accordance with section 12(1)-(4), a regular customer relationship or a business relationship may not be established, and transactions may not be carried out for said customer. At the same time, the undertaking shall check whether notification under section 7 is to be carried out.

(3) Notwithstanding subsection (1), life-assurance companies and pension funds may carry out customer identification after establishment of the customer relationship. Proof of identity shall, however, take place at or before the time of payout or at the time the beneficiary intends to exercise rights vested under the policy.

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(4) Subsection (2), 1st clause shall not apply to lawyers when ascertaining a client's legal situation or defending or representing said client during or in connection with a judicial proceedings, including giving advice about instituting or avoiding proceedings. The persons and undertakings mentioned in section 1(1), nos. 13-17, shall, when assisting a lawyer in the situations mentioned in the 1st clause, be exempt from the requirement in subsection (2), 1st clause to the same extent as the lawyer they assist.

Occasional customers

14.-(1) For assistance to occasional customers with isolated transactions, compliance with the requirements of sections 12, 15 and 19 may be omitted, if the transaction does not exceed an amount corresponding to EUR 1,000. Compliance with the requirement in section 12(3), 2nd clause may also be omitted on basis of a risk assessment, if the transaction does not exceed an amount corresponding to EUR 15,000.

(2) For assistance to occasional customers in isolated consultancy assignments, compliance with the requirements of sections 12, 15 and 19 may be omitted.

Transactions for a third party

15.-(1) Undertakings and persons covered by this Act shall determine whether the person with whom they are in contact is acting on his own account or on behalf of another person or undertaking. Furthermore, the undertakings and persons subject to this Act shall ensure that the person or undertaking acting on behalf of another person or undertaking is authorised to do so.

(2) If a person or undertaking acts on behalf of another person or undertaking, the identity of the person or undertaking in question shall be clarified on the basis of a risk assessment. The beneficial customer shall be identified and provide proof of identity in accordance with the requirements of this Act.

(3) The requirement of subsection (1), 2nd clause shall not apply if the person or undertaking acting on behalf of another person or undertaking belongs to the group of undertakings mentioned in section 21(1), no. 1, or if the person or undertaking in question is a lawyer with a practicing certificate in Denmark or in a country as described in section 21(1), no. 1.

(4) The requirement in subsection (2), 1st clause shall not apply if said person is covered by the group of undertakings mentioned in section 21(1), no. 1

Transfer of funds

16.-(1) The regulations on the information which is to accompany a transfer of funds are regulated in the European Parliament and Council Regulation on information on the payer accompanying transfers of funds, cf. however, subsections (2), (3) and (5).

(2) The Regulation shall not apply to transfers of funds within or between Denmark, the Faeroe Islands and Greenland in connection with purchases of goods and services when:

1) the amount does not exceed an amount corresponding to EUR 1,000,

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2) the payment service provider of the payee is covered by this Act, or similar rules in the Faeroe Islands or Greenland, and

3) the payment service provider of the payee, using a unique reference number, can identify the legal or natural person with whom the recipient of the payment has an agreement to deliver goods or services.

(3) The requirements for the information which is to accompany transfer of funds, cf. Article 5 of the Regulation, shall not apply to transfer of funds for organisations with charitable objects when:

1) the amount transferred does not exceed EUR 150,

2) the transfer is carried out within or between Denmark, the Faeroe Islands and Greenland,

3) the organisation is subject to financial reporting requirements, and

4) the organisation is subject to supervision by a public authority or an external audit, to be carried out by a state-authorized public accountant or a registered public accountant.

(4) Exemption pursuant to subsection (3) shall be subject to the organisation being registered with the Danish FSA and documenting compliance with either the requirement for financial reporting, and either external audit or supervision by a public authority. The organisation shall also provide information on the natural persons who comprise the senior management of the organisation or who otherwise exercise control of the organisation. Changes in the conditions mentioned in the 1st and 2nd clauses shall be notified to the Danish FSA.

(5) The rules applying to transfer of funds in Denmark pursuant to the Regulation shall apply correspondingly to transfers of funds within the Faeroe Islands and Greenland and between Denmark, the Faeroe Islands and Greenland.

Assistance from a third party

17.-(1) The undertakings and persons covered by this Act may omit to obtain the information etc. pursuant to section 12(1)-(4), section 15 and section 19(1), (2) and (4) when this information is provided by one of the undertakings mentioned in section 1(1), nos. 1-8, 13 or 15 or by a similar undertaking in a country within the European Union, a country with which the Union has entered into an agreement for the financial area, or a similar undertaking in a third country which is subject to requirements on preventing money laundering and financing of terrorism which correspond to the requirements of this Act. In this Part this undertaking is referred to as a third party.

(2) Undertakings and persons subject to this Act shall obtain adequate information about a third party in order to verify that this has implemented measures to prevent money laundering and financing of terrorism which correspond with the requirements in this Act.

(3) The third party shall immediately make the information mentioned available to the undertaking or person subject to this Act. Moreover, on request, the third party shall immediately forward relevant control information and other relevant documentation to the undertaking or person subject to this Act.

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(4) Notwithstanding subsections (1)-(3), the relevant undertaking or person shall be responsible for compliance with the regulations.

(5) Subsection (1) shall not apply to the persons and undertakings covered by this Act which are established in a country outside the European Union with which the Union does not have an agreement for the financial area, provided that, pursuant to Article 40(4) of the Third Money Laundering Directive, the European Commission decides to exempt the country in which the relevant undertaking has its registered office.

18.-(1) Undertakings and persons covered by this Act may decide to outsource under contract to a service supplier tasks which they are to perform in order to comply with the regulations in this Act. However this shall be on the condition that, prior to establishing the outsourcing contract, the undertakings or persons covered by this Act ensure the service supplier has the expertise and capacity required to perform the task satisfactorily, and that the service supplier has the licences required to accept the task.

(2) During the contract period there shall be regular checks that the service supplier is performing the task in accordance with the requirements, and the propriety of the outsourcing contract shall be assessed regularly on the basis of these checks.

(3) Irrespective of whether outsourcing takes place, the undertaking or person shall be responsible for compliance with the regulations.

Enhanced customer identification etc.

19.-(1) The undertakings and persons covered by this Act shall, on the basis of a risk assessment, make further requirements for proof of identity by a customer than mentioned in section 12 in situations which by their nature can present a higher risk of money laundering and financing of terrorism. This means that they, as a minimum, shall meet the requirements in subsections (2)-(4).

(2) When the customer has not been physically present for identification purposes, the undertaking or person shall take further measures to ascertain the customer's identity. This may be effected, for example, by taking one or more of the following measures:

- 1) Ensuring that the customer's identity is established by additional documentation.
- 2) Checking or verifying the documents supplied, or requiring confirmatory certification by one of the undertakings or persons mentioned in section 1(1), nos. 1-11.
- 3) Requiring that the first payment in connection with the transactions is carried out through an account opened in the customer's name with a bank or a similar undertaking established in a country within the European Union, a country with which the Union has entered into an agreement for the financial area, or a third country which is subject to requirements to prevent money laundering and financing of terrorism which correspond to the requirements in this Act and compliance with said requirements is being checked.

(3) For cross-frontier correspondent banking relationships with banks and institutions from countries outside the European Union with which the Union has not entered into an agreement for the financial area, the banks, mortgage-credit institutions, payment institutions and E-

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money institutions covered by this Act shall, before establishing new correspondent banking relationships,

1) obtain sufficient information about the relevant institution to understand fully the nature of the correspondent's business and to determine from publicly available information the reputation of the institution and the quality of supervision, including information on the extent to which the institution is subject to an authority investigation or has previously received sanctions from public authorities for infringement of regulations on preventing money laundering and financing of terrorism,

2) obtain sufficient information to ensure that the relevant institution has adequate and effective control procedures in order to ensure compliance with regulations on preventing money laundering and financing of terrorism,

3) obtain approval from senior daily management to establish correspondent relationships,

4) ensure that the respondent bank has checked the identity of the customers and is regularly assessing relevant information about the customers having direct access to the account of the correspondent bank with a person or undertaking covered by this Act, and ensure that the respondent bank is able to supply relevant customer information at the request of the account holder to, and

5) document the stipulation of the division of responsibilities between the institution and the correspondent bank.

(4) The undertakings and persons covered by this Act shall

1) have adequate procedures to determine whether the customer is a politically exposed person who is a resident of another country,

2) have senior daily management approval for establishing business relationships with such customers,

3) take reasonable measures to gather information about the sources of income and funds that are involved in the business relationship or transaction, and

4) continuously monitor the business relationship.

(5) For customer relationships with a politically exposed person who is a resident of another country, the senior daily management shall approve continuation of customer relationships established before 1 January 2007.

(6) Banks, mortgage-credit institutions, payment institutions and E-money institutions may not enter into or continue a correspondent banking relationship with a shell bank and they shall take reasonable measures to avoid a connection with a credit institution which is known to permit shell banks to use its accounts.

(7) Undertakings and persons covered by this Act shall be particularly aware of any money laundering and financing of terrorism threats that may arise from products or transactions that might favour anonymity, and take measures, if needed, to prevent that the products or transactions are used for money laundering and financing of terrorism purposes.

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Exemptions from customer identification requirements etc.

20.-(1) The requirement concerning proof of identity in sections 12 and 19(2) may be omitted with regard to the following products and transactions:

Life-assurance and pension contracts if the amount of the annual premium is equivalent to EUR 1,000 or less or, in the case of a single premium, if the amount of the single premium is equivalent to EUR 2,500 or less.

2) Life-assurance and pension contracts entered into in pursuance of a contract of employment or the business of the insured party, provided the agreement does not feature a buy-back clause and cannot be used as collateral for a loan.

3) Life-assurance and pension contracts where the premium or the contribution is to be debited to the customer's bank account.

4) Life-assurance and pension contracts entered into in pursuance of a contract of employment or the business of the insured party with a limited buy-back clause, when proof of identity is given pursuant to section 12 if the customer makes use of the buy-back clause.

5) Electronic money, as defined in section 6(21) of the Payment Services and Electronic Money Act,

- a) where the maximum amount stored on non-rechargeable cards cannot exceed an amount corresponding to EUR 250,
- b) where the maximum amount stored on non-rechargeable cards which may only be used in Denmark cannot exceed an amount corresponding to EUR 500, or
- c) where the maximum amount stored on rechargeable cards cannot exceed an amount corresponding to EUR 2,500 within one calendar year, and where a maximum amount corresponding to EUR 1,000 can be withdrawn within one calendar year.

(2) Irrespective of the size of the transaction or the nature of the product, undertakings shall demand proof of identity if they suspect that the transaction is associated with money laundering or financing of terrorism covered by the reporting obligations under section 7.

(3) The Danish FSA may, on the basis of decisions from the European Commission, lay down regulations allowing other products or transactions to be exempted.

(21) The requirement concerning proof of identity in section 12(1)-(5) and section 15 may, after a risk assessment, be omitted if the customer is

1) 1-8, no. 10 and no. 19 or a similar undertaking established in a Member State of the European Union, a country with which the Union has entered into an agreement for the financial area, or a third country which is subject to requirements to prevent money laundering and financing of terrorism which correspond to the requirements in this Act and compliance with said requirements is being checked,

2) an undertaking the securities of which have been admitted to trading on a regulated market, or

3) a domestic public authority.

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(2) The requirements concerning proof of identity in section 12 shall not apply when the beneficial owner has funds in a joint client's account of a notary or a lawyer, if the notary or the lawyer is subject to regulations corresponding to this Act. It is a condition that information about the identity of the beneficial owner etc. is made available to the account-holding institution when said institution requests this.

(3) At all events, sufficient information shall be obtained to ascertain that the customer is covered by one of the exemptions mentioned in subsections (1) and (2).

(4) The Danish FSA may, on the basis of decisions by the European Commission, lay down regulations allowing other undertakings and persons to be exempted.

22. If the European Commission so decides, the Danish FSA may decide that persons and undertakings covered by this Act are not to apply the exemption in section 21 in relation to credit institutions and finance institutions or listed undertakings or other units from a country outside the European Union with which the Union has not entered into an agreement for the financial area.

Keeping records of identity information etc.

23.-(1) The undertakings and persons covered by this Act shall store identity and control information for no less than five years after the customer relationship has ceased. Copies of the identification documents obtained pursuant to sections 11, 12, 14, 15 and 19 may be stored.

(2) Documents and records concerning transactions shall be stored so that they can be located together for at least five years after the performance of the transactions. This shall also apply to the information recorded pursuant to section 6(2).

(3) If the undertaking ceases activities, the last acting management shall ensure that identity information etc. continues to be stored in accordance with subsections (1) and (2). If an undertaking is dissolved through the intervention of the bankruptcy court, the bankruptcy court may decide that persons other than the last acting management are to store the identity information etc.

Branches and subsidiary undertakings in third countries

24.-(1) The undertakings covered by section 1(1), nos.1-7 and 10-12 shall ensure that their branches and subsidiary undertakings established in countries outside the European Union with which the Union has not entered into an agreement for the financial area have customer due diligence measures and storage of identity information etc. corresponding to the requirement of the Third Money Laundering Directive, to the extent that the legislation of said country allows this.

(2) If the legislation in the country mentioned in subsection (1) does not permit the use of measures similar to those mentioned in subsection (1), the undertaking shall inform the authority supervising the undertaking's compliance with this Act, cf. part 8 of this Act. The undertaking shall also ensure that the threat of money laundering and financing of terrorism in the branch or the subsidiary undertaking is countered in another manner.

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(3) The undertakings mentioned in subsection (1) shall ensure that their branches and subsidiary undertakings established in countries outside the European Union with which the Union has not entered into an agreement for the financial area have written internal rules regarding customer due diligence and record-keeping corresponding to the requirements in section 25(1) to the extent that the legislation of said country allows this.

Part 5

Internal rules and training etc.

25.-(1) The undertakings and persons covered by this Act shall prepare adequate written internal rules about customer identification, the obligation of attentiveness, investigation and recording, reporting, record-keeping, internal control, risk assessment, risk management, management controls and communication as well as training and instruction programmes for their employees in order to forestall and prevent money laundering and financing of terrorism. Adequate written internal rules shall also be prepared on compliance with the Regulation of the European Parliament and of the Council on information on the payer accompanying transfers of funds, where this is relevant, and Regulations containing rules on financial sanctions against countries, persons, groups, legal entities or bodies.

(2) Undertakings and persons covered by section 1(1) nos. 1-12 shall appoint a person at management level to ensure that the undertaking or person complies with the obligations under this Act, the regulations issued pursuant to hereto, the Regulation of the European Parliament and of the Council on the information on the payer accompanying transfers of funds, and regulations containing rules on financial sanctions against countries, persons, groups, legal entities, or bodies.

(3) Undertakings and persons covered by section 1 shall ensure that the person at management level appointed pursuant to subsection (2) has access to customer information and other relevant information in order to ensure that the undertakings and persons comply with the obligations stipulated in this Act.

(4) Undertakings and persons covered by section 1 shall ensure that their employees know of the obligations stipulated in this Act.

(5) In employment relationships, the obligations mentioned in subsections (1) and (2) shall rest on the employer.

(6) The Danish FSA may lay down more detailed regulations on the requirements mentioned in subsection (1) for the undertakings and persons mentioned in section 1(1), nos. 1-10 and 12.

(7) The Danish Business Authority may lay down more detailed regulations on the requirements mentioned in subsection (1) for the undertakings and persons mentioned in section 1(1), nos. 11 and 15-18.

Part 6

Duty of confidentiality and liability

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26. The notifications and information that undertakings and persons covered by this Act disclose in good faith pursuant to section 7 and suspension of transactions pursuant to section 7(4) shall not incur any liability on the undertaking or person, its employees or management. Disclosure of information in connection with this shall not be considered a breach of any duty of confidentiality.

27.-(1) Undertakings and persons covered by this Act, management and employees in said undertakings and employees of said persons as well as auditors or other persons carrying out or having carried out special tasks for the undertaking or person shall be obliged to keep secret the fact that notification has been effected under section 7, that this is being considered, or that an investigation of whether this is a case of money laundering or financing of terrorism has been or will be instigated, cf. however subsections (2)-(6).

(2) Information that notification has been effected under section 7, that this is being considered, or that an investigation of whether this is a case of money laundering or financing of terrorism has been or will be instigated may be divulged to the authorities and organisations that supervise compliance with this Act.

(3) The prohibition laid down in subsection (1) shall not prevent lawyers, auditors, external accountants and tax advisors from discouraging their client from carrying out illegal activities.

(4) Information that notification has been effected under section 7, that this is being considered, or that an investigation of whether this is a case of money laundering or financing of terrorism has been or will be instigated may be divulged to undertakings belonging to the same group as defined by Article 2(12) of Directive 2002/87/EC.

(5) Information that notification has been effected under section 7, that this is being considered, or that an investigation of whether this is a case of money laundering or financing of terrorism has been or will be instigated may be divulged between persons as mentioned in section 1(1), nos. 13-15 if both the person divulging the information and the person receiving the information carry out their activities within the same legal unit or network.

(6) Information that notification has been effected under section 7, that this is being considered, or that an investigation of whether this is a case of money laundering or financing of terrorism has been or will be instigated may be divulged between persons or undertakings covered by section 1(1), nos. 1-14 provided

1) that the information relates to an undertaking or person that is a customer of both the undertaking or person divulging the information and the undertaking or person receiving the information, and that the information relates to a transaction involving both parties,

2) that the undertaking or person divulging the information and the undertaking or person receiving the information have the same occupation,

3) that the undertaking or person divulging the information and the undertaking or person receiving the information are subject to uniform requirements as regards duty of confidentiality and protection of personal data, and

4) that the information exchanged is only applied for prevention of money laundering and financing of terrorism.

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(7) Information as mentioned in subsections (4)-(6) may only be divulged to undertakings and persons that have their registered offices or are domiciled in a country outside the European Union with which the Union has not entered into an agreement for the financial area, if the undertaking or person is subject to requirements to combat money laundering and financing of terrorism corresponding to the requirements stipulated in the Third Money Laundering Directive and that compliance with these requirements is being supervised.

28. The Danish FSA shall inform the other Member States and the European Commission of matters where it decides that a country outside the European Union with which the Union has not entered into an agreement for the financial area does have requirements to combat money laundering and financing of terrorism corresponding to the requirements stipulated in the Third Money Laundering Directive and that compliance with these requirements is being supervised.

29. If the European Commission so decides, the Danish FSA may decide that undertakings and persons covered by this Act are not to divulge information to countries outside the European Union with which the Union has not entered into an agreement for the financial area pursuant to section 27.

Part 7

Counterfeit money

30. Undertakings and persons that, as part of their activities, take part in handling and delivery of notes and coins to the general public, including persons and undertakings the activity of which consists of exchanging notes and coins of various currencies, shall remove from circulation all notes and coins that they know or have reason to believe are counterfeit. Counterfeit banknotes and coins shall be submitted to the Police immediately.

Part 8

Registration and supervision etc.

31.-(1) Persons and undertakings covered by section 1(1), nos. 11 and 18 shall be registered with the Danish Commerce and Companies Agency in order to carry out such activities.

(2) The Danish Business Authority shall refuse to register the persons and undertakings mentioned in subsection (1) if the persons or members of management mentioned or the beneficial owners of the undertaking have been convicted of a criminal offence and such offence gives reason to believe that there is an immediate danger that the position or business may be abused, cf. section 78(2) of the Danish Criminal Code. Section 78(3) of the Danish Criminal Code shall apply correspondingly.

(3) The Danish Commerce and Companies Agency shall deregister a person or undertaking mentioned in subsection (1) if a registered person or a member of management or the beneficial owners of a registered undertaking do not comply with the requirement in subsection (2).

32.-(1) The Danish Commerce and Companies Agency shall ensure that undertakings and persons covered by section 1(1), nos. 11 and 15-18 comply with this Act and the regulations issued pursuant hereto, and regulations issued by the European Parliament and Council

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containing rules on financial sanctions against countries, persons, groups, legal entities, or bodies. The Danish Commerce and Companies Agency shall also ensure that undertakings and persons covered by section 1(1), no. 11 comply with the European Parliament and Council Regulation on information on the payer accompanying transfers of funds.

(2) Supervision under subsection (1) of undertakings and persons covered by section 1(1), nos. 15-18 shall be carried out on the basis of a risk assessment.

(3) The undertakings and persons mentioned in subsection (1) shall provide the Danish Commerce and Companies Agency with all information necessary for supervision of compliance with this Act or regulations issued pursuant hereto, the Regulation of the European Parliament and of the Council on the information on the payer accompanying transfers of funds, and regulations containing rules on financial sanctions against countries, persons, groups, legal entities, or bodies.

(4) The Danish Commerce and Companies Agency may at all times, on proof of identity and without a court order, gain access to undertakings and persons covered by section 1(1), no. 11 with a view to obtaining information, including during inspections.

(5) The Danish Commerce and Companies Agency may order the undertakings and persons dealt with in subsection (1) to take the necessary measures within a time limit specified by the Agency in the event of violations of the provisions of the Money Laundering Act, the regulations issued pursuant hereto, the Regulation of the European Parliament and of the Council on the information on the payer accompanying transfers of funds, or regulations containing rules on financial sanctions against countries, persons, groups, legal entities, or bodies.

(6) The Danish Commerce and Companies Agency may use external assistance in supervision under subsection (1).

33. The Danish Commerce and Companies Agency may, for the undertakings and persons mentioned in section 31, lay down more detailed regulations regarding notification, registration and public disclosure, including regulations stipulating which information is to be registered and which matters applicants or others may submit and register electronically themselves in the Agency's computer system by using a digital or similar electronic signature, and regarding the use of such a system.

34.-(1) The Danish FSA shall ensure that undertakings and persons covered by section 1(1), nos. 1-10 and 12, and subsection (4) of this Act comply with this Act, the regulations issued pursuant hereto, the Regulation of the European Parliament and of the Council on information on the payer accompanying transfers of funds, and regulations containing rules on financial sanctions against countries, persons, groups, legal entities, or bodies.

(2) Persons and undertakings covered by section 1(1), no. 12 shall be registered with the Danish FSA in order to carry out this activity.

(3) The Danish FSA shall refuse to register the persons and undertakings mentioned in subsection (2) if the persons or members of management mentioned or the beneficial owners of the undertaking have been convicted of a criminal offence and such offence gives reason to

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believe that there is an immediate danger that the position or business may be abused, cf. section 78(2) of the Danish Criminal Code. Section 78(3) of the Danish Criminal Code shall apply correspondingly.

(4) The Danish FSA shall deregister the persons and undertakings mentioned in subsection (2) if the persons or members of management mentioned or the beneficial owners of the undertaking have been convicted of a criminal offence and such offence gives reason to believe that there is an immediate danger that the position or business may be abused, cf. section 78(2) of the Danish Criminal Code. Section 78(3) of the Danish Criminal Code shall apply correspondingly.

(5) The undertakings and persons mentioned in subsection (1) shall provide the Danish FSA with the information necessary for supervision of compliance with this Act, the regulations issued pursuant hereto, the Regulation of the European Parliament and of the Council on the information on the payer accompanying transfers of funds, and regulations containing rules on financial sanctions against countries, persons, groups, legal entities, or bodies.

(6) The Danish FSA may at all times, on proof of identity and without a court order, gain access to undertakings and persons covered by subsection (1) with a view to gathering information, including during inspections.

(7) The Danish FSA may order the undertakings and persons dealt with in subsection (1) to take the necessary measures within a time limit specified by the Authority in the event of violations of the provisions of the Money Laundering Act, the regulations issued pursuant hereto, the Regulation of the European Parliament and of the Council on the information on the payer accompanying transfers of funds, or regulations containing rules on financial sanctions against countries, persons, groups, legal entities, or bodies.

(8) Supervision of branches and agents of payment institutions and E-money institutions with their registered office in another Member State of the European Union or in a country with which the Union has entered into an agreement for the financial area shall be performed in collaboration with the supervisory authority in the home country of the institution.

34a.-(1) By virtue of sections 152 to 152e of the Criminal Code, employees of the Danish FSA shall be obliged to keep secret any confidential information they receive in the course of their supervisory duties. The same shall apply to persons performing services as part of the operations of the Danish FSA, and experts acting on behalf of the Danish FSA. This shall also apply after the termination of the employment contract or any other contract.

(2) Consent from the individual who the duty of confidentiality aims to protect shall not entitle the persons mentioned in subsection (1) to divulge confidential information.

(3) The provision of subsection (1) shall not prevent confidential information from being divulged to:

1) The Systemic Risk Council.

2) Other public authorities, including the prosecution and the police, in connection with the investigations and legal prosecution for possible criminal offences covered by the Criminal

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Code, the Act on Measures to Prevent Money Laundering and Financing of Terrorism or other supervision legislation.

- 3) The Minister concerned as part of his overall supervision.
 - 4) Administrative authorities and courts hearing decisions made by the Danish FSA.
 - 5) The Ombudsman of the Danish Parliament.
 - 6) A parliamentary commission set up by the Danish Parliament.
 - 7) Courts of inquiry set up by law or in accordance with the Courts of Inquiry Act ("*lov om undersøgelseskommissioner*").
 - 8) Members of the Public Accounts Committee and the Auditor General's Office ("*Rigsrevisionen*").
 - 9) Supervisory authorities in other Member States of the European Union or in countries with which the Union has entered into an agreement for the financial area which are responsible for ensuring compliance of persons and undertakings with legislation on measures to prevent money laundering and financing of terrorism, the Regulation of the European Parliament and of the Council on information on the payer accompanying transfers of funds, and regulations containing rules on financial sanctions against countries, persons, groups, legal entities, or bodies provided that these recipients of information need it to perform their duties.
 - 10) Financial supervisory authorities in countries outside the European Union with which the Union has not entered into an agreement for the financial area which are responsible for ensuring compliance of persons and undertakings with legislation on measures to prevent money laundering and financing of terrorism.
- (4)** Disclosure pursuant to subsection (3), no. 10 may only be
- 1) on the basis of an international co-operation agreement, and
 - 2) provided that the recipients of said information are, at a minimum, subject to a statutory duty of confidentiality corresponding to the duty of confidentiality pursuant to subsection (1) and that said recipients require said information to perform their duties.
- (5)** All those receiving confidential information from the Danish FSA under subsection (3), nos. 2-8 shall fall under the duty of confidentiality specified in subsection (1) with regard to said information.
- (6)** Confidential information from Member States of the European Union or countries with which the Union has entered into an agreement for the financial area, or financial supervisory authorities in countries outside the European Union with which the Union has not entered into an agreement for the financial area, shall only be divulged pursuant to subsection (3), nos. 9 and 10, where the authorities submitting said information have granted express permission to do so, and said information shall only be used for the purposes specified by said permission.
- (7)** Confidential information received by the Danish FSA shall only be used in the course of its supervisory duties, to impose sanctions, or where appeals are made against the decision of the

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supervisory authority to a higher administrative authority or where such a decision is brought before the courts of law.

34b.-(1) The Council of the Danish Bar and Law Society shall ensure that lawyers covered by section 1(1), nos. 13 and 14 comply with this Act and the regulations issued pursuant hereto, as well as the regulations issued by the European Parliament and the Council containing rules on financial sanctions against countries, persons, groups, legal entities, or bodies. Supervision shall be on the basis of an assessment of the risk of violation of the provisions mentioned in the 1st clause.

(2) The Council of the Danish Bar and Law Society may order lawyers to take the necessary measures within a time limit specified by the Council of the Danish Bar and Law Society in the event of violations of the provisions of the Money Laundering Act, the regulations issued pursuant hereto, the Regulation of the European Parliament and of the Council containing rules on financial sanctions against countries, persons, groups, legal entities, or bodies.

34c.-(1) Decisions made by the Danish Business Authority pursuant to section 32(5) shall be made public if the decision is assessed to be of significance by the authority. If the decision pertains to a legal person, publication may comprise the name of the undertaking if such is deemed to be of general interest to the public.

(2) Decisions to turn cases over to police investigation, shall be published, cf. however, subsection (4). If the decision pertains to a legal person, publication may comprise the name of the undertaking if such is deemed to be of general interest to the public.

(3) If a case is turned over to police investigation and a judgement has been fully or partially delivered or a fine has been accepted, publication of the judgement, the acceptance of fine or summary hereof shall be made, cf. however, subsection (4). If the judgement is not final, or if it has been appealed, this shall appear from said publication. Publication by the undertaking shall be made on the website of the undertaking in a place where such publication logically belongs, as soon as possible and no later than ten business days after a judgement has been delivered or a fine has been accepted, or no later than the time required for publication laid down in the Securities Trading etc. Act. At the same time as publication, the undertaking shall insert a link providing direct access to the judgement, the acceptance of fine or summary, made visible on the home page of the undertaking, and the link and any attached text shall clearly state whether this relates to a judgement or an acceptance of fine. Any comments by the undertaking on the judgement, the acceptance of fine or summary shall be made further to this, and the comments shall be clearly separated from the judgement, the acceptance of fine or summary. Removal of the information from the website of the undertaking shall be according to the same principles of as the undertaking applies for other notifications, however, no later than when the link and information have been available on the website for three months, and no later than after the first-coming general meeting or meeting of the board of representatives. The duty of the undertaking to publish information on the website of the undertaking shall only apply for legal persons. The undertaking shall notify the Danish FSA about the publication, and forward a copy of the judgement or acceptance of fine. The Danish FSA shall subsequently publish the judgement, acceptance of fine or a summary hereof on its website.

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(4) Publication pursuant to subsections (1)-(3) may not, however, take place if it will mean disproportionate damage for the undertaking, or issues relating to investigations make publication inadvisable. Publication may not contain confidential information about customer relationships or information covered by the provisions in the Access to Public Administration Files Act on exemption of information about private relationships and operations or business matters, etc. Confidential information from Member States of the European Union or countries with which the Union has entered into an agreement for the financial area may not be divulged unless the authorities submitting said information have granted express permission to do so.

(5) If publication is omitted pursuant to subsection (4), 1st clause, publication pursuant to subsections (1)-(3) shall be effected when the considerations necessitating omission no longer apply. This shall only apply, however, for up to two years after the decision was made.

34d. The Danish Minister for Business and Growth may lay down regulations for supervised undertakings covered by this Act, on the duty of undertakings to publish information relating to the assessment by the Danish FSA of the undertaking, and relating to the Danish FSA's possibility of publishing such information before the undertaking.

34e. The Danish Minister for Business and Growth may lay down regulations stating that written communication to and from the Danish FSA and to and from the Danish Business Authority pertaining to matters covered by this Act or regulations issued pursuant to this Act, shall be made digitally.

(2) The Danish Minister for Business and Growth may lay down more detailed regulations on digital communication, including on utilisation of specific IT systems, special digital formats, and digital signatures or similar.

(3) A digital notification shall be considered to have reached its destination when it is accessible to the addressee of the notification.

34f. The Danish Minister for Business and Growth may lay down regulations permitting the Danish FSA and the Danish Business Authority to issue decisions and other documents according to this Act or regulations issued in pursuance of this Act without a signature, with an automated or otherwise reproduced signature, or using a technique which ensures clear identification of the body issuing the decision or the document. Such decisions and documents shall be equivalent to decisions and documents with personal signatures.

(2) The Danish Minister for Business and Growth may lay down regulations stating that decisions and other documents which are made or issued exclusively on the basis of electronic data processing, may be issued solely stating the Danish FSA or the Danish Business Authority as sender.

34g.-(1) Where this Act or regulations issued pursuant to this Act stipulate that a document issued by other bodies than the Danish FSA or the Danish Business Authority be signed, such requirement may be met by using a technique which ensures unique identification of the body which has issued the document, cf. however, subsection (2). Such documents shall be equivalent to documents with a personal signature.

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(2) The Minister for Business and Growth may lay down more detailed regulations on deviation from the signatory requirement. This may include a provision that the requirement of personal signature not be deviated from for specific types of documents.

Part 9

Feedback

35.-(1) The Public Prosecutor for Serious Economic Crime may, if investigative considerations do not contradict this, inform the notifying person about the status of the matter, including whether a charge has been made, and may inform about deletion from the money laundering register at the Public Prosecutor for Serious Economic Crime, and about a final decision, on conviction possibly in the form of a judgement or a transcript of a judgement.

(2) The notifications mentioned in subsection (1) may not unlawfully be divulged to others.

Part 10

Provisions regarding appeals

36. Decisions made by the Danish FSA or the Danish Commerce and Companies Agency under this Act or regulations issued pursuant to this Act as well as pursuant to the Regulation of the European Parliament and of the Council on the information on the payer accompanying transfers of funds may be brought before the Company Appeals Board by the person against whom said decision is directed no later than four weeks after the person concerned has been notified about the decision.

Part 11

Penalties

37.-(1) Violation of section 34c(3), 1st-7th clauses shall be liable to a fine. Intentional or grossly negligent violation of section 2, section 6(2), section 7(1), 2nd clause, subsection (3) and subsection (4), 1st clause, section 11, section 12(1)-(6), section 13(1), 1st and 3rd clauses, subsection (2) and subsection (3), 2nd clause, sections 14 and 15(1), 1st clause, section 15(2), section 16(1), section 19(1), subsection (2), 1st clause, and subsections (3)-(6), section 23(1), 1st clause, subsection (2) and subsection (3), 1st clause, section 24, section 25(1)-(4), section 27(1), section 30, 2nd clause, section 31(1), section 32(3), and section 34(2)-(5), shall be liable to a fine. Intentional or grossly negligent violation of section 35(2) shall be subject to a fine, unless more severe punishment is incurred under the regulations of the Danish Criminal Code.

(2) In the event of particularly gross or extensive intentional violations of section 2; section 7(1), 2nd clause, (3) and (4), 1st clause; section 12(1)-(6); sections 14 and 15; and section 23(1), 1st clause, subsections (2) and (3), 1st clause, the penalty may be increased to imprisonment of up to six months.

(3) In regulations issued pursuant to this Act, fines may be stipulated for violation of the provisions of said regulations.

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- (4) If a person or undertaking omits to fulfil the duties and obligations imposed on them pursuant to section 32(3) and section 34(5), the Danish Commerce and Companies Agency and the Danish FSA respectively may, as a coercive measure, impose daily or weekly fines on the person, or undertaking or on the persons responsible for said undertaking.
- (5) Any person or undertaking failing to comply with an order issued pursuant to section 32(5) or section 34(7) shall be liable to a fine.
- (6) Intentional or grossly negligent violation of article 5 and article 6(2), article 7(1), articles 8, 9, 11 and 12 and article 13(3)-(5) of the European Parliament and Council Regulation on information on the payer accompanying transfers of funds, shall be liable to a fine. In the event of particularly gross or extensive intentional violations the penalty may be increased to imprisonment of up to six months.
- (7) Companies etc. (legal persons) may incur criminal liability according to the regulations in chapter 5 of the Criminal Code.
- (8) The period of limitation for violations of the provisions in this Act or regulations issued pursuant to this Act shall be five years.

Part 12

Entry into force and transitional provisions, etc.

38.-(1) This Act shall enter into force on 1 March 2006, cf. however subsection (3).

(2) At the same time, the Act on Measures to Prevent Money Laundering and Financing of Terrorism, cf. Consolidating Act no. 132 of 1 March 2005 shall be repealed.

(3) Section 6(2), section 12(5) and section 19 shall enter into force on 1 January 2007.

39. (Repealed)

40. (Omitted)

41. This Act shall not extend to Greenland and the Faeroe Islands, but may be brought into force by Royal request for these parts of the Realm subject to any variations in their operation necessitated by the specific conditions prevailing in Greenland and the Faeroe Islands respectively.

Act no. 542 of 8 June 2006 contains the following entry into force and transitional provisions:

9.-(1) (Omitted)

This Act shall enter into force the day after publication in the Danish Law Gazette, cf. however, subsections (2)-(5). Section 6 shall apply to requests for extradition pursuant to the Council of Europe Convention on the Prevention of Terrorism and the United Nations International Convention for the Suppression of Acts of Nuclear Terrorism, respectively, submitted after the

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convention in question has entered into force between Denmark and the foreign state in question.

(2)-(5) (Omitted)

10. This Act shall not extend to the Faeroe Islands and Greenland. Section 1 of this Act may, however, be brought into force by Royal Decree for the Faeroe Islands subject to any variations in its operation necessitated by the specific conditions prevailing in the Faeroe Islands. Sections 4-6 and 8 of this Act may be brought into force by Royal Decree for these parts of the Realm subject to any variations in their operation necessitated by the specific conditions prevailing in Greenland and the Faeroe Islands respectively.

Act no. 108 of 7 February 2007 contains the following entry into force and transitional provisions:

21.-(1) (Omitted)

(2) (Omitted)

(3) Section 1, no. 88, section 3, nos. 1, 3, 11, 24, 27, 30, 40-43, 58, 61, 62, 68, 69, 76, 81, 83, 85 and 86, section 6, nos. 1-9, section 7, section 8, nos. 3, 8 and 9, section 9, nos. 6 and 7, section 10, no. 6, and sections 11-15 shall enter into force on 15 February 2007.

(4) (Omitted)

(5) Section 6(10) shall enter into force on 15 December 2007.

(6) (Omitted)

(7) (Omitted)

22.-(1)-(7) (Omitted)

23.-(1)

This Act shall not extend to the Faeroe Islands and Greenland, cf. however subsections (2) and (3).

(2) Sections 1-6, 13 and 14 may, by Royal Decree, be brought fully or partially into force for the Faeroe Islands and Greenland subject to any variations necessitated by the specific conditions prevailing in the Faeroe Islands and Greenland.

(3) (Omitted)

(4) (Omitted)

Act no. 512 of 17 June 2008 contains the following entry into force and transitional provisions:

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3. The Minister for Economic and Business Affairs shall stipulate the date of entry into force of this Act

4. This Act shall not extend to the Faeroe Islands and Greenland, but may be brought into force in full or in part by Royal Request for the Faeroe Islands subject to any variations in its operation necessitated by the specific conditions prevailing in the Faeroe Islands.

Act no. 517 of 17 June 2009, as amended by section 14 of Act no. 392 of 25 May 2009 contains the following entry into force and transitional provisions:

13.-(1) This Act shall enter into force on 1 July 2008, cf. however, subsections (2)-(5)

(2) (Omitted)

(3) (Omitted)

(4) Section 10, no. 6 shall enter into force on 1 January 2009.

(5) Section 10, no. 6 shall not apply to customer relationships established before 1 January 2009.

14.-(1) Sections 1, 2 and 4-12 shall not apply to the Faeroe Islands and Greenland, cf. however, subsections (3) and (4).

(2) Section 3 shall not apply to the Faeroe Islands.

(3) Sections 1, 2, 6 and 10 may, by Royal Decree, be brought fully or partially into force for the Faeroe Islands and Greenland subject to any variations necessitated by the specific conditions prevailing in the Faeroe Islands and Greenland.

(4) Sections 4, 5 and 9 may by Royal Decree be extended fully or partially to Greenland with any variations necessitated by specific conditions prevailing in Greenland.

Act no. 385 of 25 May 2009 contains the following entry into force and transitional provisions:

109. This Act shall enter into force on 1 November 2009.

(2) (Omitted)

(3) (Omitted)

(4) Legal persons who have commenced business before 25 December 2007 and who, after entry into force of this Act, will request authorisation as a payment institution, may continue this business in Denmark without authorisation until 30 April 2011.

(5) Notwithstanding subsection (1), from 1 July 2009 legal persons may submit applications to the Danish FSA for authorisation to carry out business as a payment institution from 1 November 2009.

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(6) Undertakings which, before 25 December 2007, have commenced business covered by section 38, may continue this business without authorisation until 25 December 2010.

(7) The time limit stated in section 75(1) may, for cross-border payments until 1 January 2012, be extended to no more than three business days by agreement between the payer and the payer's payment services provider. For paper-based payment transactions the time limit in the 1st clause may be extended by one more business day.

(8) Changes in existing agreements, terms etc. which are to bring these into accordance with the requirements of a framework contract, cf. section 48(1) and which are to enter into force no later than 1 November 2009 may, notwithstanding an agreement to the contrary, be executed by notifying the change at one month's notice. Changes made for the benefit of the user may however be made without notice. Section 47(1) and (2) shall apply correspondingly to changes pursuant to the 1st and 2nd clauses. If the user cannot approve the changes in the framework contract which are to the detriment of the user, the user shall notify this to the provider before the date of entry into force of the changes. Notice pursuant to the 1st clause shall contain information on the condition mentioned in the 3rd clause.

110. (Omitted)

111. (Omitted)

112. (Omitted)

113. (Omitted)

114. This Act shall not extend to the Faeroe Islands and Greenland but may by Royal Decree be extended in full or in part to those parts of the Kingdom of Denmark with any variations necessitated by the specific conditions prevailing in the Faeroe Islands and Greenland.

Act no. 392 of 25 May 2009 contains the following entry into force and transitional provisions:

15.-(1) This Act shall enter into force on 1 July 2009, cf. however, subsections (2)-(7).

(2)-(7) (Omitted)

16.-(1) Sections 1-7 and 9-13 of this Act shall not extend to the Faeroe Islands and Greenland, cf. however subsections (3) and (4).

(2) (Omitted)

(3) Sections 1-4, 9, 10 and 13 may by Royal Decree be brought fully or partially into force for Greenland subject to any variations necessitated by the specific conditions prevailing in Greenland.

(4) Sections 1-4 may, by Royal Decree, be brought fully or partially into force for the Faeroe Islands subject to any variations necessitated by the specific conditions prevailing in the Faeroe Islands.

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Act no. 579 of 1 June 2010 contains the following entry into force and transitional provisions:

21.-(1) This Act shall enter into force on 1 July 2010, cf. however, subsections (2)-(6).

(2) Section 1, nos. 5, 26, 27, 51, 60, 62-64 and 85, section 5, nos. 1, 3-7 and 9, and section 9 shall enter into force on 1 June 2010.

(3)-(7) (Omitted)

22.-(1) Sections 1-12 and 14-20 of this Act shall not apply to the Faeroe Islands and Greenland, cf. however subsections (2) and (3).

(2) Sections 1-9, 12 and 14-20 may by Royal Decree be brought fully or partially into force for Greenland with any variations necessitated by the conditions prevailing in Greenland.

(3) Sections 1, 3-6, 9 and 14-20 may by Royal Decree be brought fully or partially into force for the Faeroe Islands with any variations necessitated by the conditions prevailing in the Faeroe Islands.

Act no. 1553 of 21 December 2010 contains the following entry into force and transitional provisions:

5. This Act shall enter into force on 30 April 2011.

6.-(1) Legal persons who on 30 April 2011 carry out activities which, after entry into force of this Act, will require authorisation pursuant to section 39a of the Payment Services and Electronic Money Act, as worded in section 1, no. 12 of this Act, may continue these activities in Denmark or in another Member State of the European Union without authorisation until 30 October 2011. The previous regulations applicable in the intervening period shall apply for these legal persons.

(2) Legal persons who on 30 April 2011 carry out activities covered by section 39p of the Payment Services and Electronic Money Act, as worded in section 1, no. 12 of this Act, may continue these activities without authorisation until 30 April 2012.

7.-(1) This Act shall not extend to the Faeroe Islands and Greenland, cf. however subsections (2) and (3).

(2) Sections 1-3 may, by Royal Decree, be brought fully or partially into force for Greenland and the Faeroe Islands subject to any variations necessitated by the conditions prevailing in Greenland and the Faeroe Islands respectively.

(3) Section 4 of this Act may by Royal Decree be brought fully or partially into force for Greenland subject to any variations necessitated by the conditions prevailing in Greenland.

(4) (Omitted)

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Act no. 1556 of 21 December 2010 contains the following provisions regarding entry into force:

28.-(1) This Act shall enter into force on 1 January 2011, cf. however subsections (2)-(4).

(2)-(9) (Omitted)

29.-(1) Sections 1-11, 13, 15, 16, 18, section 19, no. 1 and sections 20-27 of this Act shall not apply to the Faeroe Islands and Greenland, cf. however subsections (3) and (4).

(2) (Omitted)

(3) Sections 1-5, 15, 18, section 19, no. 1 and sections 20-27 may by Royal Decree be brought fully or partially into force for the Faeroe Islands with any variations necessitated by the specific conditions prevailing in the Faeroe Islands.

(4) Sections 1-7, 9, 15, 16 and 18, section 19, no. 1 and sections 20 and 25-27 may by Royal Decree be brought fully or partially into force for Greenland subject to any variations necessitated by the conditions prevailing in Greenland.

Act no. 155 of 28 February 2012 contains the following entry into force provisions:

11.-(1) This Act shall enter into force on 1 March 2012, cf. however subsections (2)-(5).

(2)-(4) (Omitted)

(5) Sections 2(50) and 3(30) shall only apply to violations committed after entry into force of this Act.

12.-(1) Sections 1-4, 6, 9 and 10 shall not apply to the Faeroe Islands and Greenland, cf. however subsections (2)-(5).

(2) (Omitted)

(3) Sections 1-3, 6, 9 and 10 may, by Royal Decree, be brought fully or partially into force for the Faeroe Islands and Greenland subject to any amendments in its operation necessitated by the conditions prevailing in the Faeroe Islands and Greenland.

(4) (Omitted)

(5) (Omitted)

Act no. 1231 of 18 December 2012 contains the following provisions regarding entry into force:

69.-(1) This Act shall enter into force on 1 January 2013.

(2) Administrative rules and regulations issued pursuant to previous provisions shall remain in force until changed or repealed.

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70.-(1) Sections 1-39 and 41-50 and 53-68 of this Act shall not apply to the Faeroe Islands and Greenland, cf. however subsections (3) and (4).

(2) (Omitted)

(3) Sections 18, 32, 35-39, 41, 42, 49, 54 and 61 may by Royal Decree be brought fully or partially into force for the Faeroe Islands with any variations necessitated by the conditions prevailing in the Faeroe Islands.

(4) Sections 1-10, 17, 18, 23, 29, 35-39, 41-44, 49, 50, 54, 58-63, 65 and 66 may by Royal Decree be extended fully or partially to Greenland with any variations necessitated by conditions prevailing in Greenland.

(5) (Omitted)

Act no. 1287 of 19 December 2012 contains the following provisions regarding entry into force:

17.-(1) This Act shall enter into force on 1 January 2013, cf. however subsections (2)-(5).

(2)-(5) (Omitted)

(6) The Bill may be upheld immediately after adoption.

18.-(1)-(4) (Omitted)

19.-(1) Sections 1-5, 10-13 and 15 of this Act shall not apply to the Faeroe Islands and Greenland, cf. however subsections (2) and (3).

(2) Sections 1-5, 10 and 13 may by Royal Decree be brought fully or partially into force for the Faeroe Islands and Greenland with any variations necessitated by the specific conditions prevailing in the Faeroe Islands and Greenland. The provision may take effect at different dates.

(3)-(4) (Omitted)

Act no. 615 of 12 June 2013 contains the following provisions regarding entry into force:

9.-(1) This Act shall enter into force on 22 July 2013, cf. however, subsections (2) and (3).

(2) (Omitted)

(3) Section 2, no. 6, and sections 3-5 shall enter into force after publication in the Danish Law Gazette.

10.-(1)-(5) (Omitted)

11.-(1) (Omitted)

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(2) (Omitted)

12.-(1) This Act shall not extend to the Faeroe Islands and Greenland, cf. however, subsections (2) and (3).

(2) Section 1 and sections 3-5 may, by Royal Decree, be brought fully or partially into force for the Faeroe Islands subject to any variations necessitated by the conditions prevailing on the Faeroe Islands.

(3) Sections 1-5 of this Act may, by Royal Decree, be brought fully or partially into force for Greenland subject to any variations necessitated by the conditions prevailing in Greenland.

Act no. 634 of 12 June 2013 contains the following provisions regarding entry into force:

13.-(1) This Act shall enter into force on 1 July 2013.

(2) (Omitted)

(3) (Omitted)

14.-(1) This Act shall not extend to the Faeroe Islands and Greenland, cf. however, subsections (2) and (3).

(2) Sections 4 and 12 may, by Royal Decree, be brought fully or partially into force for the Faeroe Islands and Greenland with any variations necessitated by the conditions prevailing in the Faeroe Islands and Greenland.

(3) (Omitted)

Ministry for Business and Growth, on 13 August 2013

Henrik Sass Larsen

/ Ulrik Nødgaard

Annex 1

1. Acceptance of deposits and other repayable funds.
2. Lending, including
 - consumer credit,
 - mortgage-credit loans,
 - factoring and discounting,
 - financing of commercial transactions (including forfeiting).

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3. Financial leasing.
4. Professional physical transport of money.
5. Issue and administration of travellers' cheques, bankers' drafts and similar payment instruments.
6. Guarantees and collateralisation.
7. Trading for own account or for account of customers in:
 - a) money-market instruments (cheques, bills, certificates of deposit, etc.)
 - b) the foreign exchange market
 - c) financial futures and options
 - d) currency and interest rate instruments, and
 - e) securities.
8. Participation in issuing securities and provision of related services.
9. Advice to undertakings on capital structure, industrial strategy and related questions and advice, and services relating to mergers and the acquisition of undertakings.
10. Money broking.
11. Portfolio management and advice.
12. Safekeeping and administration of securities.
13. Safe custody services.