Case study

Lemonway

Lemonway is a payment solution specialized in the processing of payments on behalf of third parties on marketplaces and participatory financing platforms in Europe.

Industry: Payments

Product: Screening – Sanctions and Politically Exposed Persons (PEPs)
The mission of the pan-European payment institution is to process payments for marketplaces and participatory finance platforms. Financial institutions, especially new ones, must adapt quickly to ever more stringent regulatory requirements under the Payment Services Directive 2 (PSD2) and the AML-CTF standards in particular.

**Problem**
Lemonway was dependent on an internal compliance tool developed within the company. This internal tool was fine to start with, but as the company experienced considerable growth, was no longer able to meet business’ needs. In particular, Lemonway wanted to reduce false positives and refine searches to ensure they received relevant and actionable alerts. Unfortunately, the internally developed tool offered a decentralized view and only limited audit functionality, therefore it could not be used as a true case management tool.

**Objectives**
Lemonway handles a high volume of transactions and payments from a wide range of sources and was looking for a screening solution which provided all the functionality the compliance team needed to support the company’s growth goals. Lemonway’s main objectives were to reduce the number of false positives generated when screening entities and to have a platform capable of centralizing the processing of alerts.

**Solution**
The screening solution, integrated in just one month, provides a single, centralized platform, allowing their compliance team to better focus their analysis and reduce the number of searches.

The two-way RESTful-API provides real-time alerts on changes in the status of sanctioned entities or PEPs. These are sent directly to the team responsible for processing and remediating the alerts.

In addition, the tool allows a detailed audit log to be kept, serving as evidence to regulators that due diligence has been exercised with respect to their customers and that their obligations with regard to the freezing of assets and those relating to politically exposed persons are respected.
Outcome

The methodology for processing alerts has been improved thanks to the centralization of reliable sanctions and PEPs data. The advanced search capabilities and the consolidation of data into single profiles have enabled Lemonway’s Financial Security Department to optimize its workflow by reducing the time spent processing alerts and managing false positives.

ComplyAdvantage’s customer success team provides up-front recommendations and advice and is always on hand to support its customers’ compliance functions, a key differentiator when the CEO of Lemonway selected the solution.

"ComplyAdvantage’s compliance and deployment support is unique in the market"

Pauline Heitz, Chief Compliance and Internal Control Officer at Lemonway