



Anti-Money Laundering and Anti-Terrorism Financing Policy

Version 1.0

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Definitions, as per the Financial Sector Conduct Authority -

- (i) “**money laundering**” (inclusive of **placement, layering and integration**); and
 - (ii) the “**financing of terrorism**”,
- are defined as follows:

(i) Money Laundering

*Money Laundering is the process used by **criminals to hide, conceal or disguise the nature, source, location, disposition or movement of the proceeds of unlawful activities** or any interest which anyone has in such proceeds.*

*Criminals who have generated an income from their criminal activities usually follow three common stages to launder their money. The first stage is commonly referred to as ‘**placement**’. This is when criminals **introduce their illegally derived proceeds into legitimate financial systems**. An example of this would be splitting a large portion of cash into smaller sums and thereafter depositing the smaller amounts into a bank accounts.*

*The second stage is called ‘**layering**’. During this stage the **launderer engages in a series of transactions**, conversions or movements of the funds in order to cloud the trail of the funds and separate them from their illegitimate source. The funds might be channeled through various means for example; the purchase and sale of financial products.*

*The third stage is ‘**integration**’. This generally ensues the successful stages of placement and layering. The launderer at this stage **causes the funds to re-enter the economy and appear to be legitimate**. The launderer might choose to invest the funds into real estate, luxury assets, or business ventures.*

Although use of all three stages is common, it is not always utilised by the criminal who wishes to launder funds. In some instances criminals may choose to merely ‘place’ the illegally derived funds into the economy by merely depositing the money into his or her bank account, without any layering occurring. They can withdraw the money and spend it at their will.

(ii) Financing of Terrorism

*Financing of terrorism is the collection or provision of funds for the **purpose of enhancing the ability of an entity or anyone who is involved in terrorism or related activities to commit an act that is regarded as a terrorist act**. **Funds may be raised from legitimate sources**, such as personal donations and profits from businesses and charitable organizations, **as well as from criminal sources**, such as the drug trade, the smuggling of weapons and other goods, fraud, kidnapping and extortion.”¹*

[emphases added]

2. Global Markets Commitment Re: AML and the Financing of Terrorism

2.1 Global Markets is committed to fighting all illegal activity, including but not limited to Money Laundering (as defined *above*) and the Financing of Terrorism (as *above*). Anti-Money Laundering (“**AML**”) compliance and countering financing of terrorism are of paramount importance to Global Markets. To help authorities fight the financing of terrorism and the laundering of money, applicable law (as set out *below*) requires all financial services providers (institutions) to obtain, verify, and record information that identifies each client opening an account with Global Markets.

3. Global Markets Actions - AML

3.1 Global Markets takes concrete steps to verify whether it is dealing with a real person or legal entity, as opposed to a front or sham. We comply with applicable law, as well as any regulations that may be issued from time to time:

3.1.1. KYC and DUE DILIGENCE;

3.1.2. RECORD KEEPING; and

3.1.3. MONITORING of client activity.

4. Compliance with AML Laws

4.1. Global Markets is committed to follow the applicable law and regulations relating to money laundering, bribery and corruption and financial crime prevention, including but not limited to –

4.1.1. applicable laws and

4.1.3. any regulations issued by regulators under whose jurisdiction Global Markets may fall,

collectively referred to as the “**AML Laws**” hereunder.

4.2. All Global Markets clients represent, warrant, and undertake that they are, at time of signing up, and at all times thereafter compliant with all AML Laws, in addition to applicable law and regulations.

4.2.1. Global Markets reserves the right to: (i) terminate any client agreement with immediate effect; (ii) to refuse to execute any Pending Orders; and/or (iii) to freeze or block any accounts and/or assets if:

4.2.1.1. it reasonably believes that a client may be acting in breach of the AML Laws; or

4.2.1.2. the client refuses to provide Global Markets, at account opening or at any subsequent time, any information that Global Markets, in its sole discretion, determines is required for the purposes of the AML Laws, including but not limited to any updated proof of identity and/or residence; or

4.2.1.3. Global Markets may make any report and disclose any client information, to any person or applicable authority which it considers necessary for the purposes of compliance with the AML Laws; and it may act in accordance with the instructions of that authority with respect to the client; any transaction; any account held with Global Markets; and/or any information which it holds regarding clients and/or their dealings with Global Markets.

5. KYC (“know your customer”) and Due Diligence

5.1 During the client onboarding process, clients go through the process of being verified, including but not limited to –

5.1.1. completing a typical economic profile and eligibility test;

5.1.2 providing valid identification document (passport, ID etc.); and

5.1.3. providing valid proof of address;

5.1.4 a PEP (Politically Exposed Person) check; and/or

5.1.5. a criminal record check.

5.2. Global Markets allows clients to take photographs of their KYC documents themselves, which photographs are verified for authenticity by the adoption by Global Markets of advanced technology and AI software.

6. Record Keeping:

All documents related to AML and AML Laws are kept for a minimum of 5 (five) years subsequent to account closure.

7. Monitoring:

Global Markets is obliged to report all suspicious transactions and may not inform the client that he/she has been reported for “suspicious activity”.

8. Money Laundering Control Officer (“MLCO”)

8.1. Global Markets has a designated Money Laundering Control Officer.

8.2. The MLCO is responsible for:

- 8.2.1. ensuring compliance with this AML Policy;
- 8.2.2. ensuring AML procedures are followed (and updated, if needed);
- 8.2.3. providing training and education to employees;
- 8.2.4 filing reports, as required by the FIC; and
- 8.2.5. performing periodic reviews of this AML Policy and its effectiveness in combatting Money Laundering and the Financing of Terrorism.

9. Education

- 9.1. All employees of Global Markets receive yearly AML training.
- 9.2. All training is conducted by and/or under the supervision of the MLCO.

10. Reporting

- 10.1. Global Markets reports the following to the FIC, where applicable –
 - 10.1.1. suspicious and unusual transactions;
 - 10.1.2. property associated with terrorism and terrorism-related activities.

11. Review of this AML Policy

- 11.1 Global Markets reserves the right to review and/or amend its AML Policy, at its sole discretion, whenever it deems fit or appropriate; alternatively, as may be required by amendments to the AML Laws or as directed by a regulatory authority.

APPENDIX 1:**Individual clients**

During the process of registration, each client provides personal information, specifically: full name; date of birth; country of origin; and complete residential address. The following documents are required in order to verify the personal information: A client sends the following documents (in case the documents are written in non-Latin characters: to avoid any delays in the verification process, it is necessary to provide a notarized translation of the document in English) because of the requirements of KYC and to confirm the indicated information:

- Current valid passport (showing the first page of the local or international passport, where the photo and the signature are clearly visible); or

- Driving licence which bears a photograph; or

- National identity card (showing both front and back pages);

- Documents proving current permanent address (such as utility bills, bank statements, etc.) containing

the client's full name and place of residence. These documents should not be older than 3 months from the date of filing.

Corporate clients

In case the applicant company is listed on a recognised or approved stock exchange or when there is independent evidence to show that the applicant is a wholly owned subsidiary or a subsidiary under the control of such a company, no further steps to verify identity will normally be required. In case the

company is unquoted and none of the principal directors or shareholders already has an account with XXXXXXX, the following documentations must be provided:

- Certificate of Incorporation or any national equivalent;

- Memorandum and Articles of Association and statutory statement or any national equivalent;

- Certificate of good standing or other proof of registered address of the company;

- Resolution of the board of directors to open an account and confer authority on those who will operate

it;

- Copies of powers of attorney or other authorities given by the directors in relation to the company;

- Proof of identity of directors in case he/she will deal with XXXXX on behalf of the Customer (according to the Individual identity verification rules described above);

- Proof of identity of the beneficial owner(s) and/or the person(s) on whose instructions the signatories

on the account are empowered to act (according to the Individual identity verification rules described above).