IFCMARKETS. CORP.

Anti-Money Laundering (AML) & Terrorist Financing/Proliferation Financing (TF/PF) Prevention Policy

The objective of this policy is to develop and sustain Anti-Money Laundering, and Counter-Terrorism and Counter-Proliferation Financing framework that will prevent the Company from being misused for money laundering and terrorism financing activities. As required by the BVI Anti-Money Laundering and Terrorist Financing Code of Practice, as such is restated, amended or updated from time to time, when accepting a new Customer, we perform a due diligence process with the aim to establish a number of important circumstances. This policy is based on the corporate AMLTF Manual, and is also informed by the national risk assessments issued by the competent regulator.

We must:

- inquire into and verify the identity of the intended Customer with all tools available to us;
- obtain information on the purpose and intended nature of the potential business relationship with the intended Customer.

For the identification and verification of an individual, we must obtain information regarding the individual's full name, principal residential address and date of birth.

For purposes of the identification and verification of a legal person, we must obtain information regarding—

(a) the full name of the legal person;
(b) the official registration or other identification number of the legal person;
(c) the date and place of incorporation, registration or formation of the legal person;
(d) the address of the registered office in the country of incorporation of the legal person and its mailing address, if different;
(e) the legal person's principal place of business and the type of business engaged in.

After accepting the intended Customer we must conduct an ongoing monitoring of the relationship and the transactions undertaken for purposes of making an assessment regarding consistency between the transactions undertaken by the Customer and the Customer's profile.

Where we make a determination from our risk assessment that transactions that a Customer enters with us present a higher level of risk, we will perform an enhanced due diligence and obtain and verify such additional information as it or he or she considers relevant with respect to the individual.

The aim of this policy is to formulate the basic measures that must be implemented throughout the corporate policies and procedures, to ensure solid protections against Money Laundering and

Terrorist/Proliferation Financing activities. Such measures include, but are not necessarily limited to, the following:

- Appointment of an AML/Compliance Officer (MLCO);
- Customer Identification Procedure: "Know Your Customer" rules;
- Appropriate risk management procedures;
- Advanced transaction monitoring procedures;
- Recognition, handling and disclosure of suspicious transactions with particular emphasis on high-risk areas prone to AML/CTF/CPF abuse;
- Staff Training;
- Maintenance of records.

The Company will at all times keep abreast of all pertinent regulatory and legal developments to ensure that its policies and procedures are current and efficient in combating and preventing Money Laundering and Terrorist Financing through a set of comprehensive measures. The Company also requires all employees to sign an employee ethics policy requiring full compliance with the laws and regulations including AML/CTF/CPF procedures.

Key Undertakings

The Company and its employees hereby undertake that they will:

- Not knowingly launder money, and have adequate procedures and controls to ensure that the business is not misused for money laundering and/or terrorist financing.
- Not advise customers on how to avoid identification, record keeping or reporting requirements.
- Not process a transaction unless there is every reason to believe that it has a legitimate purpose.
- Comply with the laws of all relevant jurisdictions.
- Report suspicious transactions in accordance with the applicable laws and corporate procedures.
- Not split transactions to avoid government identification and reporting requirements or any policy of the concerned authority/party.
- Not knowingly record false names or information.
- Not create false records.
- Co-operate with local regulators and law enforcement bodies.
- Maintain records in accordance with the law and concerned authorities.

Appointment of an AML/Compliance Officer & His/Her Responsibilities

- An AML/Compliance Officer has been appointed by the Company who, *inter alia*, is responsible for maintaining and updating the Prevention of Money Laundering and Terrorist Financing Manual of the Company and the policies and procedures developed on its basis.
- The AML/Compliance Officer operates in constant contact with the Risk Officer and the relevant department.
- The AML/Compliance Officer shall monitor compliance with the relevant policies and procedures and report as appropriate.
- The AML/Compliance Officer shall ensure that the entire staff receives regular anti-money laundering training and that attendance at such training is documented.
- Any suspicious transaction(s), if undertaken, must be reported to and be investigated by the AML/Compliance Officer.

- The AML/Compliance Officer shall have proper access to all the necessary information/ documents to help him/her discharge his/her responsibilities.
- The AML/Compliance Officer shall have channels of confidential information from employees and the ability to promptly escalate the information to the higher management or the authorities, as appropriate.
- A non-retaliation policy shall at all times be maintained by the Company with regard to any whistleblowing.

The AML/Compliance Officer will be responsible for the following:

- Putting in place the necessary controls for detection of suspicious transactions.
- Receiving disclosure related to suspicious transactions from the staff or otherwise.
- Deciding whether a transaction should be reported to the appropriate authorities.
- Training staff and preparing detailed guidelines/ handbook for detection of suspicious transactions.
- Consistently reviewing and keeping the management updated on the applicable laws and regulations, guidelines issued by the authorities covering the matters related to the compliance with the law and instructions of regulatory authorities.

Know Your Customer (KYC)

KYC procedures are the first and critical step in ensuring that any subsequent transactions will have a legitimate business purpose and comply with all regulatory requirements.

- Any transaction with the Customer may only be entered into after obtaining a photocopy of a valid identification of the potential Customer and performing the necessary check.
- The Company will retain photocopies of such proof of identification.
- Before completing the transaction, it is compulsory for the Company to review the Customer subject to the following having been duly recorded:

1. Customer's full name;
2. Date of birth;
3. Residential address;
4. Other ID data on a case by case basis as appropriate.

Suspicious Transactions

The Company will treat as suspicious any transactions containing the following:

- The Customer is reluctant to provide details/ documents on frivolous grounds.
- The transaction does not appear to have a legitimate business purpose.
- Size and frequency of transactions is high considering the Customer’s profile.
- Change in the pattern of transactions carried out by the Customer.

The list is not exhaustive and employees are required to exercise due care and caution and when in doubt, immediately escalate their concerns.

Reporting Suspicious Activity

- To the extent possible, all suspicious transactions shall be reported to MLCO before they are undertaken.
- Full details of all suspicious transactions, whether put through or not, should be reported, in writing, to the MLCO.
- Internal SAR/STR Reports shall be maintained in the Company's records and kept for a period of at least five (5) years.
- The MLCO will inform the Board of any instances that, in his/her opinion, warrant an escalation to the Financial Investigation Authority of the BVI, but will have discretion to file such transactions even when not supported by the Board.

Employee Training

The Company will have an ongoing training program for the following purposes:

- Giving the necessary training to all employees to make them aware of the policies and procedures to ensure that no suspicious activity can be undertaken under the guise of legitimate business.
- Giving all staff training for the necessary steps to be taken when they come across any suspicious transactions such as asking questions about the source of funds, checking the identification documents carefully, reporting immediately to the AML/Compliance Officer.

Maintenance of Records

The following documents will be preserved for a minimum period of five years:

- Records including identification obtained in respect of all transactions.
- Details of all suspicious transactions reported in writing or otherwise to the AML/Compliance Officer.
- All correspondence with/reporting to the appropriate authority in connection with suspicious transactions.

This policy is monitored and updated on an ongoing basis so that it always complies with the applicable AMLTFPF laws and regulations, and takes into account the business objectives of the Company and market developments.