

Anti-Money Laundering Policy

Get a complete overview of the policies and procedures we take to prevent money laundering activities.

Purpose

The purpose of this policy is to provide guidance on the Anti-Money Laundering Policy which is followed by the Company to achieve full compliance with the relevant Anti-Money Laundering legislation.

Legal Framework

Investment Firms are required to comply with the provisions of the Money Laundering and Terrorism (Prevention) Act of 2011 (the “Act” for the purposes of this policy). The main purpose of the Act is to define and criminalize the laundering of proceeds generated from all serious criminal offenses aiming at depriving criminals from the profits of their crimes.

In accordance with the Act, Investment Firms are obliged to set out policies and procedures for preventing money laundering activities. Those procedures, which are implemented by the Company, as these are requested by the Act, are the following:

1. Identification and Due Diligence procedures of clients
2. Record keeping procedures in relation to clients' identity and their transactions
3. The detailed examination of every transaction that due to its nature is considered vulnerable to money laundering.

Client Identification and Due Diligence

The Company has put in place procedures in relation to Client Identification and Due Diligence as listed below:

1. When establishing a business relationship.
2. When carrying out one-off transactions amounting to USD15,000 (fifteen thousand dollars) or more, whether the transaction is carried out in a single operation or in several operations which appear to be linked.
3. When there is a suspicion of money laundering or terrorist financing, irrespective of the amount of the transaction.
4. When there are doubts about the veracity or adequacy of previously obtained client identification data.

Client and beneficial owner identification must be completed before the establishment of a business relationship or the carrying out of a transaction.

By way of derogation, the verification of the identity of the client and the beneficial owner may take place during the establishment of a business relationship if this is necessary so that the normal conduct of business is not interrupted and where there is limited risk of money laundering or terrorist financing occurring. In such a situation, these procedures shall be completed as soon as practicable after the initial contact.

The Company applies simplified due diligence to low and normal risk clients. However, in case of suspicion of money laundering, regardless of any derogation, exemption or threshold, and not whenever a business relationship is established a detailed due diligence will be applied to such clients.

The Company applies enhanced client Due Diligence measures in situations which by nature can present high risk of money laundering or terrorist financing. More specifically, where the client has not been physically presented for identification purposes, the Company shall take specific and adequate measures to compensate for the high risk. It shall be noted that the Company does not accept face to face clients thus enhanced due diligence shall be applied.

Politically exposed persons are individuals who are or have been entrusted with prominent public functions in a foreign country and close associate is someone with a close relationship with the politically exposed persons. The Company adopts additional Due Diligence measures to determine whether a prospective client is a politically exposed person.

It shall be noted that the Company does not offer or maintain accounts in the name of Third persons. Additionally, the Company pays special attention to any money laundering or terrorist financing threat that may arise from individuals or legal persons that attempt to establish an account in the third person for the purpose of money laundering or terrorist financing.

Client Risk Classification

*Low risk customers: individuals and entities whose identities and source of wealth can be efficiently determined, and their transactions and income are consistent with their economic profile, shall be classified as low risk.

*Normal risk customers: individuals and entities whose identities and source of wealth can be determined, and their income is not likely to deviate from the pattern of transactions and their economic profile shall be classified as normal risk clients.

*High risk clients: individuals and entities that are likely to pose a higher than average risk to the company shall be considered as high-risk clients. In these cases, Enhanced Due Diligence will be applied and based on the results the Company may choose to investigate further and/or terminate choose not to establish a business relationship with the potential client.

Failure or refusal by a client to submit the required data and information for the verification of their identity, without adequate justification, constitutes elements that may lead to the creation of a suspicion that the client is involved in money laundering or terrorist financing activities. In such an event, the Company does not proceed with the establishment of the business relationship and considers whether the Anti-Money Laundering Officer is required to report to FIU (Financial Intelligence Unit).

Record keeping

To comply with its legal obligations the Company keeps records of the below documents and information for use in any investigation into, or analysis, of possible money laundering or terrorist financing by national authorities:

1. The name and address of clients and copies or records of official identification documents (like passports, and identity cards).
2. The name and address (or identification code) of counterparties.
3. The form of instruction or authority.
4. The account details from which any funds were paid.
5. The form and destination of payment made by the business to the client.
6. Business correspondence