

AML, CFT & KYC Policy

1 . Anti-Money Laundering (AML) policy

The Anti-Money Laundering (“**AML**”), counter-terrorism financing (“**CFT**”) and know your client (“**KYC**”) Policy (the “**Policy**”) is developed and implemented by the following companies of the Otet Group:

1. Otet Group Ltd., a company duly incorporated in Saint Lucia, registration No. 2023-00595, being a brokerage company,
2. Otet Group LTD, a company duly incorporated in the Comoros Union (Mwali), registration No. HY00523012, holding a valid Brokerage License No. T2023304 issued by M.I.S.A. Ltd.

(each hereinafter referred to as the “**Company**” or “**we**” or “**our**” or “**us**”).

Each Company is working hard to create a culture that helps to detect and report any incidences of money laundering and/or terrorist financing. Each Company is committed to be in compliance with all applicable laws and regulations regarding anti-money laundering and terrorist financing in the jurisdictions where it is registered.

2. Money Laundering and Terrorist Financing

The proper AML/CFT measures and processes are designed and implemented by each Company. So, each Company:

1. Identifies and verifies each client, designated representatives, beneficial owners;
2. Maintains record keeping procedures in accordance with applicable laws and regulations;
3. Applies appropriate internal controls and communication, ongoing monitoring of clients, their transactions;
4. Has put in place a robust governance framework for managing risks and AML/CFT compliance,

- including proper internal AML/CFT and KYC policies and procedures;
5. Has appointed an experienced and independent Money Laundering Compliance Officer (MLCO);
 6. Has proper training programs for current and new employees (AML training as part of new employees onboarding, and annual AML/CFT and KYC trainings). Employees with direct AML/CFT and KYC responsibilities participate in additional specialized training programs;
 7. Implemented other processes and measures as required by the applicable AML/CFT regulations and laws.

3. KYC and Due Diligence Procedures

The Company identifies and verifies the identity of all clients, regardless of whether they are engaged in an ongoing business relationship or a one-time transaction, and whether they are a natural person, legal entity, or legal arrangement. Within the verification process the reliable and proper documents, data, or information are used. Additionally, the Company checks that any representative acting on behalf of a client is properly authorized, and verifies the identity of such representative.

The Company identifies the beneficial owners and takes reasonable measures to verify the identity, using the relevant information or data from reliable sources to ensure accuracy and confidence in the identification process. Please note that the Company could ask a client to provide copies of documents, fill in the forms, and questionnaires as required, and the client is obliged to provide them all.

The Company conducts a thorough risk assessment of its client relationships to identify and evaluate potential risks. This assessment takes into account various factors, including the nature of the relationship, the services provided, the client's location, and the industry or sector in which the client operates etc. The Company applies a risk-based approach to its AML/CFT compliance processes, allowing for the application of stricter measures for higher-risk relationships and more simple measures for lower-risk ones.

The Company could implement a simplified or enhanced due diligence. The simplified due diligence (SDD) is allowed where a risk assessment confirms a lower risk of money laundering or terrorist financing. The enhanced due diligence (EDD) is applied in case of a higher risk of money laundering or terrorist financing and, in particular, in case of clients coming from or based in a high-risk third country or engaged in high-risk business activity. The criteria of clients for the EDD are defined by internal AML/CFT policies and regulations of Company, applicable legislation.

The Company complies with the domestic legislation, but also implements stricter rules for AML/CFT procedures. The Company remains committed to maintaining proper AML/CFT procedures in order to ensure transparency, integrity, fairness, always prioritizing the best interest of the clients.

Clients must provide accurate and up-to-date information and documentation.

The Company reserves the right to request photo or video verification of the client, their representatives, and beneficial owners.

If a client's identification information changes or if their activities raise suspicion, the Company reserves the right to request updated documentation, even if previous verification has been completed.

4. PEPs, Sanctions screening

The Company identifies and verifies each client's identity, including determining if the client is a Politically Exposed Person ("PEP"), a close associate of a PEP, or a PEP's family member. Any relationship with a PEP is automatically considered high-risk. Identification of PEP status is based on the client's self-declaration before accessing the Company's services, as well as ongoing verification of this information. Clients are required to declare that they do not hold such a position.

The Company is responsible for ensuring that it does not conduct business with individuals or entities subject to sanctions laws. To fulfill this responsibility, the Company implements screening procedures for all clients against applicable sanctions lists. This process includes verifying the names of individuals and entities against lists maintained by government agencies and international organizations that identify those subjects to sanctions, embargoes, or other trade or financial restrictions.

The Company also screens transactions to ensure they do not involve sanctioned individuals or entities.

Furthermore, the Company has procedures in place to investigate and report any potential violations of sanctions laws to the appropriate authorities.

5. Ongoing Monitoring

The Company also collects information on the purpose and intended nature of any business relationship, and implements ongoing due diligence, monitoring throughout the relationship, including:

1. Scrutinizing transactions conducted during the business relationship to ensure they align with the Company's understanding of the clients, their business activities, and risk profile, including, when necessary, verification of the client's source of funds; and
2. Maintaining up-to-date records, ensuring that all documents, data, or information collected during the client due diligence process remain updated and relevant. This involves reviewing existing records at suitable intervals, with particular focus on cases where client due diligence measures were previously conducted, especially for higher-risk client categories.

The Company acknowledges the critical role of ongoing monitoring in mitigating risks related to money laundering and terrorist financing. To ensure that clients do not present high-risks risks, the Company engages in ongoing monitoring of their activities, which includes:

1. Identifying suspicious activity through regular transactions monitoring;
2. Timely updating and reviewing client information for any changes;
3. Conducting EDD when necessary to assess potential risks.

Ongoing transactions monitoring of client relationships involves:

1. Reviewing transactions within the business relationship to confirm they align with the Company's understanding of the client, the nature and scope of their business, and the associated money laundering and terrorist financing risks;
2. Verifying the source of funds, source of wealth, and assets under the client's control, when circumstances justify such investigation;
3. Ensuring that all documents, data, or information related to the business relationship are current and accurate, duly recorded.

6. Confidentiality

The personal data we collect is processed in accordance with the Privacy Policy. Please note that the identification process is conducted to comply with the AML/CFT requirements, not because we suspect the Client of any illegal activities.

The Client's cooperation and understanding of these procedures, as well as the Company's enquires for documents and information, are essential for effectively combating money laundering and terrorist financing.

Each Company is obliged to comply with AML/CFT and KYC policies and procedures.

All identification documents and services records will be retained for the minimum period of time required by the law, but not less than 7 (seven) years from the relations termination.

This policy is developed to protect both, each Company and the clients. If a client has any questions about the policy, please contact: info@otetmarkets.com