



Anti-Money Laundering Policy

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1. MONEY LAUNDERING DEFINED

Money laundering is the process through which individuals endeavor to conceal the authentic origins and ownership of the proceeds obtained through unlawful activities, such as fraud, terrorism, corruption, etc. It is widely acknowledged that this process typically comprises three distinct stages.

a) Placement - In this phase, funds undergo conversion into financial instruments such as checks, bank accounts, money transfers, or may be employed for acquiring high-value goods that are easily resalable. Alternatively, the funds can be physically deposited into banks or non-bank institutions, such as currency exchangers.

b) Layering - In this phase, the money undergoes the process of being 'washed.' It is transferred or relocated to alternative accounts and various financial instruments. This is done with the intent to obscure its origin and disrupt the identification of the entity responsible for multiple financial transactions. The act of transferring funds and altering their form introduces complexity, hindering the straightforward tracing of money undergoing the laundering process.

c) Integration - This stage involves concealing the illicit origin of funds to a degree where they can seamlessly reintegrate into the financial system through a legitimate source, such as an investment vehicle, without the risk of detection.

2. INTRODUCTION

Little Black Diamond Ltd, herein referred to as the "Company," operates as a legal entity duly authorized and regulated by the Seychelles Financial Services Authority (FSA) under Securities Dealer's License number SD115. The registered address is Attic Suites, Room 1, 3rd Floor, Oliver Maradan Building, Victoria, Mahe, Seychelles.

In alignment with industry standards, the Company, like the majority of entities providing financial services, strictly adheres to Anti-Money Laundering principles (hereinafter referred to as "AML"). It is committed to proactively preventing any actions that may facilitate or contribute to the legitimization of unlawfully acquired funds. The AML policy serves as a framework to forestall the utilization of the Company's services by individuals involved in criminal activities, specifically those related to money laundering, terrorist financing, or any

other illicit conduct.

For this purpose, the Company has implemented a stringent policy aimed at detecting and preventing any suspicious activities, with a commitment to report such activities to the relevant regulatory bodies. Furthermore, the Company is prohibited from disclosing to clients that law enforcement authorities have been notified of their activities. An intricate electronic system has been established to identify each client of the Company, enabling comprehensive monitoring of all operations.

In order to deter money laundering, the Company strictly prohibits the acceptance or disbursement of cash under any circumstances. The Company retains the right to suspend any client operation deemed illegal or suspected of being associated with money laundering. This policy is communicated to all Company employees responsible for managing, monitoring, or overseeing client transactions and ensuring the application of the practices, measures, procedures, and controls outlined herein. It extends to all officers, appointed contractors, agents, and the full spectrum of products and services offered by the Company. Collaboration among all business units within the company is paramount to creating a unified effort in the fight against money laundering. The appropriateness, effectiveness, and adequacy of this policy are subject to independent internal audit scrutiny.

3. CUSTOMER IDENTIFICATION AND DUE DILIGENCE PROCEDURES

Little Black Diamond Ltd Little is committed to verifying the identity of its customers in accordance with the following provisions:

Upon Entering into a Business Relationship: The Company shall diligently ascertain the identity of a customer either before or within a reasonable time after establishing a business relationship, relying on any official or other identifying document.

When Initiating a Business Relationship: Identity verification shall be conducted when initiating a business relationship.

Occasional Transactions Exceeding a Specified Threshold Amount: The Company shall rigorously verify customer identity when carrying out occasional transactions amounting to approximately USD 7500 or more. This applies whether the transaction occurs as a single operation or as a series of linked operations.

Suspected Money Laundering (ML) or Terrorist Financing (TF): The Company will perform identity verification when there is suspicion of money laundering or terrorist financing. This requirement is irrespective of the transaction amount and is applicable in the provision of relevant Securities and Dealing Services.

Doubts Regarding the Veracity or Adequacy of Previous Customer Identification Data: In cases where doubts arise about the accuracy or sufficiency of previously collected customer identification data, the Company shall initiate identity verification procedures.

The verification process will be based on reliable and independent source documents, data, or information, or any other evidence reasonably capable of confirming the customer's identity. These measures are implemented to uphold the integrity and security of the Company's financial operations.

4. COMPANY'S PROCEDURES

The Company is dedicated to ensuring the legitimacy of its engagements with individuals or legal entities. All requisite measures are diligently executed in compliance with applicable laws and regulations set forth by the relevant supervisory authorities. The fulfillment of this Anti-Money Laundering (AML) Policy within the Company is achieved through the following avenues:

Know Your Customer ("KYC") Policy and Customer Due Diligence ("CDD"): Stringent adherence to KYC policies and thorough Customer Due Diligence procedures are integral components of the Company's approach.

Ongoing Monitoring of Client's Activities: Continuous vigilance is maintained over the activities of clients, allowing for the timely detection of any suspicious or anomalous behavior.

Record Keeping: The Company maintains comprehensive records in accordance with regulatory requirements, facilitating auditability and transparency.

Risk assessment and evaluation are paramount within the Company, undertaken based on diverse criteria. This includes, but is not limited to, considerations of the client's nature, behavior, initial communication, as well as risks associated with the Company's services and securities. These measures collectively fortify the Company's resilience against

potential risks related to money laundering and other illicit activities.

5. KYC AND CUSTOMER DUE DILIGENCE

Due to the Company's unwavering commitment to Anti-Money Laundering (AML) and Know Your Customer (KYC) policies, every client is required to undergo a comprehensive verification procedure. Prior to initiating any collaboration with a client, the Company must ensure the presentation of satisfactory evidence or take such other measures that will produce sufficient evidence of the client's identity or counterparty.

The Company extends heightened scrutiny to clients who are residents of countries identified by credible sources as having inadequate AML standards or may pose a high risk for crime and corruption. Additionally, this increased scrutiny is applied to beneficial owners residing in and sourcing funds from these named countries. This diligent approach aligns with the Company's commitment to maintaining the highest standards of integrity, security, and regulatory compliance in its operations.

6. INDIVIDUAL CLIENTS

During the registration process, every client is required to furnish personal information, including but not limited to: full name, date and place of birth, residential address, phone number, and city code, along with any other information deemed necessary by the Company.

Individual clients shall submit the following documents. In the event that the documents are written in non-Latin characters, it is imperative to provide a notarized translation of the document into English. This precautionary measure is necessary to comply with the Know Your Customer (KYC) requirements and to verify the accuracy of the information provided:

Identity should be verified by:

- Valid Passport; or
- National ID Card; or
- Driver's license; or
- Any other government-issued identification document.

The specified documents must include the following details: full name, date of birth, photograph, and citizenship of the client. Additionally, when applicable, the documents should confirm the validity of the document, including issue and/or expiry dates, as well as the holder's signature.

These documents must be valid at the time of submission and remain valid for at least thirty (30) days from the submission date.

For compliance with identification procedures and Customer Due Diligence (CDD) requirements, proof of identity is considered satisfactory if:

- it is reasonably possible to establish that the Client is the person he claims to be; and,
- the person who examines the evidence is satisfied, in accordance with the procedures followed under the relevant legislations and regulations, that the Client is actually the person he claims to be.

The current residential address shall be verified by one of the followings:

- A recent utility bill (gas, water, electricity), telephone bill, Internet; or
- Bank statement; or
- Credit card statement; or
- Tax Clearance or Tax Return, Social Security Policy or Insurance Policy, Police Character Certificate, Affidavit, Certificate of Residence or Residence Permit in case if aforementioned documents contain the current residential address and name of the client; or
- Valid Passport or National ID Card or Driver's License which contains the current residential address and name of the client and in countries/regions where this is specifically allowed; or
- Any other government-issued document that contains the current residential address and name of the client.

The utility bill, bank statement, and credit card statement provided for verification purposes should not be dated more than six (6) months prior to the submission date. As for other documents, although there is no explicitly specified time frame, they must be current at the time of submission. This ensures that the information presented remains relevant and reflects the most recent details for accurate verification and compliance with the company's policies.

Where the certification is required, the documents should be certified by either one of the followings:

- an Apostille;
- a Judge;
- a Magistrate;
- a notary public;
- a barrister-at-law;
- a Solicitor;
- an attorney-at-law; or
- a Commissioner of Oaths.

When applicable, both sides of the submitted document are required, such as for ID or Driver's License. The document image must be a high-resolution color photograph or scan copy with no blurs, light reflections, or shadows. All four edges of the document should be visible in the image. Additionally, all information on the document must be clearly readable, without any watermarks or other obstructions. This meticulous requirement ensures the accuracy and clarity of the information provided for verification purposes.

For each account the Company shall also make reasonable effort, prior to the settlement of the initial transaction, to obtain the following information to the extent it is applicable to the account:

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- Occupation of the Client;
 - The Client's investment objective and other related information concerning the Client's financial situation and needs;
 - Annual income, Assets or net worth;
 - Other information the Company deems necessary for opening an account.

7. CORPORATE CLIENTS

If the applicant company is listed on a recognized or approved stock exchange, or if there is independent evidence demonstrating that the applicant is a wholly owned subsidiary or under the control of such a company, typically, no additional steps to verify identity will be necessary.

In the scenario where the company is unquoted and none of the principal directors or shareholders already holds an account with the Company, the official is required to furnish the following documents in compliance with the Know Your Customer (KYC) requirements:

- Copies of the Certificate of Registration/Certificate of Incorporation;
- Copies of the Memorandum and Articles of Association, Partnership Agreement or similar, as appropriate;
- Copies of the By-Laws and latest General Information Sheet, which lists the names of directors/partners and principal stockholders, and secondary licenses;
- Extract from Commercial Register, or equivalent document, proving the registration of corporate acts and amendments and current state of the legal person such as Certificate of Good Standing;
- Copy of the Certificate of Incumbency issued not older than 3 months from the filing date;
- Information about the BOs of the company from the independent and reliable sources;

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- KYC documents of all Directors, Shareholders, BO's and Officers of the legal person where applicable;
 - Appropriate Board of Directors' resolutions and signed application forms or account opening, identifying the authorised signatories or principal officers of the corporation authorised to open an account, to trade and their authorities and specimen signatures;
 - Evidence of the registered address and actual place of business of the legal person;
 - Latest Audited Financial Statements (if applicable);
 - Where applicable, the Company may also require additional information about the nature of the business of Clients such as the description and nature of business (including date of commencement of business, products or services provided, principal place of business).

This procedure is conducted to ascertain the identity of the client and to facilitate the Company's understanding of clients and their financial transactions. The ultimate goal is to enable the provision of optimal online trading services.

8. ADDITIONAL TERMS

If, during the business relationship, the client fails or refuses to submit the required verification data and information within a reasonable timeframe, the Company reserves the right to terminate the business relationship and close all client accounts.

Customer Due Diligence procedures for both individual and corporate clients will be promptly updated or amended following any relevant changes. This encompasses alterations to residential or business addresses, the issuance of new identification cards or passports, additional business information, the introduction of new business securities or ventures, and comparable modifications. For changes occurring before the specified update period, the Company requests a letter or document detailing the modifications.

While onboarding new clients, specifically during the verification and document review phase, the Company retains the discretion to apply additional requirements and procedures for client identification. These measures are determined at the sole discretion of the

Company and are subject to variations based on factors such as the client's country of residence, profile, and other pertinent considerations. The Company reserves the right to request from the client a source of funds, source of wealth documents, proof of funds in a manner deemed appropriate by the Company, and any other documents deemed necessary for the completion of the verification procedure.

9. MONITORING OF CLIENTS ACTIVITIES

In addition of its commitment to regulatory compliance and risk mitigation, the Company not only collects information from clients but also maintains ongoing surveillance of each client's activity to detect and prevent any potentially suspicious transactions. A transaction is deemed suspicious if it deviates from the client's legitimate business practices or their typical transaction history as discerned through continuous client activity monitoring. To counteract the utilization of the Company's services by individuals engaged in criminal activities, the Company has implemented a comprehensive system for monitoring transactions, encompassing both automated and manual processes.

The Company retains the prerogative to suspend any client operation that is considered potentially illegal or may be linked to money laundering, as determined by the professional judgment of the staff.

The consistent monitoring of client accounts and transactions is an integral component in effectively managing and mitigating the risk of money laundering, ensuring compliance with legal obligations and industry standards.

10. DEPOSIT AND WITHDRAWAL REQUIREMENTS

All operations conducted by clients for depositing and withdrawing funds must adhere to the following stipulations:

- For bank transfers or transfers from a bank card, the name provided during registration must match the name of the account/bank card owner. Withdrawals can only be made via bank transfer to the same bank and account used for the initial deposit.
- In the case of electronic payment systems, fund withdrawals from the trading account are only permitted through the same system and account used for the deposit.

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- If the account was credited in a manner incompatible with funds withdrawal, the funds may be withdrawn to the client's bank account or through an alternative method agreed upon with the Company, provided that the Company can establish the identity of the account owner.
 - If the account has been credited through multiple payment methods, funds withdrawal will be executed on a pro rata basis relative to the size of each deposit. Profits gained can be transferred to any account from which the deposits originated, subject to the feasibility of such a transfer.
 - If the account has been credited through various payment methods, and one of these methods involved a bank card(s), withdrawal requests will be processed exclusively to the bank card(s) until the total amount of the initial deposit using the bank card(s) is withdrawn. Only after this, withdrawal requests via other payment methods and withdrawal of profits will be allowed.
 - Deposits and withdrawals to bank accounts, bank cards, electronic money, or any other payment accounts belonging to third parties are strictly prohibited.

11. RECORD KEEPING

All documents obtained for the purpose of client identification in adherence to Anti-Money Laundering (AML) Policy requirements, as well as all information pertaining to each transaction and other client-related details acquired in accordance with applicable AML laws and regulations, will be meticulously recorded.

The following document retention periods will be followed:

- All documents pertaining to the opening of client accounts and records of their transactions, particularly client identification records, will be maintained and securely stored for a period of seven (7) years from the dates of the transactions.
- For closed accounts, records related to client identification, account files, and business correspondence will be preserved and securely stored for a minimum of seven (7) years from the dates of closure.