

## **MONEY LAUNDERING DEFINITION**

Money laundering is the complex process of converting funds obtained from illicit activities, such as fraud, corruption, and terrorism, into seemingly legitimate funds or investments, thereby concealing their true origin. This process can be divided into three stages:

### **Placement:**

In this initial stage, illicit funds are introduced into the financial system through instruments like checks, bank accounts, and money transfers, or by purchasing high-value goods that can be resold. Funds can also be deposited into banks or non-bank entities like currency exchangers. To avoid detection, money launderers may make multiple smaller deposits, a tactic known as "smurfing."

### **Layering:**

During this stage, the funds are moved through various accounts and financial instruments to obscure their origin and create a complex web of transactions, making it difficult to trace the laundered money.

### **Integration:**

In the final stage, the laundered funds are reintroduced into the economy as legitimate funds, often used to purchase goods and services.

## **INTRODUCTION**

**Haven Capital Group LTD** is authorized by the Saint Vincent & Grenadines, registration number 27114 BC 2024. The registered address is at 2nd Floor, Inland Revenue Building Grenville Street P.O. Box 356, Kingstown St. Vincent & the Grenadines. As a financial market service provider, the Company strictly adheres to Anti-Money Laundering (AML) principles to prevent the legalization of illegally obtained funds. The AML policy aims to prevent the use of the Company's services for money laundering, terrorist financing, or other illicit activities.

To achieve this, the Company has implemented stringent policies to detect and prevent suspicious activities, promptly reporting them to the relevant regulatory bodies. The Company is also prohibited from informing clients that law enforcement authorities have been notified. An advanced electronic system is in place to identify each client and monitor all operations comprehensively.

In line with anti-money laundering efforts, the Company strictly prohibits the acceptance or disbursement of cash under any circumstances. The Company reserves the right to suspend any client transactions deemed illegal or potentially linked to money laundering at its discretion.

This Policy is communicated to all employees who manage, monitor, or control client transactions and are responsible for implementing the prescribed practices, measures, procedures, and controls. Additionally, this Policy extends to all officers, appointed contractors, agents, and the products and services offered by the Company. All business units within the Company collaborate to combat money laundering effectively.

The appropriateness, effectiveness, and sufficiency of this Policy are subject to independent internal audits.

## **COMPANY PROCEDURES**

The Company ensures it engages with authentic individuals or legal entities and takes all necessary measures in accordance with applicable laws and regulations set by relevant supervisory authorities. The fulfilment of this AML Policy involves:

- Implementing a Know Your Customer (KYC) Policy and Customer Due Diligence (CDD).
- Continuously monitoring client activities.
- Maintaining comprehensive records.

The Company assesses and evaluates risks based on various criteria, including the nature of the client, client behaviour, initial communication, and risks associated with the Company's services and securities.

## **KNOW YOUR CUSTOMER AND CUSTOMER DUE DILIGENCE**

Due to the Company's commitment to AML and KYC policies, every client must complete the verification procedure before commencing any cooperation. The Company ensures the production of satisfactory evidence or takes other necessary measures to establish the client's or counterparty's identity. Enhanced scrutiny is applied to clients residing in countries identified as having inadequate AML standards or posing a high risk of crime and corruption.

### **Individual Clients:**

During registration, individual clients provide personal information, including full name, date and place of birth, residential address, phone number, city code, and any other necessary information.

Clients must provide the following documents (with notarized translations into English if written in non-Latin characters) to fulfil KYC requirements:

- Identity Verification:
- Valid passport
- National ID card
- Driver's license
- Any other government-issued identification documents

These documents should include the client's full name, date of birth, photo, citizenship, and, if applicable, confirmation of document validity (issue and/or expiry date) and the holder's signature. They must be valid at the time of submission and for at least thirty (30) days from the submission date.

Proof of identity is considered satisfactory if:

- It can be reasonably established that the client is the person they claim to be.

- The person examining the evidence is satisfied, following relevant legislation and regulations, that the client is indeed the person they claim to be.

To verify the current residential address, one of the following documents must be provided:

- A recent utility bill (gas, water, electricity), telephone bill, or internet bill.
- Bank statement.
- Credit card statement.
- Tax clearance or tax return, social security policy or insurance policy, police character certificate, affidavit, certificate of residence, or residence permit (if these documents contain the current residential address and the client's name).
- Valid passport, national ID card, or driver's licence that includes the current residential address and the client's name (where specifically allowed in certain countries/regions).
- Any other government-issued document that includes the current residential address and the client's name.

The utility bill, bank statement, and credit card statement should not be older than six (6) months from the submission date. There is no prescribed time frame for the other documents, but they must be current. When certification is required, the documents should be certified by one of the following authorities:

- An Apostille
- A judge
- A magistrate
- A notary public
- A barrister-at-law
- A solicitor
- An attorney-at-law
- A commissioner of oaths

If applicable (e.g., for ID or driver's license), both sides of the submitted document should be provided. The document image must be a high-resolution colour photo or scan copy without blurs, light reflections, or shadows. All four edges of the document should be visible, and all information must be clearly readable without any watermarks or similar obstructions.

For each account, the Company shall also make reasonable efforts, before settling the initial transaction, to obtain the following information to the extent it is applicable:

- Occupation of the client.
- The client's investment objective and other relevant information regarding their financial situation and needs.
- Annual income, assets, or net worth.

- Any other information deemed necessary by the Company for account opening.

### **Corporate Clients:**

For applicant companies listed on a recognized or approved stock exchange, or where independent evidence confirms that the applicant is a wholly owned subsidiary or under the control of such a company, further identity verification steps are generally not required.

For unquoted companies where none of the principal directors or shareholders already hold an account with the Company, the following documents are required to fulfil KYC requirements:

- Copies of the Certificate of Registration/Certificate of Incorporation.
- Copies of the Memorandum and Articles of Association, Partnership Agreement, or similar documents, as applicable.
- Copies of the By-Laws and the latest General Information Sheet, which lists the names of directors/partners, principal stockholders, secondary licenses, and other relevant information.
- Extract from the Commercial Register or equivalent document, demonstrating the registration of corporate acts, amendments, and the current legal status of the entity, such as a Certificate of Good Standing.
- Copy of the Certificate of Incumbency issued no older than 3 months from the filing date.
- Information about the beneficial owners (BOs) of the company obtained from independent and reliable sources.
- KYC documents of all Directors, Shareholders, Beneficial Owners, and Officers of the legal entity, where applicable.
- Appropriate Board of Directors' resolutions and signed application forms for account opening, identifying authorized signatories or principal officers of the corporation, their authorities, and specimen signatures.
- Evidence of the registered address and actual place of business of the legal entity.
- Latest audited financial statements, if applicable.
- Additional information about the

nature of the client's business, such as a description and nature of the business, date of business commencement, products or services provided, and principal place of business, as requested by the Company.

This procedure is conducted to establish the client's identity and enable the Company to understand their financial transactions and provide the best online trading services.

## **ADDITIONAL PROVISIONS**

If, during the business relationship, the client fails or refuses to provide 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 for both individual and corporate clients should be updated or amended promptly following any changes. This includes changes in residential or business addresses, new identification cards, new passports, additional business information, new business securities/ventures, and similar updates. The Company may request a letter or document confirming the changes made.

During the verification process and document review for new clients, the Company reserves the right to apply additional requirements and procedures for client identification. Such procedures are determined at the sole discretion of the Company and may vary based on factors such as the client's country of residence, client profile, and other considerations. The Company may request the client to provide a source of funds, source of wealth documents, proof of funds being deposited in a manner determined appropriate by the Company, and any other necessary documents to complete the verification process.

## **MONITORING CLIENT ACTIVITIES**

In addition to gathering client information, the Company maintains continuous monitoring of all client activities to detect and prevent any suspicious transactions. Suspicious transactions are those that deviate from a client's legitimate business activities or their typical transaction history, as identified through client activity monitoring. The Company has implemented a comprehensive system, including both automated and manual processes, to prevent the utilization of its services by individuals involved in criminal activities.

The Company reserves the right to suspend any client operation that is deemed illegal or may be associated with money laundering, as determined by its staff.

### **Ongoing Monitoring**

The continuous monitoring of client accounts and transactions is crucial for effectively managing the risk of money laundering.

### **Deposit and Withdrawal Requirements**

All client operations related to depositing and withdrawing funds must adhere to the following requirements:

- For bank transfers or transfers from a bank card, the name provided during registration must match the account or card owner's name. Withdrawals can only be made to the same bank and account/card used for the initial deposit.
- When using electronic payment systems, funds can be withdrawn from the trading account only to the system and account used for the deposit.
- If the account was credited using a method that cannot be used for fund withdrawals, the funds may be withdrawn to the client's bank account or another approved method, provided that the Company can verify the account owner's identity.

- If the account has been credited with funds from multiple payment methods, withdrawals shall be made proportionally based on the size of each deposit. Any profits earned can be transferred to any account from which the deposits were made, if such transfers are feasible.
- In cases where the account was credited using various payment methods, including bank cards, the Company will process withdrawal requests to the bank card(s) until the total amount of the initial deposit using the bank card(s) has been withdrawn. Afterward, clients can request withdrawals and withdraw any earned profits via alternative payment methods.
- Deposits and withdrawals to third-party bank accounts, bank cards, electronic wallets, or any other payment accounts are strictly prohibited.

### **Record Keeping**

The Company is committed to maintaining comprehensive records in accordance with the requirements of the AML Policy. This includes the retention of all documents obtained for client identification, as well as information related to each transaction and other client-related information as mandated by applicable AML laws and regulations. The following document retention periods will be adhered to:

- All documents related to the opening of client accounts and records of their transactions, including client identification records, will be securely stored and maintained for a period of seven (7) years from the dates of the transactions.
- When using electronic payment systems, funds can be withdrawn from the trading account only to the system and account used for the deposit.

By maintaining these records, the Company ensures compliance with regulatory obligations and facilitates the effective monitoring and review of client activities.