ANTI-MONEY LAUNDERING (AML) &

COUNTER-TERRORIST FINANCING (CTF) POLICY

SMATAMS FX LTD

Effective Date: [InsertDate]

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1. POLICY STATEMENT

SMATAMS FX LTD (“Company”, “SMATAMS FX”) is committed to preventing money laundering, terrorist financing, fraud, corruption, and other financial crimes.

The Company adopts a **zero-tolerance approach** to illicit financial activity and implements risk-based procedures consistent with international AML standards.

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2. LEGAL FRAMEWORK

SMATAMS FX LTD is incorporated in Saint Lucia as an International Business Company (IBC).

The Company adheres to:

- Applicable laws of Saint Lucia
- International AML best practices
- FATF (Financial Action Task Force) recommendations
- Sanctions regulations where applicable

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3. DEFINITIONS

Money Laundering – The process of disguising illegally obtained funds as legitimate income.

Terrorist Financing – Providing funds for terrorist activities or organizations.

Suspicious Activity – Any transaction inconsistent with a client’s known profile or source of funds.

4. RISK-BASED APPROACH

SMATAMS FX applies a risk-based framework by:

- Assessing client risk profiles
- Categorizing clients (Low / Medium / High Risk)
- Applying enhanced due diligence (EDD) where necessary
- Monitoring ongoing account activity

Higher scrutiny applies to:

- Politically Exposed Persons (PEPs)
- High-risk jurisdictions
- Large volume traders
- Crypto-funded accounts

5. CUSTOMER DUE DILIGENCE (CDD)

5.1 Individual Clients

Before account activation, clients must provide:

- Valid government-issued ID (Passport/National ID)
- Proof of address (utility bill/bank statement within 3 months)
- Selfie or liveness verification
- Source of funds declaration

5.2 Corporate Clients

Corporate clients must provide:

- Certificate of Incorporation
- Memorandum & Articles of Association
- Register of Directors
- Register of Shareholders
- Identification documents of beneficial owners (25%+ ownership)
- Proof of business activity

6. ENHANCED DUE DILIGENCE (EDD)

EDD may be required when:

- Client is a Politically Exposed Person (PEP)
- Client is from high-risk country
- Large or unusual transactions occur
- Suspicious behavior is detected

EDD measures may include:

- Source of wealth documentation
- Bank reference letters
- Video verification
- Transaction explanation

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7. SANCTIONS SCREENING

SMATAMS FX screens all clients against:

- International sanctions lists
- OFAC lists
- UN sanctions lists
- EU and other applicable sanctions databases

Accounts matching sanctioned individuals/entities will be immediately rejected or frozen.

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8. MONITORING & TRANSACTION SURVEILLANCE

The Company continuously monitors:

- Deposit patterns
- Withdrawal behavior
- Rapid in/out transactions
- Third-party payment attempts
- Unusual trading activity

Automated and manual reviews are conducted regularly.

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9. PROHIBITED ACTIVITIES

SMATMS FX strictly prohibits:

- Use of third-party funds
- Anonymous or fictitious accounts
- Structuring transactions to avoid reporting

- Fraudulent chargebacks
- Use of stolen payment instruments
- Funding from criminal activities

Violation may result in:

- Account suspension
- Freezing of funds
- Termination
- Reporting to authorities

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10. REPORTING SUSPICIOUS ACTIVITY

If suspicious activity is detected, SMATAMS FX may:

- Request additional documentation
- Temporarily suspend account
- Freeze funds
- File Suspicious Activity Reports (SARs) with relevant authorities

The Company is not obligated to inform the client of such reports where prohibited by law.

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11. RECORD KEEPING

SMATAMS FX maintains records of:

- Client identification data
- Transaction history
- Communications
- Compliance reviews

Records are retained for a minimum of 5–7 years or as required by law.

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12. STAFF TRAINING

SMATAMS FX ensures that relevant personnel:

- Receive AML training
- Understand red flags
- Are aware of reporting obligations
- Follow internal compliance procedures

13. DATA PROTECTION

Client information collected for AML purposes:

- Is securely stored
- Used only for compliance
- Shared only with regulators or authorized institutions

14. FREEZING & CONFISCATION

SMATAMS FX reserves the right to:

- Freeze accounts
- Withhold withdrawals
- Cancel profits
- Confiscate suspicious funds

If money laundering or illegal activity is suspected.

15. INTERNAL CONTROLS

The Company maintains:

- Segregation of duties
- Risk assessments
- Ongoing compliance review
- Internal AML oversight

16. POLICY REVIEW

This AML Policy is reviewed periodically and may be updated without prior notice.

CLIENT ACKNOWLEDGEMENT

By opening an account with SMATAMS FX LTD, the Client agrees:

✔To provide accurate information
✔To cooperate with compliance checks
✔To provide source of funds when requested
✔That accounts may be suspended for AML reasons