



# **ANTI-MONEY LAUNDERING AND COUNTER-TERRORIST FINANCING POLICY**



## 1. INTRODUCTION

The aim of Whales Trade's AML Policy is to prevent money laundering by adhering to global standards for combating money laundering and terrorism financing. This includes having robust systems and controls in place to reduce the risk of the company being exploited for financial crime.

It is strictly prohibited to offer any service or product or carry out any transactions for individuals or entities that appear on international sanctions lists. Whales Trade has a clear and transparent set of criteria and continually strengthens its procedures to ensure compliance with relevant AML laws and regulations.

Whales Trade retains the right to refuse any customer, payment, or business that does not align with Whales Trade's AML Policy, regardless of any applicable AML laws and regulations.

## 2. MAIN OBJECTIVES

To combat and prevent money laundering and terrorist financing, the following measures take:

- Implementation of necessary preventive measures to prevent illegitimate use of the company.
- Appointment of a Money Laundering Reporting Officer (MLRO) with seniority and independence to oversee compliance with relevant legislation, regulations, rules, and industry guidance.
- Adoption and maintenance of a Risk-Based Approach (RBA) to assess and manage money laundering and terrorist financing risks faced by the firm.
- Development and maintenance of risk-based Customer Due Diligence (CDD) procedures, including identification, verification, and Know Your Customer (KYC) procedures. Enhanced due diligence will be performed for customers with a higher risk profile, such as Politically Exposed Persons (PEPs).
- Establishment and maintenance of risk-based systems and procedures for monitoring ongoing customer activity.
- Establishment of procedures for reporting suspicious activity internally and to relevant law enforcement authorities.
- Maintenance of appropriate records for the minimum prescribed periods.
- Training of all employees on relevant rules and internal procedures, as well as the risks of money laundering and terrorist financing and how they can encounter such risks through their operations in their respective positions.



### 3. COMPANY COMMITMENT

Whales Trade is committed to:

- Accepting only customers whose identities can be established and verified, and whose source of funds can be reasonably determined to be legitimate.
- Not establishing business relationships, opening or maintaining accounts for anonymous or fictitious persons, including anonymous accounts.
- Making every reasonable effort to identify the customer's identity and the true beneficiary (Beneficiary Owner) of the account. This includes obtaining full name, place and date of birth, and verifying identity using valid, official, and accredited documents (identification data) issued by official bodies. Trusted independent sources are also utilized.
- Applying a risk-based approach and enhanced customer due diligence when required.
- Monitoring and identifying suspicious transactions and activities and reporting them as necessary.
- Providing regular and appropriate AML/CTF training and information to all employees, utilizing various methods to increase awareness.
- Maintaining records appropriate to the nature and complexity of the customer's business.

### 4. CUSTOMER DUE DILIGENCE

In terms of its obligations at law, Whales Trade is obliged to determine the applicant for business, the Customer or any beneficial owner, and to verify that such person is the person he purports to be, as well as to determine whether such person is acting on behalf of someone else, and to establish the purpose and intended nature of the business relationship and to monitor this relationship on an ongoing basis. In order to successfully adhere to its obligations, Whales Trade has developed Customer due diligence (“Due Diligence”) measures which must be implemented by Whales Trade and adhered to by its management and employees.

The Due Diligence measures assist Whales Trade in determining whether a particular Customer falls within their risk appetite, as well as helps the Company clearly understand the business activities of the Customer in such a way that any transactions which fall outside the business profile of the company may be investigated to determine whether any money laundering or funding of terrorism may be involved. This enables the Company to inform relevant authorities in a timely manner with adequate information on its Customer and their activities when such a request is made.

In summary, Whales Trade has adopted its Due Diligence policies in order to successfully carry out the following:

identification and verification of the applicant for business



identification and verification of the beneficial owner, where applicable

identification and verification when the applicant for business does not act as

principal obtaining information on the purpose and intended nature of the

business relationship conducting ongoing monitoring of the business

relationship establishing the source of wealth and source of funds

setting up of a Customer acceptance policy and ensuring that the applicant for business meets the requirements set out in such policy.

Whales Trade is strictly prohibited from keeping anonymous accounts or accounts in fictitious names.

#### 4.1. Prohibitions

Whales Trade has no AML risk appetite for customers who engage in any of the following activities:

intentional or willfully negligent breaches of law, regulation or policy applicable to money laundering and terrorist financing risk; repeated unintentional or repeated accidental breaches of AML laws; misusing the account for the purpose of money laundering or terrorism financing; misusing the account for the purpose of other fraud; facilitating business activities which could be construed as a tax offence;

refusing to provide sufficient information or documentation to demonstrate compliance with the standards outlined in Whales Trade AML policy.

The Company has no risk appetite for customers or transaction to or from jurisdictions which are identified as high-risk third countries on the lists of jurisdictions having serious deficiencies in their anti-money laundering regimes drawn up by the European Commission and the FATF and as amended.

Whales Trade intends to conduct business only with reputable customers who use their own products, services, and related accounts for legitimate purposes, and whose identities can be determined and verified. In keeping with that principle, the Company will not knowingly conduct business with customers that seek to process payments through the Company involving:

Collecting donations as a charity or non-profit organization, NGO's;

Dating (newly incorporated, not known);



Drug paraphernalia – product or accessory that is intended or modified for making, using, or concealing drugs, typically for recreational purposes;

Drugs / Illicit substances, steroids and certain controlled substances or other products that present a risk to consumer safety;

High Risk File hosting / sharing and cyberlockers;

Infringe any duly registered copyrights/trademarks or other violation of intellectual property rights;

Unregulated pharmaceuticals, illegal drugs and or unlicensed drug related activity;

Involve offering or receiving payments for the purpose of bribery or corruption or any form of high yield financial investments (get rich quick schemes);

Items that encourage, promote, facilitate or instruct others to engage in illegal activity;

PC Support sold via outbound telemarketing;

Pyramid or Ponzi schemes;

Relate to the sale of dangerous or hazardous goods;

Replicas;

Sale of government ID's or documents;

Scottish LP, LLP;

Services associated with prostitution, escort;

Stolen goods including digital and virtual goods (fictitious social media likes, spam emails);

Unlicensed lottery and gambling;

Unregulated crypto companies;

Unregulated Forex;

Violate any law, statute, ordinance or regulation;

Weapons, firearms and ammunitions;

Please note that the company may suspend or terminate business relationship with the customer subject to the requirements of applicable AML laws and regulations.

#### 4.2. Sanctions



Whales Trade has no AML Risk Appetite for establishing or maintaining a customer or a counterparty relationship with a natural person or legal entity designated on any of the below lists or where otherwise prohibited by applicable law or regulation:

the Singapore Sanctions List;

the USA Sanction List;

the Consolidated List of European Union Financial Sanctions

(EU); any other sanctions list.

In addition, Whales Trade pays particular attention to entities from countries which are on the list of noncooperative countries and territories drawn up by the Financial Action Task Force (FATF) and to monetary operations or transactions performed by or on behalf of them.

#### 5. MONITORING FOR SUSPICIOUS ACTIVITY

Whales Trade AML policy includes customer's and beneficial owner's due diligence and ongoing AML monitoring and AML reporting policies. At various points in time, Whales Trade may request information regarding the transactions carried out through the customer's account opened at Whales Trade and the parties of the respective payment. If the customer may not respond sufficiently or within a timely manner, Whales Trade also reserves the right to reject any respective payments subject to the requirements of the applicable AML laws and regulations.

#### 6. EMPLOYEE'S OBLIGATIONS

The Company's employees shall be personally liable for failure to report information or suspicion, regarding money laundering or terrorist financing.

The employees must cooperate and report, without delay, anything that comes to their attention in relation to transactions for which there is a slight suspicion that are related to money laundering or terrorist financing.

According to the Law, the Company's employees shall fulfil their legal obligation to report their suspicions regarding Money Laundering and Terrorist Financing.