



# AML & CFT Policy



**BABA INVESTMENT (SVG) LLC**

(Last Updated on JAN 2023)



## Contents

1. INTRODUCTION .....	3
2. SCOPE AND PURPOSE OF ANTI MONEY LAUNDERING POLICY .....	3
3. MONEY LAUNDERING .....	3
4. KEY PRINCIPLES .....	4
5. INQUIRY .....	5

## 1. INTRODUCTION

- 1.1. It is the Policy of babaforex.com and its affiliates (hereinafter referred to as the “Company”) to prohibit and actively pursue the prevention of money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities. The Company requires its officers, employees, and affiliates to adhere to these standards in preventing use of its products and services for money laundering purposes
- 1.2. The Company does not tolerate money laundering and supports the fight against money launderers.

## 2. SCOPE AND PURPOSE OF ANTI MONEY LAUNDERING POLICY

- 2.1. The Company determines the identity of the beneficial ownership of all its clients’ accounts and does not open or maintain such accounts, unless it is satisfied of this requirement, as stipulated in the AML Act and the legislative requirements. It has established procedures to obtain appropriate evidence of client identity and maintains adequate records of client identity and transactions involved in such a manner as to assist, if necessary, in the investigation of criminal offences.
- 2.2. The Company has policies in place to deter people from laundering money in relation to the following:
  - a. Client identification and Client due diligence;
  - b. maintaining records of identification information;
  - c. Internal reporting of suspicious transactions to the internal anti-money laundering compliance officer;
  - d. Internal control, risk assessment and risk management in order to prevent money laundering and terrorist financing;
  - e. Detailed examination of each transaction which by its nature maybe considered to be particularly vulnerable to be associated with money laundering offences or terrorist financing and in particular complex or unusually large transactions and all other unusual patterns of transactions which have no apparent economic or visible lawful purpose.

## 3. MONEY LAUNDERING

- 3.1. Money laundering occurs when funds from an illegal/criminal activity are moved through the financial system in such a way as to make it appear that the funds have come from legitimate sources.
- 3.2. Money Laundering usually follows three stages:
  - a. firstly, cash or cash equivalents are placed into the financial system
  - b. secondly, money is transferred or moved to other accounts (e.g. futures accounts) through a series of financial transactions designed to obscure the origin of the money (e.g. executing trades with little or no financial risk or transferring account balances to other accounts)
  - c. and finally, the funds are re-introduced into the economy so that the funds appear to have come

from legitimate sources (e.g. closing a futures account and transferring the funds to a bank account).

- 3.3. Trading accounts are one vehicle that can be used to launder illicit funds or to hide the true owner of the funds. In particular, a trading account can be used to execute financial transactions that help obscure the origins of the funds.

## 4. KEY PRINCIPLES

- 4.1. The Company reserves the right to refuse to process a transfer of funds at any stage if it believes it to be connected in any way to criminal activities or money laundering.
- 4.2. The Company is obliged to report all suspicious transactions and is prohibited from informing the client that they have been reported for suspicious account activity. Account misuse may result in criminal prosecution.
- 4.3. Where there is suspicion that the source of funds may be criminal or that a client may be involved in criminal activity, the Company shall follow established procedures for assessing the evidence and determining what course of action should be pursued.
- 4.4. The Company shall keep records of reports made by their staff and of reports made to the Supervisory Authority.
- 4.5. In accordance with the AML Act, the Company establishes the identity and verify the identity of any client of the Company by requiring the client to produce an identification record or such other reliable, independent source document as part of the due diligence process.
- 4.6. The Company shall duly apply Client identification procedures and Client due diligence measures in the following cases:
- a. when establishing a business relationship;
  - b. when carrying out transactions that exceed predefined amount, whether the transaction is carried out in a single operation or in several operations which appear to be linked;
  - c. when there is a suspicion of money laundering or terrorist financing, regardless of the amount of the transaction in the provision of the relevant Investment and Ancillary Services;
  - d. when there are doubts about the veracity or adequacy of previously Client identification data;
  - e. in the case of persons trading in goods, when carrying out occasional transactions in cash amounting to predefined amount or more, whether the transaction is carried out in a single operation or in several operations which appear to be linked;
  - f. if a client or beneficial owner is a politically exposed person, and if so, shall:
    - i. adequately identify and verify his identity as set out in this section;
    - ii. obtain the approval of senior management before establishing a business relationship with the politically exposed person;
    - iii. take reasonable measures to establish the source of funds and source of property;

iv. conduct regular enhanced monitoring of the business relationship.

- 4.7. In the context of the above measures, the Company is not to be required to accept a person as its Client until all documentation it requires has been received by the Company, properly and fully completed by such person and all internal checks (including without limitation all anti-money laundering Client identification and due diligence checks) have been duly satisfied.
- 4.8. It is further understood that the Company reserves right to impose additional due diligence requirements to accept Clients residing in certain countries where the risk of money laundering may be higher.
- 4.9. During the Client identification and due diligence checks the Company shall apply processes to verify the Client's identity for which photo identification information will be required from the Client. In certain circumstances the Company may require this information to be authenticated by an appropriate third party.
- 4.10. The Company reserves the right to review and/or amend its Anti-Money Laundering Policy, at its sole discretion, whenever it deems fit or appropriate.
- 4.11. These guidelines have been implemented to protect the Company and its clients.

## 5. INQUIRY

- 5.1. For questions/comments regarding these guidelines, please direct your questions to the Company's Compliance Department: [compliance@babaglobal.com](mailto:compliance@babaglobal.com).