

Anti-Money Laundering (AML) and Know Your Customer (KYC) Policy for CFD Grow Markets

1. Introduction

CFD Grow Markets (hereinafter referred to as "the Company") is a trading platform owned and operated by **Freedom Finance Europe Ltd.** The Company is committed to ensuring that its operations comply with all relevant laws, regulations, and best practices concerning Anti-Money Laundering (AML) and Know Your Customer (KYC) protocols. This AML and KYC Policy outlines the Company's approach to preventing and detecting money laundering, terrorist financing, and other illicit financial activities, while ensuring that customer transactions are transparent and compliant with applicable regulatory standards.

2. Purpose

The purpose of this policy is to:

- Prevent the Company from being used for money laundering, terrorist financing, or other illegal activities.
- Ensure the Company complies with all local and international laws and regulations regarding AML and KYC.
- Establish clear and robust internal controls to detect, prevent, and report suspicious activity.
- Promote a culture of compliance and ethical behavior within the Company.

3. Scope

This policy applies to all employees, agents, contractors, and third parties associated with CFD Grow Markets, including those working in trading, compliance, legal, and back-office functions, as well as all customers of the Company.

4. Regulatory Framework

CFD Grow Markets adheres to the relevant AML and KYC regulations and standards applicable in the jurisdictions where it operates. These include but are not limited to:

- The Financial Action Task Force (FATF) recommendations.
- The European Union's Anti-Money Laundering Directives (EU AMLD).
- The U.S. Bank Secrecy Act (BSA) and USA PATRIOT Act.
- Local financial regulatory authorities' guidance on AML/KYC requirements.

5. AML and KYC Procedures

5.1 Know Your Customer (KYC)

KYC refers to the process of identifying and verifying the identity of the Company's customers. CFD Grow Markets implements strict KYC procedures to:

- Confirm the identity of all customers before establishing a business relationship.
- Ensure that the customer is not involved in illegal activities.
- Understand the nature and purpose of the customer's business.

5.1.1 Customer Identification Process

The following information is required to verify the identity of individuals and entities:

Individual Clients:

- Full legal name
- Date of birth
- Nationality
- Residential address
- A valid government-issued photo ID (e.g., passport, national ID card, or driver's license)
- A proof of address document (e.g., utility bill or bank statement, dated within the last 3 months)

Corporate Clients:

- Name of the company
- Registration number and place of incorporation
- Registered address
- Identification documents for beneficial owners, directors, and authorized signatories
- A certificate of incorporation or equivalent document
- Proof of business activities (e.g., business license, articles of incorporation)

5.1.2 Enhanced Due Diligence (EDD)

For customers who are classified as higher risk (e.g., politically exposed persons or clients from high-risk jurisdictions), the Company will apply Enhanced Due Diligence (EDD) measures, which may include:

- Obtaining additional documentation and information.
- Conducting more thorough background checks.
- Reviewing the source of funds and wealth.

5.2 Anti-Money Laundering (AML)

The Company has developed a comprehensive AML program to detect and prevent money laundering and related activities. The following procedures are part of the AML strategy:

5.2.1 Ongoing Monitoring

CFD Grow Markets will continually monitor customer transactions and behavior to detect suspicious or unusual activity. This includes:

- Regular review of trading activity.
- Monitoring for unusual patterns such as large, rapid transactions or transactions that seem inconsistent with a customer's profile.
- Identifying transactions with high-risk jurisdictions or entities.

5.2.2 Reporting Suspicious Activity

If suspicious activity is detected, CFD Grow Markets is obligated to report it to the relevant authorities. Suspicious activity may include, but is not limited to:

- Transactions that do not appear to have a legitimate purpose.
- Activity inconsistent with a customer's typical trading behavior or risk profile.
- Transfers to or from high-risk countries or jurisdictions.
- Transactions that suggest structuring or smuggling of funds.

The Company will file Suspicious Activity Reports (SARs) with the relevant regulatory or law enforcement bodies.

5.2.3 Record Keeping

The Company will retain all KYC and AML-related records for a minimum of five (5) years from the date of the last transaction or business relationship with the customer. This includes:

- Customer identification records.
- Transaction records.
- Reports of suspicious activity.

5.3 Training and Awareness

CFD Grow Markets will ensure that all employees receive appropriate training on AML and KYC regulations and internal procedures. Training will be provided:

- Upon hiring for new employees.
- Regularly, at least annually, to ensure staff are aware of the latest regulations and best practices.
- As part of ongoing awareness programs for all employees.

The training will include topics such as:

- Identifying red flags for potential money laundering or terrorist financing.
- Procedures for reporting suspicious activity.
- Overview of regulatory requirements.

6. Risk Assessment

CFD Grow Markets performs regular risk assessments to identify, assess, and manage the potential risks related to money laundering and terrorist financing. The Company will apply a risk-based approach when assessing clients, taking into consideration factors such as:

- The customer's jurisdiction of origin.
- The customer's business or occupation.
- The customer's transaction history and behavior.
- The complexity and size of the customer's business.

Customers will be categorized into risk categories (low, medium, high) based on the findings from the risk assessment, and additional scrutiny or due diligence will be applied where necessary.

7. Compliance and Enforcement

The Company has designated a Compliance Officer who is responsible for the oversight and implementation of this policy. The Compliance Officer's duties include:

- Ensuring that all staff comply with AML and KYC policies and procedures.
- Overseeing the reporting of suspicious activities.
- Conducting regular internal audits to ensure compliance.
- Liaising with regulatory authorities when required.

Employees who fail to comply with this policy or who engage in any illegal or unethical activity will be subject to disciplinary action, including termination of employment and legal action, if necessary.

8. Policy Review

This AML and KYC Policy will be reviewed periodically, at least annually, to ensure its continued effectiveness and compliance with evolving legal and regulatory requirements. Any necessary updates or changes will be implemented promptly.

9. Conclusion

CFD Grow Markets, owned by **Freedom Finance Europe Ltd**, is dedicated to maintaining the highest standards of compliance and ethical conduct in all aspects of its operations. By adhering to this AML and KYC policy, the Company aims to protect itself, its clients, and the financial system from the risks associated with money laundering and other illegal activities.

This document is confidential and intended for internal use within CFD Grow Markets. It should not be disclosed to third parties without appropriate authorization.