



ANTI-MONEY LAUNDERING AND KNOW YOUR CLIENT POLICY

1. Purpose

The purpose of this Policy is to provide guidance on the Anti-Money Laundering and Know your Client Policy which is followed by Investlite, a trading name of Bayline Trading Limited regulated by the International Financial Services Commission under license No. 000188/250 (the 'Company') in order to achieve full compliance with the relevant anti-money laundering legislation.

The Policy should be read in conjunction with the procedures which are followed for account opening.

2. Legal Framework

- The Company shall comply with the guidelines and directions issued by the Central Bank of Belize and the Commission for the implementation of the legislative requirements.
- The Company shall determine the identity of the beneficial ownership of all their clients' accounts and shall not open or maintain such accounts, unless they are satisfied of this requirement, as stipulated in the AML Act and the legislative requirements.
- The Company shall take all reasonable measures to ensure that accounts are not used for the purpose of holding assets obtained as the result of, or for facilitating the commission of any criminal activity or for any purpose contrary to the AML Act and the legislative requirements.
- The Company shall develop and implement policies and procedures to identify and avoid money laundering transactions and to ensure compliance with the requirements of any relevant Belize legislation; and such policies shall include an appropriate training program for their staff.
- The Company shall, on a regular basis, evaluate the effectiveness of their policies and control procedures in complying with the legislative requirements and any relevant guidelines, and such evaluation shall be an integral component of any internal audit.
- The Company shall be vigilant in ensuring the prevention of their involvement or misuse in money laundering activities, and shall not knowingly accept assets or enter into business relationships where there is reasonable cause to believe that such assets may have been



acquired illegally or that they represent the proceeds of criminal activity. The Company shall establish procedures to obtain appropriate evidence of client identity and shall maintain adequate records of client identity and transactions involved in such a manner as to assist, if necessary, in the investigation of criminal offences.

3. Policy

The Company adopts procedures and processes that ensure compliance with the relevant Laws.

3.1 Client Identification and Due Diligence Procedures

The client categorization, identification and due diligence are as follows:

- low risk,
- normal risk,
- high risk

Clients with the following criteria are classified as High Risk due to the following conditions:

- Non face to face customers
- Accounts in the names of companies whose shares are in bearer form
- Trusts Accounts
- 'Client accounts' in the name of a person
- 'Politically exposed persons' accounts
- Electronic gambling/ gaming through the internet
- Customers from countries which inadequately apply FATF's recommendations
- Cross-frontier correspondent banking relationships with credit institutions – Clients from third countries
- Any other Clients that their nature entail a higher risk of money laundering and terrorist financing
- Any other Client determined by the Company itself to be classified as such.



Failure or refusal by a client to submit the requisite data and information for the verification of his/her identity and the creation of his/her economic profile, without adequate justification, constitutes elements that may lead to the creation of a suspicion that the client is involved in money laundering or terrorist financing activities. In such an event, the Company may not proceed with the establishment of the business relationship and considers the necessity whether the anti-money laundering officer is required to report to the relevant authorities in Belize.

3.2 Client Due Diligence Procedure

The practice to which the Company adheres in order to comply with the requirements of the Law on the subject of the client identification is achieved on a risk-based approach and it is set out following Client Due Diligence procedure. This shall comprise of the following:

- Identification of the client and verification of the client's identity on the basis of information obtained from a reliable and independent source.
- The Company examines and checks on a regular basis, the validity and adequacy of the client's identification data and information it maintains.
- Identification of the beneficial owner and taking risk-based and adequate measures to verify his/her identity on the basis of documents, data or information issued by or received from a reliable and independent source. As regards to legal persons, trusts and similar legal entities, taking risk-based and adequate measures to understand the ownership and control structure of the client.
- Obtaining information on the purpose and intended nature of the business relationship.
- Conducting ongoing monitoring of the business relationship including scrutiny of transactions undertaken throughout the course of the relationship to ensure that the transactions being conducted are consistent with the data and information held by the firm in connection with the client.

Client and beneficial owner identification should occur before the establishment of a business relationship, given that the Company prohibits any client's transaction or trade before the necessary documentation and information is provided.



Reviews of existing records must take place on a regular basis, thus ensuring that the documents, data or information held are kept up to date. Client due diligence procedures shall be applied not only to all new clients but also at appropriate times to existing clients on a risk sensitive basis.

3.3 Simplified Client Due Diligence

Alternatively, simplified procedures may apply for lower risk clients. More detailed client due diligence measures for lower risk clients shall apply when there is no suspicion of money laundering, regardless of any derogation, exemption or threshold, and not whenever a business relationship is established.

3.4 Enhanced Client Due Diligence

The Company should further apply enhanced client due diligence measures in situations which by nature can present high risk of money laundering or terrorist financing.

More specifically, where the client has not been physically presented for identification purposes, the Company shall take specific and adequate measures to compensate for the high risk, by applying one or more of the following measures:

- Ensuring that the client's identity is established by additional documents, data or information.
- Supplementary measures to verify or certify the documents supplied or requiring confirmatory certification by a credit or financial institution.

4. Client Account Opening Procedures

4.1 KYC documentation for natural persons



Prior to accepting new clients and allowing them to trade with the Company, the following documents shall be obtained for the verification of clients' identity:

- Completed Client Questionnaire
- Colored copy of a valid Passport or ID;
- Colored copy of proof of Resident such as a government document (residents certificate, property tax/ Utility Bill (electricity, water, gas Etc.) / bank statement / Credit card statement.
- All docs must have the residential address and must be issued within the past 6 months. All the information must be clearly visible, as well as all 4 corners of the document.

The Company maintains clear standards and policies on what records must be kept for customer identification and individual transactions. Such practice is essential to permit the Company to monitor its relationship with the customer, to understand the customer's on-going business and, if necessary, to provide evidence in the event of disputes, legal action or a financial investigation that could lead to criminal prosecution. Also, all new clients and new accounts are approved by at least one person, Head of Back Office or the Company's AML Officer.