



**OEXN Broker Limited**  
**Know Your Client Policy**



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## 1. Introduction

OEXN Broker Ltd (“OEXN”, the “Company”) is a company licensed and regulated by the Financial Services Commission in Mauritius (“FSC”) under license number GB21026677. The registered address of the company is Edith Cavell Street 33, Port-Louis 11324, Mauritius.

## 2. Scope

The Know Your Client (“KYC”) procedure is the most effective way for the prevention of money laundering. KYC standards are designed to protect the Company against fraud, corruption, money laundering and terrorist financing.

KYC involves several steps to establish client identity; understand the nature of clients' activities and qualify that the source of funds is legitimate.

## 3. Client Identification and Due Diligence Procedures

The Company secures that the records of the client’s identification remain fully updated with all the required identification information and documentation during the business relationship. On a regular basis, the Company evaluates, checks and examines the adequacy and validity of the identification documents and information of the clients that the Company maintains mostly for clients that imposed high risk classification. The review’s outcome is filled in a separate note in the respective client’s file. The controls and procedures shall determine the timeframe where the regular review, examination and update of client’s identification is communicated.

In case that the Company is informed or aware at any time that documents or information are missing from the identification documents and the economic profile of the client, it engages its mechanisms to allow it to gather the missing information and documents at his/her earliest convenience.

## 4. Possible Sources of Information

Possible sources of information for obtaining, verifying and assessing data and information on clients may include:

- Previous professional advisers/accountants.
- Investigative or information agencies.



- Credit rating agency reports.
- Government departments, regulatory bodies and trade associations.
- Lawyers.
- Bankers and underwriters.
- Business contacts and existing clients in similar businesses.
- US or OECD sanctions against countries or individuals.
- Publicly available information such as annual/interim reports, information circulars and list of sanctions.
- Press services or comment, and other information available via the internet.

In addition to the above, the Company checks the adequacy of the data and information on the clients' identity and economic profile, whenever one of the following events or incidents occurs:

- a) An important event or transaction takes place which appears to be unusual and/or significant compared to the economic profile of the client;
- b) A material change in the client's legal status and situation, such as:
  - i. Change of directors/secretary
  - ii. Change of registered shareholders and/or beneficial owners
  - iii. Change of registered office
  - iv. Change of trustees
  - v. Change of corporate name and/or trading name
  - vi. Change of the principal trading partners and/or undertake new major business activities
- c) A material change in the way and the rules the client's account operates, such as:
  - i. Change in the persons authorized to operate the account;
  - ii. Application for the opening of a new account for the provision of new investment services and/or financial instruments.

## 5. Activity That Favors Anonymity

The Company applies reliable measures, control mechanisms and procedures in order to be able to have access to all electronic means used by the client to ensure that the account is duly operated by the true owner or any authorized signatory of the account. This is due to the fact that, the



transactions occur online via internet, phone or other electronic means and the customer is not present in order for the Company to verify his/her signature and identity.

## **6. Failure or Refusal To Submit Information For The Verification Of Clients' Identity**

An example of suspicious activity without serious justification that the client is involved in Money Laundering and Terrorist Financing includes the refusal or failure to provide to the Company the necessary information and documentation for identification and verification of his/her identity and the creation his/her economic profile. In that case, the establishment of a business relationship or the execution of an occasional transaction is prohibited by the Company and at the same time, the Company's Compliance Officer should consider submitting a report to MOKAS if necessary.

Further to the above and in case where the client throughout the business relationship with the Company refuses or fails to submit within a timely manner the necessary certification documents and information, the Company will proceed with the termination of the business relationship as well as with the closing of all the accounts that the client has and the Company's Compliance Officer should consider to submit a report to MOKAS if necessary.

## **7. Construction of the Clients' Economic Profile**

In order for the Company to verify the identity of the beneficial owners of the accounts of the clients, it obtains significant information and data and the Company should take sufficient evidence and information that the client is who he/her claims to be in order to understand the structure and ownership of the client.

Such data and information relate to the clients' business activities and the expected pattern and level of transactions.

The collection of information and data, for instance the account turnover, the reason of the beginning of the relationship, the business activities, the nature of transactions, incoming and outgoing destination of funds, geographical areas of business activities etc. are needed for the creation of the economic profile of the client.



The data and information that are used for the construction of the client's-legal person's economic profile include, among other things, the name of the company, the country of its incorporation, the head offices address, the names and the identification information of the beneficial owners, directors and authorized signatories, financial information , ownership structure of the group that the company may be a part of (country of incorporation of the parent company, subsidiary companies and associate companies, main activities and financial information).

The abovementioned data and information are recorded in a separate form designated for this purpose which is retained in the client's file along with all other documents as well as all internal records of meetings with all respective clients.

In case that the Company receives new information on an existing or new client that makes up the economic profile, the Company should update the said form. In the case of a natural person, the same procedures with the above mentioned are followed, and the same data and information are obtained.

## **8. Collection of Information and Due Diligence Procedures**

Depending on the client type, business activities and economic profile the Company provides for the appropriate data and information to be collected.

## **9. Reliance on Third Parties for Client Identification and Due Diligence Purposes**

In order for the Company to verify the third party that the Company relies on for the client identification and due diligence procedures, it has to obtain information and data subject to professional registration in accordance with the competent law of its country of incorporation and/or operation as well as supervision for the purposes of compliance with the measures for the prevention of money laundering and terrorist financing.

The Company can depend on third parties, only in case of the establishment of a business relationship or in the event of the execution of an occasional transaction aiming to verify the identity of their clients. The Company will verify the documents and assess the risk of each client provided by third parties. If the degree of risk is high, the Company may seek for additional information and documentation aiming to update the client's economic profile correctly and



examine any potential suspicious transactions executed through the account. The documents obtained by the Company are from the natural persons that have ultimate responsibility of decision in connection to the management of assets and funds.

In the event that the third parties are accountants or independent legal professionals or trust and company service providers from a country which is a member of the EEA or a third country that the Advisory Authority for Combating Money Laundering and Terrorist Financing has determined to be applying procedures and measures for the prevention of money laundering and terrorist financing equivalent to the European Union Directive, then the Company before the establishment of a business relationship with the client and before accepting the verification data by the third party, applies additional measures and procedures that include:

- a) Assesses and evaluates the systems and procedures applied by the third party for the prevention of money laundering and terrorist financing;
- b) As a result of the assessment, is satisfied that the third party implements client identification and due diligence systems and procedures which are in line with the requirements of the Law and the AML Directive;
- c) Maintains a separate file for every third party, where it stores the assessment report and other relevant information;
- d) The commencement of the cooperation with the third party and the acceptance of client identification data verified by the third party is subject to approval by the Compliance Officer.

## **10. Ongoing Monitoring of Accounts and Transactions**

Once a business relationship is established, the Company must conduct ongoing due diligence on the business relationship and scrutinize the transactions undertaken throughout the course of that relationship to ensure that the transactions being conducted are consistent with the Company's knowledge of the client, their business and risk profile, including, where necessary, the source of funds.

The procedures and intensity of monitoring accounts and examining transactions depend on the level of risk and, as a minimum, achieve the following:



- a) The investigation of unusual or suspicious transactions from the employees who have been appointed for that purpose; the results of the investigations are recorded in a separate memo and kept in the file of the client concerned;
- b) Ascertaining the source and origin of the funds credited to accounts;
- c) All necessary measures and actions must be taken, based on the investigation findings, including any internal reporting of suspicious transactions/activities to the Compliance Officer;
- d) Detecting of unusual or suspicious transactions that are inconsistent with the economic profile of the client for the purposes of further investigation;
- e) Identifying all high-risk clients. Therefore, the systems or the measures and procedures of the Company are able to produce detailed lists of high-risk clients so as to facilitate enhanced monitoring of accounts and transactions.