



OEXN GLOBAL

Anti-Money Laundering Policy



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I. Introduction

OEXN Broker Limited (the “Company”) is a Company incorporated under the laws of the Republic of Mauritius.

The Company holds a GBC Licence has been authorised to operate as an Investment Dealer pursuant to Section 29 of the Mauritius Securities Act 2005 and the Financial Services Rules of 2008.

II. Scope

The Anti-Money Laundering (“AML”) Policy is created and is occasionally overhauled by the Compliance/AML Officer of the Company based on the common standards set up by the Board of Directors of the Company in connection to Money Laundering and Terrorist Financing and affirmed by the Board of Directors of the Company.

The Company has established and implemented appropriate policies and procedures, in order to achieve the timely and continued compliance of the Company with the current AML and Combating the Financing of Terrorism (“CFT”) regulatory framework.

The principal objective of this Policy is to lay down the Company’s internal policies, practices, measures, procedures and controls relevant to the prevention of Money Laundering and Terrorist Financing.

The policies and procedures adopted, are designed to identify and/or assess the potential money laundering and terrorist financing risks to which the Company may be exposed from the provision of a designated service as well as to manage and/or mitigate those risks within the applicable legislative framework.

III. Legal and Regulatory Framework

Mauritius’ AML and CFT legislative framework is provided for in the following:

- a) FIAMLA 2002
- b) FIAMLR 2018
- c) The Financial Services Act 2007
- d) FSC Handbook
- e) FSC’s Competency Standards
- f) Prevention of Corruption Act 2002
- g) Prevention of Terrorism Act 2002
- h) The United Nations (Financial Prohibitions, Arms Embargo and Travel Ban) Sanctions Act 2019



Any non-compliance with the above laws, regulations, guidelines and this manual will entail regulatory and internal sanctions, where applicable.

In addition, the offences of money laundering are contained within Part II, Section 3 of the FIAMLA 2002 as follows:

3.1 Any person who –

(a) engages in a transaction that involves property which is, or in whole or in part directly or indirectly represents, the proceeds of any crime; or

(b) receives, is in possession of, conceals, disguises, transfers, converts, disposes of, removes from or brings into Mauritius any property which is, or in whole or in part directly or indirectly represents, the proceeds of any crime, where he suspects or has reasonable grounds for suspecting that the property is derived or realized, in whole or in part, directly or indirectly from any crime, shall commit an offence.

3.2 A bank, financial institution, cash dealer or member of a relevant profession or occupation that fails to take such measures as are reasonably necessary to ensure that neither it nor any service offered by it, is capable of being used by a person to commit or to facilitate the commission of a money laundering offence or the financing of terrorism shall commit an offence.

IV. Compliance with the AML/CFT Legislation

The Company has developed and implemented a compliance program consisting of policies, procedures, transaction monitoring systems, internal controls and personnel training in line with applicable laws and regulations, as well as with international best practices. The AML/CFT program, which employs a risk-based approach to managing the Company's AML risk, includes, but is not limited to:

A. Clients' Acceptance Policy

The Company has developed a Clients' Acceptance Policy followed during on-boarding of new clients in order to understand the client's profile and their purpose of investment activity which may lead to Company's number of risks and mitigate those risks accordingly.

The Clients' Acceptance Policy incorporates the following:

- i. Client's categories who are not allowable for establishing a business relationship with the Company;
- ii. New clients accepting criteria;
- iii. Client's categorisation criteria on risk-based approach that includes three categories (i.e. low risk, medium risk or high risk).



B. Risk-Based Approach

The Company applies appropriate measures and procedures, on a risk-based approach, so as to focus its effort in those areas where the risk of money laundering and terrorist financing appears to be higher. This approach will enable the Company to assign to its clients the following risk categories:

- i. High risk
- ii. Medium risk
- iii. Low risk

The risk-based approach adopted by the Company, includes specific procedures and measures in assessing the most proportionate and effective way to identify and manage the money laundering and terrorist financing risks faced by the Company. Such procedures and measures include:

- i. Assessing and identifying the money laundering and terrorist financing risks that are coming from specific clients, services, financial instruments, and geographical areas;
- ii. Documenting the adherence to the policies, procedures and controls put in place by the Compliance/AML Officer;
- iii. Continuous monitoring and improvements in the effective operation of the policies, procedures and controls;
- iv. Application of effective and appropriate measures, controls and procedures in order to mitigate and manage the assessed risk;
- v. Any cases that are suspicious of money laundering should be reported to the Compliance officer;

C. Ongoing Monitoring of Clients

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.

D. Reporting

The Company ensures that it has the knowledge and ensures that it maintains the information of the client and knows his/her client's adequate information, economic profile, activities so that they will be able to detect any suspicious activity occurred by the client. In the event that any person within the Company detects, knows or suspects any suspicious activity or transaction that is related to money laundering or terrorist financing, reports to the MLRO. Once the MLRO receives an ISF from the relevant staff member, he will determine whether the information



contained in the internal STR gives rise to a suspicion that a Customer is engaged in ML and/ or TF. If, after completing the review he believes that there is (are) no fact(s) which can negate the suspicion, he has the obligation to report the transaction in writing to the FIU through the latter's online platform, goAML.

E. Record-keeping

The Company conducting relevant business must maintain records of:

the identity and address of the customer;

- a) if the customer is acting on behalf of another person:
 - i) the identity and address of the person on whose behalf the customer is acting; and
 - ii) the customer's authority to act on behalf of that other person;
- b) if another person is acting on behalf of the customer:
 - i) the identity and address of that other person; and
 - ii) that other person's authority to act on behalf of the customer;
- c) the nature of the business relationship or transaction;
- d) the intended purpose of the business relationship; and
- e) the source of funds which the prospective customer is expected to use in concluding transactions in the course of the business relationship;
- f) in the case of a transaction:
 - i) the amount involved and the currency in which it was denominated;
 - ii) the date on which the transaction was concluded;
 - iii) the parties to the transaction;
 - iv) the nature of the transaction; and
 - v) business correspondence;
- g) any document or copy of a document obtained by the Fund in order to verify a person's identity.

The must keep all the records which relate to:

- a) the establishment of a business relationship, for at least seven years from the date on which the business relationship is terminated;
- b) a transaction which is concluded, for at least 7 years from the date on which that transaction is concluded; and
- c) reports made by and to the MLRO/Compliance Officer, for at least 7 years from the date on which the report is made

This information may be used as evidence in any subsequent investigation by the authorities. The records kept provide audit trail evidence during any subsequent investigation. In practice, the business units of the Company will be routinely making records of work carried out for clients in the course of normal business and these records should be archived.



F. Training

The Company will organize adequate and frequent training for its employees, relevant to the position and role they undertake for the purpose of prevention of money laundering and terrorist financing.

G. Independent Audit Assessment

Regulation 22 (1) (d) of the FIAMLR 2018 provides that every reporting person shall implement programs against money laundering and terrorism financing having regard to the money laundering and terrorism financing risks identified and the size of its business, which at a minimum shall include an independent audit function to review and verify compliance with and effectiveness of the measures taken in accordance with the FIAMLA and the FIAMLR 2018. The board of directors and senior management shall promote an organizational culture which establishes through both actions and words the expectation of compliance by all employees to observe the standards of good practices and ethical behaviours so that internal policies and procedures are adhered to. On an annual basis or at such other time(s) as may be approved by the Board, the Company shall appoint a third party or such other person as may be approved by the Board to carry out an independent audit, in order to test the ML and TF policies, procedures and controls of the Company.