

# **AML/CFT and KYC Policy**

**Effective Date: 1<sup>st</sup> April 2024**



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## Important information

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FXON Ltd (herein after “the Company”, “us”, “our” or “we”) is committed to complying with applicable laws wherever we do business. This is not only vital to our continued success in an increasingly regulated global marketplace, but also reflects our commitment to conduct business in accordance with the highest legal and ethical standards.

The Company is registered in the republic of Seychelles under the applicable regime, with registration number 8428188-1, and authorized by the Financial Services Authority of Seychelles with Securities Dealer’s License Number SD091. Its registered office is at F2-2A, Second Floor, Oceanic House, Providence Estate, Mahe, Seychelles.

This “AML/CFT and KYC policy” (hereinafter called the “Terms and Condition”) provides outlines on what the Company to ensure the compliance with international trade standards that we operate exclusively in accordance with the legislation on combating illicit money laundering and countering terrorism financing (CFT).

Close monitoring and the accordance with legal requirements, the Company has established an Anti-money laundering (AML) and Know your customer (KYC) procedures, obligatory for all employees and customers and determining the policy of engagement with any person who intend to become our customer.

The Company ensures that all the operations are consistent with the international standards to combat money laundering and all the documents provided by the Clients are up-to-date and comply with relevant legal requirements.

Company may provide this Agreement or any other documents in language other than English. Translation or information provided in language other than English is for informational purpose only and do not bind the Company or have any legal effect whatsoever, the Company has no responsibility or liability regarding the correctness of the information therein and the Client should also refer to the English version and the Website for information on the Company and its policies.

## 1. General Terms

### A. Anti Money Laundering (AML) and combating the financing of terrorism (CFT)

Along with current technological innovation, rapid growth of international trade, and complication of financial instruments leads to continuous battle among convenience and malfunctions. Unfortunately, those who intend to take advantage of loopholes are also advancing these days.

In order to comply with international standards to combat money laundering and all transactions suspicious to the connection of terrorism and crime, the Company ensures that all operation consists of and lawfully satisfy regulation and relevant laws.

### B. Approach – Know Your Client (KYC) and Client Due Diligence (CDD)

Anti-Money Laundering (AML) refers to legally recognised rules for preventing money laundering. Furthermore, Customer and/or Client Due Diligence (CDD) refers to the practice financial institutions implement to detect and report AML violation.

“Client Due Diligence” (CDD) and “Know Your Customer (KYC)” procedure become comprehensive international frameworks in order to prevent such money laundering and funding of terrorism are demanded to financial institution under the laws and regulation of each countries.

The Company employs reasonable methods and the latest available technologies to provide customers with the best possible services, secure and free from any drawbacks, in conformity to CDD/KYC and AML/CFT requirements.

#### CDD/KYC Rules

Clients wish to use our service irrevocably agree with following rules:

- A. Obligated to follow our AML and KYC requirements while you are our Client.
- B. Upon the request of the Company additional documents and information should be provided by you.
- C. Filling the respective KYC questionnaire may also be an obligatory requirement under Company’s sole decision. You agree with such requirements of the Company and undertake to follow them.
- D. The withdrawal of any assets is carried out only to the account that belongs to you. The withdrawal of assets to third parties is prohibited.
- E. The Company has the right to request additional information about you if the method of withdrawal is different from the depositing method.
- F. The Company is obliged and has the right without obtaining prior consent to share with financial institutions and law enforcement agencies any information about you, as required by applicable law, and you give the Company your consent to these actions. Furthermore, the Company holds records about your transactions for the last five respective years at least.
- G. You undertake to follow the legislations, including international ones, aiming to combat illicit trafficking, financial fraud, money laundering and legalization of funds obtained by illegal means. You should use

your best efforts to avoid direct or indirect participation in illegal financial activities and any illegal transactions using the Company's Website and Services.

- H. You guarantee the legal origin, legal ownership and the right to use the assets transferred to your account. In case of the evidence of suspicious transactions in your account, cash replenishments from untrusted sources and/or any actions with attributes of fraud (including any refunds or cancellation of payments), the Company reserves the right to conduct an internal investigation, to block or close your account, cancel any payment or trading order and to suspend operations on the accounts before the end of an official investigation.
- I. The Company also reserves the right to block and/or suspend your account during the investigation if you refuse to provide the additional information requested by the Company.
- J. The Company has the right to request additional information about you if the method of withdrawal is different from the depositing method.
- K. This AML/CFT and KYC Policy is an integral part of the any agreement concluded between the Company and Client.

## **C. Risk Evaluation**

Grounded in a risk-based approach, the Company identifies, assesses, and takes appropriate mitigation measures for risks based on the Financial Action Task Force (FATF) as well as the guidelines, laws, and regulations of related countries.

We also have established a specialized section of anti-money laundering experts to accurately identify and assess risks, as well as conducting due-diligence review and continual screening of customers to prevent any potential problems.

## **D. Personal Identification Procedure**

The Company performs personal identification procedures compliant with the laws and regulations of users' individual countries:

- A. We strictly check identity using official photo IDs issued by government agencies.
- B. To ensure the legitimacy of documents, we accept as valid only clear colour images, and both the front and reverse sides of documents are required.
- C. To verify the identity of each applicant, we require submission of a "selfie ID photo" showing, in the same image, the applicant him or herself together with his or her ID. However, this is subject to change if a similar identification technology (eKYC) has been shown to be just as effective.

## **E. Customer Screening**

In order to eliminate relationships with antisocial forces or other inappropriate groups, both individuals and entities, the Company ensure to checks all customers against the World-Check\* database from Refinitiv.

\* World-Check is a registered trademark of Refinitiv.

## **F. Transaction Monitoring**

The Company ensure to checks and monitors deposits, withdrawals, and individual transactions. If it detects any suspicious transactions or transactions involving unreasonable frequencies or behaviours, it will take restrictive measures such as temporary suspension or refusal of trade. Furthermore, if the Company judges the transaction to be inappropriate, it may report it to related agencies and organisations without informing the customer.

## **G. Fraud Prevention**

Fraud, by definition, is any intentional act or omission designed to deceive others, resulting in the victim suffering a loss and/or the perpetrator achieving a gain. The Company has a strong commitment to fraud risk management.

## **H. Continual Improvements**

The Company strives to improve the effectiveness of its approaches related to CDD/KYC and AML/CFT, through periodic inspection.

## **2. Miscellaneous**

### **A. Governing Law**

The laws of the Republic of Seychelles will govern this AML/CFT and KYC policy, without giving effect to any principles of conflicts of laws.

You agree that any action arising out of this AML/CFT and KYC policy, or your use of our products and/or services shall be brought in a court in the Republic of Seychelles and you consent to the jurisdiction of such courts.

### **B. Contact Us**

If you wish to contact us with any queries, concerns or complaints, you can email us at [support@fxon.com](mailto:support@fxon.com) or write to: FXON Ltd, F2-2A, Second Floor, Oceanic House, Providence Estate, Mahe, Seychelles.

#### Risk Warning

FX trading (Foreign Exchange Margin Trading / Contracts for Difference) involves a very high risk of incurring not only large marginal losses and a loss of the principal amount invested, but also losses in excess of the principal amount invested, due to sudden price fluctuations of the target currency or stock.

This investment risk is caused by the high leverage and the ability to trade many times the amount of funds deposited, and we cannot guarantee that these financial instruments are suitable for all customers. Please make sure you have a thorough understanding of the investment risks involved and carefully consider your own experience before trading.