

# AML Policy

## Pure Market Africa

# AML-ATF POLICY OF PURE MARKET AFRICA

## Introduction

**Purpose of the Policy:** The Anti-Money Laundering (AML) policy of Pure Market Africa (hereinafter referred to as "the Company") serves as a robust framework designed to prevent, detect, and combat money laundering, terrorist financing, and other illicit activities. This policy outlines the Company's commitment to maintaining the highest standards of integrity, regulatory compliance, and ethical conduct in line with the laws and regulations of Comoros.

**Legal and Regulatory Framework:** The Company operates in full compliance with the AML laws, regulations, and guidelines set forth by the regulatory authorities of Comoros, including the Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) legislation. This policy is aligned with the legal and regulatory requirements to ensure effective implementation and adherence.

## Compliance Officer

**Designation:** The Company appoints a competent and experienced Compliance Officer who possesses in-depth knowledge of AML regulations and practices. The Compliance Officer is responsible for overseeing the implementation, maintenance, and continuous improvement of the AML policy within the organization.

**Duties and Responsibilities:** The Compliance Officer's key responsibilities include developing and updating AML procedures, conducting risk assessments, providing training to employees, ensuring compliance with regulatory obligations, and acting as a central point of contact for regulatory authorities and law enforcement agencies.

## Customer Due Diligence (CDD)

**Identification and Verification:** The Company employs rigorous customer identification and verification procedures to establish the true identity of customers, whether individuals or legal entities. These procedures involve collecting reliable and independent documentation and verifying the accuracy of the information provided through reputable sources.

**Enhanced Due Diligence (EDD):** Enhanced due diligence measures are applied when dealing with customers who pose a higher risk of money laundering or terrorist financing, including high-net-worth individuals, politically exposed persons (PEPs), and customers from high-risk jurisdictions. EDD measures may include additional verification steps, enhanced monitoring, and the collection of supplementary information.

**Politically Exposed Persons (PEPs):** The Company has specific procedures in place to identify and manage relationships with PEPs. Enhanced due diligence measures are applied to PEP relationships to mitigate the risks associated with such high-profile individuals, including close monitoring, regular reviews, and senior management oversight.

**Record-Keeping:** The Company maintains comprehensive and accurate records of customer identification and verification data, transactional records, and any other relevant documentation as required by law. These records are securely stored and retained for the prescribed period as mandated by regulatory authorities.

## Monitoring and Reporting

**Transaction Monitoring:** The Company has implemented a robust transaction monitoring system designed to detect and report suspicious or unusual activities. This system utilizes advanced technological solutions, including automated monitoring tools, to identify potentially suspicious transactions based on predefined parameters, unusual patterns, or red-flag indicators.

**Reporting Obligations:** The Company adheres to its legal obligation to report suspicious transactions to the appropriate regulatory authorities. Reports are submitted in a timely manner and include all relevant information required by regulatory guidelines to facilitate effective investigations and intelligence sharing.

**Internal Reporting:** The Company encourages a culture of vigilance and compliance among its employees by fostering an environment where individuals feel comfortable reporting any suspicions or concerns internally. Dedicated channels are established to enable employees to report potentially suspicious activities without fear of reprisal, ensuring confidentiality and protecting the whistleblower.

## **Staff Training and Awareness**

### **Internal Controls and Audit**

**Internal Controls:** The Company establishes a system of internal controls to ensure compliance with AML regulations and mitigate the risks associated with money laundering and terrorist financing. Internal controls encompass processes and procedures that promote adherence to AML policies, segregation of duties, independent reviews of compliance processes, ongoing monitoring, and periodic assessments of the effectiveness of controls.

**Audit:** The Company conducts periodic internal audits to assess the adequacy and effectiveness of its AML controls and procedures. The audit process is independent and objective, evaluating compliance with regulatory requirements, identifying weaknesses or gaps, and making recommendations for improvement. Audit findings and recommendations are documented and promptly addressed by the management.

### **Reporting Violations and Non-Compliance**

**Reporting Mechanism:** The Company provides a secure and confidential reporting mechanism for employees to report any violations or suspected non-compliance with the AML policy. Reporting channels, such as dedicated hotlines or email addresses, are established to facilitate the reporting of concerns or potential breaches of AML obligations. The Company ensures that all reports are treated with the utmost seriousness and confidentiality, and appropriate measures are taken to address reported concerns promptly.

**Consequences:** Non-compliance with the AML policy and related regulations may result in disciplinary actions against employees, up to and including termination of employment. The Company maintains a zero-tolerance approach to AML violations and may report such violations to the appropriate regulatory authorities as required by law.

### **Policy Review and Updates**

**Review Process:** The Company conducts periodic reviews of the AML policy to ensure its ongoing effectiveness and alignment with regulatory changes and industry best practices. The review process includes a comprehensive assessment of emerging risks, regulatory updates, and any changes in the Company's operations. The policy review involves collaboration among relevant stakeholders, including compliance professionals, legal advisors, and senior management.

**Policy Updates:** Any updates or revisions to the AML policy are communicated to all employees and stakeholders. The updated policy is made readily accessible to employees through the Company's intranet, internal communication channels, and training materials. The Company ensures that employees are aware of the updates and understand

### **Cooperation with Regulatory Authorities and Law Enforcement**

The Company maintains a cooperative relationship with regulatory authorities and law enforcement agencies in Comoros. It actively engages with these entities, promptly responds to requests for information or assistance, and cooperates in investigations related to money laundering, terrorist financing, or other illicit activities. The Company understands the importance of collaboration in combating financial crime and is committed to fulfilling its obligations as a responsible market participant.

## **International Sanctions Compliance**

The Company adheres to all relevant international sanctions regimes and implements robust measures to prevent transactions with individuals, entities, or countries subject to sanctions. It maintains up-to-date knowledge of sanctions lists and employs effective screening processes to identify and block transactions involving sanctioned parties. The Company's AML procedures include regular checks against sanction lists and ongoing monitoring to ensure compliance with international sanctions requirements.

## **Whistleblowing and Protection of Whistleblowers**

The Company maintains a comprehensive whistleblowing policy that enables employees and other stakeholders to report potential AML violations, suspicious activities, or concerns regarding non-compliance. Whistleblowers are protected from retaliation, and the Company ensures the confidentiality of their identities and the information provided. Reports are thoroughly investigated, and appropriate actions are taken to address reported concerns in a timely manner.

## **Training for Senior Management**

In addition to employee training, the Company provides specialized AML training for senior management. This training focuses on their responsibilities in ensuring effective AML controls, oversight of compliance efforts, and promoting a culture of compliance throughout the organization. Senior management is informed of the latest AML developments, regulatory expectations, and emerging risks to support informed decision-making and strategic direction.

## **Continuous Improvement and Monitoring**

The Company is committed to continuous improvement in its AML efforts. It regularly reviews and enhances its AML procedures, systems, and controls to address emerging risks and regulatory changes. Ongoing monitoring is conducted to assess the effectiveness of AML measures, identify gaps or weaknesses, and implement necessary enhancements. The Company's compliance function is responsible for conducting periodic AML reviews and making recommendations for improvement.

## **AML Communication and Training for Clients**

The Company recognizes the importance of educating and informing its clients about AML regulations and their responsibilities. It provides AML-related information to clients through various communication channels, including the Company's website, client onboarding materials, and periodic newsletters. Additionally, the Company may offer training sessions or webinars to help clients understand their role in preventing money laundering and terrorist financing activities.

## **AML Risk Management Committee**

The Company establishes an AML Risk Management Committee composed of senior executives from relevant departments. This committee meets regularly to assess AML risks, review the effectiveness of AML controls, and ensure ongoing compliance with regulatory requirements. The committee provides strategic guidance, oversees AML initiatives, and promotes a risk-aware culture within the organization.

## **AML Incident Management**

The Company has a robust incident management process in place to handle AML-related incidents effectively. This process includes timely identification, reporting, and investigation of suspected or confirmed incidents of money laundering or terrorist financing. The Company takes appropriate actions to mitigate the impact of such incidents, rectify any deficiencies, and report significant incidents to regulatory authorities as required.

## **Outsourcing and Third-Party Relationships**

The Company recognizes the risks associated with outsourcing certain functions or relying on third-party relationships. When engaging third-party service providers, the Company conducts due diligence to ensure that they have adequate AML controls in place. It establishes comprehensive agreements that define the responsibilities of both parties regarding AML compliance, ongoing monitoring, and reporting obligations. Regular assessments and audits of third-party providers are conducted to ensure continued adherence to AML requirements.

## **AML Governance Framework**

The Company maintains a robust AML governance framework to ensure effective implementation and oversight of the AML policy. This framework includes clear roles and responsibilities, defined reporting lines, and regular reporting to senior management and the Board of Directors. The governance framework encompasses the establishment of appropriate committees, policies, and procedures to support the implementation of the AML program.

## **AML Awareness Program**

The Company implements an ongoing AML awareness program to promote a culture of compliance among employees. The program includes regular communication, training sessions, and workshops to enhance understanding of AML obligations, emerging risks, and best practices. The program also emphasizes the importance of reporting suspicions and maintaining vigilance in detecting and preventing money laundering and terrorist financing activities.

## **Regulatory Updates and Compliance Monitoring**

The Company monitors and stays up-to-date with changes in AML regulations, guidelines, and best practices issued by regulatory authorities. It maintains a dedicated compliance monitoring function to assess the Company's compliance with AML requirements. Compliance monitoring activities include conducting periodic reviews, self-assessments, and testing of AML controls and procedures. Any identified deficiencies or gaps are addressed promptly through remedial actions and process improvements.

## **Staff Screening and Due Diligence**

The Company implements appropriate screening and due diligence measures for its employees, contractors, and key personnel. This includes conducting background checks, verifying qualifications, and assessing their integrity and suitability for their respective roles. Ongoing monitoring of staff conduct and compliance with AML policies is conducted to ensure the integrity of the Company's workforce.

## **Financial Intelligence Unit (FIU) Reporting**

The Company complies with its reporting obligations to the relevant Financial Intelligence Unit (FIU) in Comoros. It maintains strong cooperation and communication with the FIU, promptly providing requested information and supporting the FIU's investigations as required. The Company has designated personnel responsible for managing FIU reporting and ensuring compliance with the reporting timelines and requirements.

## **Confidentiality and Data Protection**

The Company recognizes the importance of maintaining the confidentiality and security of customer and transaction data. It has implemented robust data protection measures, including restricted access, encryption, and secure storage, to safeguard sensitive information. Confidentiality agreements are in place with employees and third parties who have access to customer data, and regular training is provided to reinforce the importance of data protection and confidentiality.

## **AML Risk Communication**

The Company maintains clear and effective channels of communication to disseminate AML-related information and updates to employees, stakeholders, and relevant parties. This includes regular internal communications, such as newsletters, memos, and training materials, to keep employees informed about changes in AML regulations, emerging risks, and best practices. External communication may involve client notifications, public disclosures, and educational materials to raise awareness about AML risks and preventive measures.

## **Independent AML Testing and Review**

The Company conducts independent AML testing and review processes to assess the effectiveness and adequacy of its AML controls and procedures. These reviews are performed by internal or external auditors or compliance experts who are independent from the operational AML functions. The testing includes comprehensive assessments of the Company's AML program, transaction monitoring systems, customer due diligence procedures, and reporting mechanisms.

## **AML Training for Agents and Business Partners**

The Company recognizes the importance of extending AML training and awareness to its agents and business partners. It ensures that agents and partners understand their AML obligations and have appropriate controls in place to prevent money laundering and terrorist financing activities. Training programs, communication materials, and periodic assessments are provided to agents and partners to ensure compliance and foster a unified approach to AML risk management.

## **AML Reporting to the Board of Directors**

The Company provides regular AML reports to the Board of Directors, ensuring that they are adequately informed about the Company's AML efforts, risks, and compliance status. These reports include key performance indicators, suspicious activity reports, regulatory developments, audit findings, and recommendations for improvements. The Board of Directors actively oversees the Company's AML program, assesses its effectiveness, and provides strategic guidance and support.

## **Enhanced Technology and Data Analytics**

The Company embraces advanced technology and data analytics to enhance its AML efforts. It utilizes sophisticated tools and systems to improve transaction monitoring, customer screening, and risk assessment processes. Data analytics techniques are employed to identify patterns, trends, and anomalies that may indicate potential money laundering or terrorist financing activities. The Company continuously evaluates and invests in technology solutions to stay ahead of evolving risks and improve operational efficiencies.

## **AML Program Evaluation and Effectiveness**

The Company regularly evaluates the effectiveness of its AML program through self-assessments, independent reviews, and benchmarking exercises. This evaluation includes an analysis of key performance indicators, adherence to regulatory requirements, operational effectiveness, and the impact of AML controls on risk mitigation. The findings of the evaluation are used to identify areas for improvement, implement corrective actions, and enhance the overall effectiveness of the AML program.

## **AML Incident Response Plan**

The Company has a comprehensive AML incident response plan in place to handle and mitigate any AML-related incidents promptly and effectively. The plan includes predefined steps, roles, and responsibilities for incident identification, escalation, investigation, and resolution. It also outlines communication protocols, reporting requirements, and coordination with relevant internal and external stakeholders, such as regulatory authorities and law enforcement agencies.

## **AML Program Effectiveness Assessment**

The Company conducts regular assessments of the effectiveness of its AML program to ensure it remains robust and efficient. This assessment includes evaluating the overall compliance culture, the adequacy of policies and procedures, the effectiveness of controls, and the performance of AML personnel. It may involve surveys, interviews, testing of AML systems, and benchmarking against industry best practices to identify areas for improvement and implement necessary enhancements.

## **AML Risk-Based Approach**

The Company adopts a risk-based approach to its AML program, ensuring that resources are allocated proportionately to the identified risks. Risk assessments are conducted periodically to identify and assess the potential money laundering and terrorist financing risks associated with the Company's activities, customers, and jurisdictions. This enables the Company to implement appropriate risk mitigation measures tailored to the specific risk profile and allocate resources effectively.

## **AML Program Oversight and Accountability**

The Company establishes clear lines of oversight and accountability for its AML program. Senior management and the Board of Directors are actively involved in overseeing the effectiveness of the AML program, setting the tone from the top, and ensuring a culture of compliance. Accountability is assigned to specific individuals within the organization to ensure proper implementation, monitoring, and reporting of AML activities, and regular reporting is provided to senior management and the Board.

## **Incident Reporting and Analysis**

The Company maintains a robust system for reporting and analysing AML-related incidents and suspicious activities. Incidents and suspicious transactions are promptly reported, investigated, and analysed to determine the root causes, identify potential vulnerabilities, and implement necessary corrective measures. Lessons learned from incidents and analysis are used to enhance the effectiveness of the AML program and strengthen controls and procedures.

## **AML Program Independence and Resources**

The Company ensures that its AML program operates independently and has adequate resources to fulfil its responsibilities effectively. The AML function has the necessary authority, independence, and access to resources to implement and enforce the AML policies and procedures. Sufficient staffing, training, technology, and budgetary allocations are provided to support the AML program's operations and ongoing compliance efforts.

## **AML Program Documentation and Retention**

The Company maintains comprehensive documentation of its AML program, including policies, procedures, risk assessments, training materials, and records of due diligence and monitoring activities. These documents are securely stored and retained for the period required by applicable regulations. The retention of documentation enables the Company to demonstrate compliance, facilitates audits and examinations, and provides an audit trail of AML activities.

## **AML Program Review and Independent Audit**

The Company conducts periodic reviews and independent audits of its AML program to assess its overall effectiveness, compliance with regulations, and adherence to internal policies and procedures. The reviews and audits may be conducted by internal audit teams, external auditors, or independent third-party experts. The findings and recommendations from these reviews and audits are used to enhance the AML program, address any deficiencies, and ensure ongoing compliance.

