

CIRCLE MARKETS



AML & KYC POLICY

2018





AML & KYC POLICY

Circle Markets Limited New Zealand (we/us/the Company) is committed to the highest standards of the Anti-Money Laundering (AML) compliance and Anti-Terrorist Financing and requires the management, and employees to follow the named standards.

Money laundering - the process of converting funds, received from illegal activities (such as fraud, corruption, terrorism, etc.), into other funds or investments that look legitimate to hide or distort the real source of funds

KNOW YOUR CUSTOMER AND DUE DILIGENCE

Because of the company's commitment to the AML and KYC policies, each client of the company has to finish a verification procedure. Before Circle Markets Limited starts any cooperation with the client, the company ensures that satisfactory evidence is produced or such other measures that will produce satisfactory evidence of the identity of any customer or counterparty are taken. The company as well applies heightened scrutiny to clients, who are residents of other countries, identified by credible sources as countries, having inadequate AML standards or that may represent a high risk for crime and corruption and to beneficial owners who resides in and whose funds are sourced from named countries..

INDIVIDUAL CLIENTS

During the process of registration, each client provides personal information, specifically: full name; date of birth; origin; complete address, including phone number and city code. A client sends the following documents (in case the documents are written in non-Latin characters: to avoid any delays in the verification process, it is necessary to provide a notarized translation of the document in English) because of the requirements of KYC and to confirm the indicated information:

- A high-resolution copy of the first page of local or international passport, where the photo and the signature are clearly seen, or a copy of driver's license with the same requirements. The indicated documents must be valid at least 6 months from the filing date.



- A high-resolution copy of a receipt of utility services payment or bank statement, containing the full client's name and the actual place of residence. These documents should not be older than 3 months from the date of filing.

MONITORING AND REPORTING SUSPICIOUS ACTIVITY

- Circle Markets Limited collects and verifies identification data of the Client and also logs and tracks itemized statements of all transactions carried out by the Client.
- Circle Markets Limited neither accepts cash deposits nor disburses cash under any circumstances.
- Circle Markets Limited reserves the right to refuse to process a transaction at any stage, when it believes the transaction to be connected in any way to money laundering or criminal activity. In accordance with international law, Circle Markets Limited is not obligated to inform the client that they were reported to the corresponding governing bodies due to client's suspicious activity.

SUSPICIOUS ACTIVITIES

- The customer exhibits unusual concern regarding the firm's compliance with government reporting requirements and the firm's AML policies, particularly with respect to his or her identity, type of business and assets, or is reluctant or refuses to reveal any information concerning business activities, or furnishes unusual or suspect identification or business documents.
- The customer wishes to engage in transactions that lack business sense or apparent investment strategy, or are inconsistent with the customer's stated business strategy.
- The information provided by the customer that identifies a legitimate source for funds is false, misleading, or substantially incorrect.
- Upon request, the customer refuses to identify or fails to indicate any legitimate source for his or her funds and other assets.



The customer (or a person publicly associated with the customer) has a questionable background or is the subject of news reports indicating possible criminal, civil, or regulatory violations.

- The customer exhibits a lack of concern regarding risks, commissions, or other transaction costs.
- The customer appears to be acting as an agent for an undisclosed principal, but declines or is reluctant, without legitimate commercial reasons, to provide information or is otherwise evasive regarding that person or entity.
- The customer has difficulty describing the nature of his or her business or lacks general knowledge of his or her industry.
- The customer attempts to make frequent or large deposits of currency, insists on dealing only in cash equivalents, or asks for exemptions from the firm's policies relating to the deposit of cash and cash equivalents.
- The customer engages in transactions involving cash or cash equivalents or other monetary instruments that appear to be structured to avoid the \$10,000 government reporting requirements, especially if the cash or monetary instruments are in an amount just below reporting or recording thresholds.
- For no apparent reason, the customer has multiple accounts under a single name or multiple names, with a large number of inter-account or third-party transfers.
- The customer's account has unexplained or sudden extensive wire activity, especially in accounts that had little or no previous activity.
- The customer's account shows numerous currency or cashier's check transactions aggregating to significant sums.
- The customer's account has a large number of wire transfers to unrelated third parties inconsistent with the customer's legitimate business purpose.
- The customer's account has wire transfers that have no apparent business purpose to or from a country identified as money laundering risk or a bank secrecy haven.



- The customer's account indicates large or frequent wire transfers, immediately withdrawn by check or debit card without any apparent business purpose.
- The customer makes a funds deposit followed by an immediate request that the money be wired out or transferred to a third party, or to another firm, without any apparent business purpose. The customer makes a funds deposit for the purpose of purchasing a long-term investment followed shortly thereafter by a request to liquidate the position and transfer of the proceeds out of the account.
- The customer engages in excessive journal entries between unrelated accounts without any apparent business purpose.
- The customer requests that a transaction be processed in such a manner to avoid the firm's normal documentation requirements.
- The customer, for no apparent reason or in conjunction with other red flags, engages in transactions involving certain types of securities, such as penny stocks, and bearer bonds, which although legitimate, have been used in connection with fraudulent schemes and money laundering activity. (Such transactions may warrant further due diligence to ensure the legitimacy of the customer's activity.)
- The customer's account shows an unexplained high level of account activity with very low levels of securities transactions.

OBJECTIVE

The main objective of implementing Anti-Money Laundering Policy is to ensure that clients engaging in certain activities are identified to a reasonable standard, while minimizing the compliance burden and impact on legitimate clients. For this purpose, Circle Markets Limited has set up a highly sophisticated electronic system which able to log and verifies client identification records, and tracks and maintains detailed records of all transactions.



Circle **Markets**



8 Falls St,
Warkworth,
New Zealand,
0910



Telephone
+64 9889 1223
Skype:
moneyworking



E-mail:
info@circlemarkets.com