

Anti-Money Laundering and Counter Terrorism for CFD Bitcoin accounts

1. INTRODUCTION

SimpleFX Ltd. ("The Company") aims to prevent, detect and not knowingly facilitate money laundering and terrorism financing activities. The Company does this to protect its reputation, to comply with relevant laws and requirements, as well as to be a good corporate citizen. The Company also aims to comply with antimoney laundering ("AML") and counter-terrorism financing ("CTF") recommendations in a way that complements business priorities.

The management of The Company places extremely high importance on assisting in discovering any money laundering scheme. These policies are to be read by and adhered to by all employees and officers of The Company. Any employee found not to be adhering to these policies and procedures will face severe disciplinary action.

It is the policy of The Company and its affiliates to prohibit and actively prevent money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities.

This Anti-Money Laundering and Counter Terrorism Financial Policy applies only to customers who has opened Bitcoin Account with SimpleFX Ltd.

2. POLICY

SimpleFX Ltd. offers a financial services platform through simplefx.com ("SimpleFX" or the "Service") that allows people to trade at financial instruments (Contract for Differences) including math-based currencies such as bitcoins and litecoin ("exchange services"). SimpleFX Ltd. also offers, through the Service, a trading platform that allows people to deposit or withdraw funds to and from an account via Bitcoin's Peer-to-Peer Network. By using SimpleFX service, customers can open a long or short position against a currency using deposited funds as leverage, or hold funds indefinitely. In order to prevent any abuse, all Bitcoin deposits and withdrawals form customers CFD Bitcoin account must be made from one Bitcoin Wallet. For avoidance of doubt bitcoin withdrawals must be made to the same bitcoin wallet that was used by registered customers for bitcoin deposit into SimpleFX Ltd.. Registered customers of whom transactions only involve virtual currencies are not required to have their identities.

SimpleFX Ltd. recognizes that decentralized and distributed digital currency and payment systems in which payments are processed and secured by advanced cryptography and distributed computing power instead of a central bank, corporation or government pose a risk of illegal uses (as do all financial systems). SimpleFX Ltd. believes, however, that the legitimate use of math-based currency networks provide untold benefits and efficiencies within the global economy. Accordingly, SimpleFX Ltd. has implemented this Policy and its accompanying AML Program to assess the specific risks posed by SimpleFX innovative services and established specific controls to address those risks as required by law.

It is the policy of SimpleFX Ltd. to comply with applicable laws and regulations regarding AML and identity verification, and to detect and prevent the use of its Service for money laundering or to facilitate criminal or terrorist activities. While SimpleFX Ltd. is committed to protecting its users' privacy, it will not allow people to use its Services to launder money, commit fraud or other financial crimes, finance terrorist activities, or facilitate other illegal conduct.

3. RECORD KEEPING

When transferring funds, The Company will record in its database at least the following information:

- The execution date of the transmittal order. □ The Bitcoin Transaction Identifier (“Txid”) □ The Bitcoin address.
- The amount of the transmittal order.
- The CFD Bitcoin account number of the recipient.

For each transmittal order that The Company accepts, it will retain in its files any payment instructions received from the transmitter with the transmitter order and any form relating to the transmittal of funds that is completed by the person placing the transmittal.

All employees of The Company shall be aware of to whom and in what format their suspicions must be reported. They will also receive training from the AML Compliance Officer upon, and during the course of, their employment. The AML Compliance Officer shall hold AML records, STRs and supporting documentation confidential and ensure that STRs are filed as required. This information will not be communicated to anyone other than law enforcement or other competent authorities. Once an internal suspicion report is made to the AML Compliance Officer or a STR has been submitted to the FIU, no employee of The Company shall warn or inform the owner of any funds of any report or any action that is to be taken in respect of any transaction concerning such funds. When a STR has been made to the FIU with respect to a particular customer, the Company shall ensure that due care is taken during subsequent enquiries so as not to alert the customer about the disclosure. Appropriate measures shall be taken by The Company to ensure that the offence of tipping off is not committed.

4. PERSONNEL

The Company and the AML Compliance Officer shall ensure that employees are properly trained and are fully aware of The Company’s AML/CFT policies and procedures. The Company will also perform criminal and disciplinary background checks on all employees before they are hired.

The Company will monitor its employees to ensure that AML procedures are adhered to. Based on the severity and nature of the violation, the employee will be reprimanded and warned that any future violation may result in termination. If The Company deems the violation to be intentional and or suspects the employee is involved in money laundering in any way, the employee will be terminated for cause without warning and reported to the appropriate authorities.

The Company will develop on-going employee training under the supervision of the AML Compliance Officer and senior management. The training will occur on an annual basis. It will be based on The Company’s size, customer base and resources. The Company will either develop the training program or contract for it.

On an annual basis, thereafter, the AML Compliance Officer will hold internal trainings for all employees. The training will include at a minimum:

- How to identify red flags and signs of money laundering that arise during the course of the employees’ duties.
- What to do once the risk is identified.

- What employees' roles are in The Company's compliance efforts and how to perform them.
- The Company's record retention policy.
- The disciplinary consequences (including civil and criminal penalties) for non-compliance with the requirements of the applicable legislation.

The Company will review its operations to determine if certain employees, such as those in compliance, margin, and corporate security, require specialized additional training. The written procedures will be updated to reflect any such changes.

Employees must report any violation of The Company's AML/CFT compliance program to the AML Compliance Officer, unless the violation implicates the AML Compliance Officer, in which case the employee shall report the violation to senior management. Such reports will be confidential, and the employee will suffer no retaliation for making them.