

AML Policy



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1. Introduction

1.1. TradeSmart Ltd (hereinafter referred to as the “Company”, “TradeSmart”, “us”, “we”, “our”), is incorporated within Saint Lucia, Meridian Place, Choc Estate, Castries, with Registration No 2024-00075. The Company is operating under the name “TradeSmart”.

1.2. The Company is committed to preventing money laundering through its service and compliance procedures.

2. Money Laundering Process

“Money laundering” is the illegal process by which the proceeds of criminal or terrorist activity, fraud, corruption, organised crime, etc., are cleansed and made appear legitimate despite their illicit origin. The money laundering process consists of three stages:

• Placement.

The placement stage represents the initial entry of proceeds from fraudulent activity placed into the financial system. Therefore, placement is a crucial stage for illegal transactions to be detected as they are most vulnerable.

• Layering.

During the layering stage, launderers move funds around by changing both the form of the funds and their location to make it more complicated for law enforcement authorities to trace the origin of the money. Launderers can manage layering using layers of financial transactions such as multiple transfers of funds among financial institutions, L/Cs with false invoices/bills of lading etc., as to disguise the origin of the funds, disrupt any audit trail, and provide anonymity.

• **Integration.**

At the integration stage, the laundered is placing the proceeds back into the economy so that they re-enter the financial system and appear as if the funds are coming from a legitimate source.

3. AML Procedures

3.1 The Company implements its strict anti-laundering policy to ensure that customers who practice illegal activities will be identified up to a certain standard to minimize procedural complications for genuine and legitimate customers.

3.2 Following strict compliance procedures, the Company is covering the following areas:

- a. Verification of their clients' identification through the Know Your Client (KYC) Policy and Customer Due Diligence.
- b. Storage of the detailed record of all previous financial transactions matching the client in any needed investigation and ensuring continuity of the transactions.
- c. Reporting of suspicious transactions. By misusing the service, you may face criminal prosecution as we are bound to report such behavior to the authorities automatically.

3.3 To discourage money laundering and related illegal activities, the Company does not accept cash for transactions regardless of the transaction type - deposit or withdrawal.

3.4 The Company reserves the right to suspend or refuse to process a transaction at any stage where they believe the transaction is linked in any way to money laundering criminal activity, or third-party funding.

3.5 Following international law, the Company is not obliged to inform the Client that they have reported the Client's suspicious activity to the corresponding bodies.

4. Compliance Officer

4.1 The Company's Compliance Officer (CO) acts as the focal point within the Company to oversee all activities relating to the prevention and detection of money laundering activity.

The CO shall:

- (a) provide support and guidance to the Company's individuals to ensure that any money-laundering risks are adequately managed.
- (b) be responsible for developing and/or continuously reviewing the Company's AML compliance framework (including this Policy) to ensure its effectiveness and consistency with the current statutory and regulatory requirements.
- (c) be committed to regularly providing training for its employees on enhancements to AML procedures that may be required in accordance with international law.
- (d) take any other necessary action not described herein to prevent AML activity.

4.2 The Company shall designate a Money Laundering Reporting Officer (MLRO) to be the disclosure point in case any Company employee has knowledge or suspicion of money laundering transactions or activities. The MLRO should:

- (a) identify and report suspicious transactions,
- (b) review all internal reports and assess all available relevant information to determine whether there is evidence of ML/TF activity.

5. Third-party transactions

Third-party transactions are prohibited. In the event that a third-party transaction is detected, the funds will be returned to the beneficiary.

“Third-party transactions” refer to transactions where the Company receives funds from or is asked to remit funds to a third party other than the Account holder, beneficiary, or partner on whom TradeSmart has undertaken its due diligence.

For instance

- (a) A beneficiary or partner to whom it has agreed to provide funds requests the Company to remit those funds to a third party; or
- (b) The Company unexpectedly receives funds from a third party instead of from the Account holder directly.

6. Employees AML training

6.1 The company should provide AML training to their employees, especially to those who deal with Account holders/beneficiaries directly.

- a) as soon as possible after the commencement of their work with the Company
- b) regularly, at least on an annual basis, to ensure that the employees are aware to the money laundering and terrorist financing risks.

6.2 Each employee shall receive a copy of this Policy as soon after the commencement of their work, and every time the policy is updated, and confirm in writing that they have read and understood it.

Compliance Officer for TradeSmart:

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Money Laundering Reporting Officer for TradeSmart:

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