

Anti-Money Laundering Policy

Introduction

Money laundering is the act of converting money or other material values gained from illegal activity (terrorism, drug dealing, illegal arms trade, corruption, human traffic etc) into money, investments or/and assets that appear to be legitimate. Such activity is used so that the illegal source of money and other material values cannot be traced.

Thus, Shine Trades has adopted a programme that complies with the Anti-Money Laundering and Counter Terrorism Act. As part of this process, you will need to provide evidence of identification according to the requirements stated in the [Client Verification Policy](#) during live trading account application. The AML policy is being fulfilled within Shine Trades by means of the following:

- i. Know Your Customer (KYC) policy and due diligence
 - ii. Monitoring of client activity
 - iii. Record keeping

Scope of Policy

- i. The Anti-Money Laundering Policy (hereinafter referred as “AML Policy”) prohibits and actively pursue the prevention of money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities.
 - ii. Shine Trades is committed to Anti-Money Laundering (hereinafter referred as “AML”) compliance in accordance with applicable law and requires its compliance officers, employees and appointed producers to adhere to these standards in preventing the use of its products and services for money laundering purposes.

Verifying Information

- i. In verifying customer identity, the Compliance officers shall review the photo identification and the Proof of Address. Shine Trades shall not attempt to determine whether the document that the customer has provided for identification has been validly issued.

- ii. For verification purposes, Shine Trades shall rely on a government-issued identification to establish a customer's identity. Shine Trades however, will analyze the information provided to determine if there are any logical inconsistencies in the information obtained.
- iii. Shine Trades will document its verification, including all identifying information provided by the customer, the methods used and results of the verification, including but not limited to sign-off by the appointed producer of matching photo identification.

Monitoring and Reporting Suspicious Activity

- i. Shine Trades collects and verifies identification data of the Client and also logs and tracks itemized statements of all transactions carried out by the Client.
- ii. If Shine Trades tracks suspicious transactions of the clients and transactions executed under non-standard conditions the compliance officers will take steps to report to the corresponding governing bodies at the earliest.
- iii. Shine Trades performs its AML compliance on the basis of AML Financial Action Task Force recommendations.
- iv. Shine Trades neither accepts cash deposits nor disburses cash under any circumstances.
- v. Shine Trades 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.
- vi. In accordance with the International law Shine Trades is not obligated to inform the client that they were reported to the corresponding governing bodies due to client's suspicious activity.

Suspicious Activities

- i. The Client 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.

- ii. The Client wishes to engage in transactions that lack business sense or apparent investment strategy, or are inconsistent with The Client's stated business strategy.
- iii. The information provided by the Client that identifies a legitimate source for funds is false, misleading, or substantially incorrect.
- iv. Upon request, the Client refuses to identify or fails to indicate any legitimate source for his or her funds and other assets.
- v. The Client (or a person publicly associated with The Client) has a questionable background or is the subject of news reports indicating possible criminal, civil, or regulatory violations.
- vi. The Client exhibits a lack of concern regarding risks, commissions, or other transaction costs.
- vii. The Client 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.
- viii. The Client has difficulty describing the nature of his or her business or lacks general knowledge of his or her industry.
- ix. The Client 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.
- x. The Client 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.
- xi. For no apparent reason, the Client has multiple accounts under a single name or multiple names, with a large number of inter-account or third-party transfers.
- xii. The Client is from, or has accounts in, a country identified as a non-cooperative country or territory by the Financial Action Task Force.
- xiii. The Client's account has unexplained or sudden extensive wire activity, especially in accounts that had little or no previous activity.

- xiv. The Client's account shows numerous currencies or cashier's check transactions aggregating to significant sums.
- xv. The Client's account has a large number of wire transfers to unrelated third parties inconsistent with The Client's legitimate business purpose.
- xvi. The Client'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.
- xvii. The Client's account indicates large or frequent wire transfers, immediately withdrawn by check or debit card without any apparent business purpose.
- xviii. The Client 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.
- xix. The Client 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.
- xx. The Client engages in excessive journal entries between unrelated accounts without any apparent business purpose.
- xxi. The Client requests that a transaction be processed in such a manner to avoid the firm's normal documentation requirements.
- xxii. The Client, 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 Client's activity.)
- xxiii. The Client's account shows an unexplained high level of account activity with very low levels of securities transactions.