PRIME XBT

AML / KYC Policy

Version 4

AML/KYC Policy

Introduction

PrimeXBT (PTY) LTD (hereinafter referred to as the "Company") is a South African incorporated entity, registered under No. 2013/099697/07. The Company operates under the PrimeXBT brand, which is a product and brand created, owned, and managed by PrimeXBT (PTY) LTD. The Company is an authorized financial services provider in South Africa, holding license number 45697. In this capacity, PrimeXBT (PTY) LTD serves as an intermediary between investors and market makers, who act as the counter party to the financial products offered through PrimeXBT.

As part of its regulatory obligations, the Company is fully committed to complying with Anti-Money Laundering (AML) and Know Your Customer (KYC) regulations to prevent the use of its platform for illegal activities, including money laundering, terrorist financing, and fraud.

The purpose of this policy is to ensure the Company complies with all applicable laws and regulations related to AML and KYC in South Africa and internationally. It outlines the principles, procedures, and internal controls necessary to detect and prevent money laundering, terrorist financing, and other illegal activities

1. Customer Due Diligence (CDD) / Know Your Customer (KYC)

The company's verification procedure mandates that clients complete the KYC (Know Your Customer) process prior to establishing a business relationship or making any deposits. This information is collected to ensure compliance with AML/KYC policies and to mitigate the risks of financial crime. Clients are required to provide proof of identity to validate their account, which can include:

- Passport
- National Identity Card
- Driver's License
- Residence Permit
- Any other official government-issued ID card (with photo and signature)

- **No Document (No Doc) Verification** – Available for South African nationals and residents with a valid South African ID or residence permit. This method allows identity verification by providing a valid ID number and completing a live selfie check. No document upload is required, as verification is conducted through secure checks against official databases.

The verification process is usually automated and can be completed within minutes. However, in some cases, it may take up to 24 hours to process the submitted documents.

Depending on the risk level, the company may apply different levels of checks. For lower-risk clients, simplified due diligence may be used, requiring fewer documents and a quicker process. However, for clients considered higher risk, enhanced due diligence will be applied, involving more detailed checks and potentially additional documents.

The company takes steps to verify the authenticity of submitted documents and may investigate clients who appear to be risky or suspicious. It also screens clients against external databases and conducts third-party checks to ensure regulatory compliance.
All personal information is collected, stored, and protected according to the company's PAIA & Privacy Policy and relevant regulations.

2. **Sanctions and PEP lists screening**

Clients are screened against international sanctions and Politically Exposed Persons (PEP) lists to ensure compliance with regulatory standards. The company refrains from conducting business with individuals or entities listed on sanctions maintained by regulatory authorities, including but not limited to the United Nations, Office of Foreign Assets Control (OFAC), European Union, and South African lists. This screening process is carried out during onboarding and continues on an ongoing basis.

3. **Account Types**

The company currently offers its services exclusively to natural persons. Services are not available to legal entities, joint accounts, partnerships, bearer share companies, trusts, or shell companies.

4. **Risk-Based Approach**

The Company adopts a risk-based approach to AML/KYC, meaning that clients and transactions are subject to varying levels of scrutiny depending on their risk profile. Higher-risk clients, such as

politically exposed persons (PEPs) or clients from high-risk jurisdictions, will be subject to enhanced due diligence and stricter monitoring.

5. Transaction Monitoring and Reporting

The Company uses a transaction monitoring system to detect patterns or activities that may suggest money laundering or other illicit behaviour. Potential indicators of suspicious activity include:

- Unusually large or frequent transactions
- Transactions that are inconsistent with the customer's known profile
- Transfers to or from jurisdictions deemed high risk by regulatory bodies

In compliance with legal obligations, any identified suspicious activity will be reported to the relevant authorities, including the Financial Intelligence Centre (FIC) in South Africa.

6. Compliance Officer

The Company has appointed a dedicated Compliance Officer responsible for overseeing and implementing the AML/KYC policy. The Compliance Officer's duties include:

- Ensuring compliance with all relevant AML/KYC regulations and policies.
- Conducting risk assessments and determining the risk profile of clients.
- Monitoring transactions for suspicious activity and implementing appropriate reporting procedures.
- Providing training and support to employees on AML/KYC requirements and best practices.
- Serving as the primary point of contact for regulatory authorities regarding AML/KYC matters.

7. Training and Awareness

The Company ensures that all employees involved in client onboarding, transaction monitoring, or handling sensitive information are regularly trained on AML/KYC obligations. This includes:

- Understanding the latest regulations and compliance requirements.
- Identifying suspicious transactions and behaviours.

- Properly executing customer due diligence procedures.

8. Policy Review and Updates

This policy will be reviewed regularly and updated to reflect any changes in regulatory requirements or the Company's operational environment. The Company will ensure that all employees are informed of any changes to this policy.