



# **Client Acceptance Policy**

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## 1. Introduction

International FX Brokers (Pty) Ltd. (referred to as "IFX Brokers (Pty) Ltd, the "Company", "us", "we" and "our"), is incorporated under the laws of South Africa with Registration No. 2017 | 282704 | 07. The Company is authorized and regulated by the Financial Sector Conduct Authority ("FSCA") to act as a Financial Service Provider (FSP No. 48021) and to provide the Services specified in the Account Opening Agreement found on [www.ifxbrokers.com](http://www.ifxbrokers.com) and operates under the Financial Advisory and Intermediaries Service Act (FAIS Act) (Act 37 of 2002).

## 2. Scope of policy

International FX Brokers (Pty) Ltd. (referred to as "IFX Brokers (Pty) Ltd, the "Company", "us", "we" and "our") provides you with this Customer Acceptance Policy to outline the criteria for accepting new Clients and stipulates the Client categorization criteria which shall be adhered to by the Company and especially by the employees who are involved in the Client Account Opening process.

## 3. General Principles of the Client Acceptance Policy

- 3.1. The General Principles of the Client Acceptance Policy are the following:
  - 3.1.1. The Company shall not conduct transactions in anonymous or fictitious names.
  - 3.1.2. The Company shall classify Clients into various risk categories and based on the risk perception decide on the acceptance criteria for each category of Client;
  - 3.1.3. Where the Client is a new Client, an account can be activated only after the relevant due diligence and identification measures and procedures have been conducted, according to the principles and procedures set forth in the AML (Anti Money Laundering) Guideline;
  - 3.1.4. All documents and data required to be obtained pursuant to the Company's Client Acceptance Policy must be collected before accepting a new Client;
  - 3.1.5. No Client shall be accepted in anonymous or fictitious names.

## 4. Criteria for accepting new clients (Based on risk)

- 4.1. This Section describes the criteria for accepting new Clients based on their risk categorization.

Low Risk Clients	Normal Risk Clients	High Risk Clients
The Company shall accept Clients who are categorized as low risk Clients if the general principles set forth in this CAP are implemented.	The Company shall accept Clients who are categorized as normal risk Clients if the general principles set forth hereinafter are implemented.	The Company shall accept Clients who are categorized as high-risk Clients if the general principles set forth hereinafter are implemented. Moreover, the Company shall apply the Enhanced Client Identification and Due Diligence measures for high risk Clients as applicable.

## 5. Low Risk Clients

- 5.1. The following types of Clients can be classified as low risk Clients with respect to the money laundering and terrorist financing risks, which the Company may face:
  - 5.1.1. Non-PEP clients
  - 5.1.2. Clients with an average monthly deposit of R5000 or less
  - 5.1.3. Clients not on any sanctions lists

## 6. Medium Risk Clients

- 6.1. The following types of Clients can be classified as normal risk Clients with respect to the money laundering and terrorist financing risks, which the Company may face:
  - 6.1.1. Any client who does not fall under the "low risk Clients" or "High risk Clients" categories set forth herein.



## **7. High Risk Clients**

- 7.1. The following types of Clients can be classified as high-risk Clients with respect to the money laundering and terrorist financing risks, which the Company may face:
  - 7.1.1. Politically Exposed Persons (PEPs) accounts;
  - 7.1.2. Clients from countries that is considered by the FATF inadequately to apply the FATF 40+9 Recommendations;
  - 7.1.3. Any other Clients that their nature entail a higher risk of money laundering or terrorist financing;
  - 7.1.4. Any other Client determined by the Company itself to be classified as such.

## **8. Unacceptable Clients**

- 8.1. The following list predetermines the types of Clients who are not acceptable for establishing a Business Relationship with the Company.
  - 8.1.1. Clients who fail or refuse to submit, the requisite data and information for the verification of their identity and the creation of their economic profile, without adequate justification;
  - 8.1.2. The Company shall not conduct transactions in cases where the identity of the client matches with any person with known criminal background or with banned entities such as individual terrorists or terrorist organization's etc. whose name appear in the lists/s published from time to time
  - 8.1.3. Residents of US citizens or US residents are strictly not accepted as clients due to US Securities and Exchange Commission ("SEC") rules.

## **9. Transactions by Politically Exposed Persons (PEPs)**

- 9.1. PEPs are individuals who are or have been entrusted with prominent public functions in a foreign country e.g. Heads of States or of Governments, Senior Politicians/Government/Judicial/Military Officers, Senior Executives of State owned corporations, important political officials etc.
- 9.2. Before accepting a PEP as a customer, the Company will identify him/her and confirm the sources of funds.
- 9.3. The decision to continue business relations with PEPs would be taken at Board level.

## **10. Client Application due diligence and identification procedures**

- 10.1. The Company shall duly apply Client identification procedures and Client due diligence measures in the following instances:
  - 10.1.1. When establishing a Business Relationship;
  - 10.1.2. When there is a suspicion of money laundering or terrorist financing, regardless of the amount of the transaction;
  - 10.1.3. When there are doubts about the veracity or adequacy of previously Client identification data.

## **11. Customer Identification Procedure (CIP)**

- 11.1. The Company's customers need to be verified in line with Customer identification means identifying the customer and verifying his/her identity by using reliable, independent source documents, data or information. Sufficient information needs to be obtained to the satisfaction, which is necessary to establish, the identity of each new customer, whether regular or occasional, and the purpose of the intended nature of relationship.
- 11.2. While opening the account of the customer or during periodic updating, the Company shall seek 'mandatory' information required for KYC purpose, which the customer is obliged to give.

## **12. Monitoring of Transactions**

- 12.1. Ongoing monitoring is an essential element of effective KYC procedures. Risk can be effectively controlled and reduced only if an understanding of the normal and reasonable activity of the customer is available to identify transactions that fall outside the regular pattern of activity. However, the extent of monitoring shall depend on the risk sensitivity of the account.
- 12.2. Ongoing due diligence with respect to the business relationship with every client shall be exercised and the transactions shall be examined closely to ensure that they are consistent with their knowledge of the client, his business and risk profile and where necessary, the source of funds.

## **13. Reporting of Suspicious Transactions**

- 13.1. The Company undertakes to report any Suspicious Activities in line with the requirements of the Financial Intelligence Centre (FIC).
  - 13.1.1. Regulation 22A: Information to be reported concerning property associated with terrorist and related activities.
- 13.2. Regulation 22B: Cash threshold reporting

