ANTI-MONEY LAUNDERING POLICY

Introduction

This document describes PROFIT Group policy and commitment to the detection and prevention of any money-laundering or terrorism financing activity within the products and services offered by PROFIT Group to its customers.

Definition

"Money Laundering" is the participation in any transaction that seeks to conceal or disguise the nature or origin of funds derived from illegal activities such as, for example, fraud, corruption, organized crime, or terrorism etc. Predicate offences for money laundering are defined by national law. The money laundering process consists of three stages:

1. Placement. Physically depositing cash into banks and non-bank financial institutions such as currency exchanges; converting cash into other financial instruments such as by purchasing monetary instruments (travellers' checks, payment orders); or using cash to purchase high-value goods that can be resold. Launderers often seek to deposit cash into banks in countries with low financial market regulation demands and then transfer these funds to banks in regulated environments as "clean". Smurfing - a form of Placement where the launderer makes many small cash deposits instead of a large one to evade local regulatory reporting requirements applicable to cash transactions;

2. Layering. Separating the proceeds of criminal activity from their source through the use of layers of financial transactions (multiple transfers of funds among financial institutions, early surrender of an annuity without regard to penalties, cash collateralized loans, L/Cs with false invoices/bills of lading, etc.) to disguise the origin of the funds, disrupt any audit trail, and provide anonymity. Launderers want to move funds around, changing both the form of the funds and their location in order to make it more complicated for law enforcement authorities to trace "dirty" money;

3. Integration. Placing the laundered proceeds back into the economy in such a way that they re-enter the financial system as apparently legitimate funds.

This Policy is supported by a set of program covering the implementation of the following areas:

- The adoption of a risk-based approach
- Know Your Client (KYC) Policy and Customer Due Diligence
- Customer activity monitoring
- Record Keeping

The adoption of a risk-based approach

Identification of the money laundering risks of customers and transactions allow PROFIT Group to determine and implement proportionate measures to control and mitigate these risks. Used risk criteria are the following:

Country risk

In conjunction with other risk factors, provides useful information as to potential money laundering risks. Factors that may result in a determination that a country poses a heightened risk include:

- Countries subject to sanctions, embargoes or similar measures;
- Countries identified by the Financial Action Task Force ("FATF") as non-cooperative in the fight against money laundering or identified by credible sources as lacking appropriate money laundering laws and regulations;
- Countries identified by credible sources as providing funding or support for terrorist activities.

Customer risk

There is no universal consensus as to which customers pose a high risk, but the below listed characteristics of customers have been identified with potentially heightened money laundering risks:

- Armament manufacturers;
- Cash intensive business;
- Unregulated charities and other unregulated "non-profit" organizations.

Services risk

Determining the money laundering risks of services should include a consideration of such factors as services identified by regulators, governmental authorities or other credible sources as being potentially high risk for money laundering.

Know Your Customer and Customer Due Diligence

PROFIT Group is an on-line operating brokerage company and therefore business relationships between the company and its customers are not established on a face-to-face basis. For customer identification purpose PROFIT Group uses electronic data brokers (linked with other in-house checks e.g., identifying duplicate accounts, confirming ownership of bank accounts etc.) to provide identity verification. This will be used to determine and document the true identity of customers to obtain background information on customers as well as purpose and intended nature of their business to us.

PROFIT Group shall obtain and document any additional customer information, commensurate with the assessment of the money laundering risk using Risk Based Approach.

PROFIT Group shall identify whether the customer is acting on behalf of another natural person or legal entity as trustee, nominee or professional intermediary. In such case obligatory precondition of customer serve is receipt of satisfactory evidence of the identity of any intermediaries and of the persons upon whose behalf they are acting, as well as the nature of the trust arrangements in place.