Moonance LLC
AML / KYC Policy
January 2024

AML/KYC Policy

Introduction

Moonance LLC (the "Company") Anti-Money Laundering and Know Your Customer Policy (hereinafter - the "AML/KYC Policy") is designated to prevent and mitigate possible risks of the Company being involved in any kind of illegal activity.

Both international and local regulations require Moonance LLC to implement effective internal procedures and mechanisms to prevent money laundering, terrorist financing, drug and human trafficking, the proliferation of weapons of mass destruction, corruption and bribery and to take action in case of any form of suspicious activity from its Users.

AML/KYC Policy covers the following matters:

1. Verification procedures
2. Sanctions and PEP lists screening
3. Compliance Officer
4. Monitoring Transactions
5. 5. Risk Assessment

1. Verification procedures

One of the international standards for preventing illegal activity is customer due diligence ("CDD"). According to CDD, Moonance LLC establishes its own verification procedures within the standards of anti-money laundering and "Know Your Customer" frameworks.

Identity verification

Moonance LLC's identity verification procedure requires the User to provide the Company with reliable, independent source documents, data, or information (e.g., national ID, international passport, bank statement, utility bill). For such purposes, the Company reserves the right to collect Client's identification information for the AML/KYC Policy purposes.

Moonance LLC will take steps to confirm the authenticity of documents and information provided by the Clients. All legal methods for double-checking identification information will be used and the Company reserves the right to investigate certain clients who have been determined to be risky or suspicious.

Moonance LLC reserves the right to verify the Client's identity on an ongoing basis, especially when their identification information has been changed or their activity seemed to be suspicious (unusual for the client). In addition, Moonance LLC reserves the right to request up-to-date documents from the clients, even though they have passed identity verification in the past.

Client's identification information will be collected, stored, shared, and protected strictly in accordance with the Moonance LLC' Privacy Policy and related regulations.

Client identification procedures and Client due diligence measures shall comprise:

(a) identifying the Client and verifying the Client's identity on the basis of documents, data or information obtained from a reliable and independent source.

(b) identifying the beneficial owner and taking risk-based and adequate measures to verify the identity on the basis of documents, data or information obtained from a reliable and

independent source so that the person carrying on in financial or other business knows who the beneficial owner is; as regards legal persons, trusts and similar legal arrangements, taking risk-based and adequate measures to understand the ownership and control structure of the Client

(c) obtaining information on the purpose and intended nature of the business relationship

(d) conducting ongoing monitoring of the business relationship including scrutiny of transactions undertaken throughout the course of that relationship to ensure that the transactions being conducted are consistent with the information and data in the possession of the person engaged in financial or other business in relation to the Client, the business and risk profile, including where necessary, the source of funds and ensuring that the documents, data or information held are kept up-to-date.

(e) Screening Clients against databases or third-party checks for adverse tax-related news.

(f) to maintain registers of customers' beneficial owners that must be accessible to law enforcement agencies.

Proof of Residence Requirements

- **Recent Utility Bill** (i.e. electric, water, telephone, gas) - The bill must be less than three (3) months old. Please note that a mobile phone will be accepted as a valid Proof of Residence only if the name on the bill matches the name of the registration and the same for the telephone number.

- **Recent Bank Statement** - Must be less than six (6) months old.

Important: Screenshots of bank statements are only acceptable in cases where the bank account being used for proof of address is the same as the one used to fund the account.

- Recent Mortgage Statement
- Signed Lease Agreement still within term
- Bank, Investment Letter
- Domestic Passport for Russians and Ukrainians (make sure that the address is matching the one mentioned in the registration)

NOTE that any document that has been used for proof of identity cannot also be used as proof of address – except the Domestic Passport mentioned above.

NOTE that all documents provided in any other language except English should be translated. The translation should be provided for each non-English document.

- Deed or Other Evidence of Property;
- Bill for Homeowner's or Renter's Insurance Policy (less than six (6) months old);
- Security System Bill/Statement (less than six (6) months old);
- Government-Issued Letters or Statements Establishing Current Address (less than twelve (12) months old).

For example:

- Tax Letters and notices;
- Letters or notices from government housing authorities;
- Jury duty notices;
- Voter registration notices;
- Other official government letters or notices showing customer name and address being verified.

The proof of residence must:

- Show current address
- Show name as indicated on the account application
- Be from a credible source (with a visible logo)
- Be dated within the last three (3) months

NOTE: P.O. Box as Proof of Residence is acceptable. In case none of the above is available, the following are acceptable as other forms of Proof of Residence for the locals:

• Proof of residence from Municipality, Land registry

The Following are acceptable as other forms of Proof of Residence for non-locals:

• Valid Lease Agreement (one year) between the client and the landlord or between the company which employs our client and the landlord associated with the contract of employment or a letter from the company declaring our client employment duly signed by the company.

Joint Account - Documents required

A joint account is made between 2 clients. Both clients should be fully verified in order to proceed with the approval.

Once we receive the internal Joint Account Application Form, we check if it is filled and signed by both clients.

- Married Couples – Proof of marriage is required
- 1st Degree Family Related – Proof such as a birth certificate is required
- Non-related but having a joint bank account – Joint bank account statement is required and proof of relationship

In most cases, both account holders will submit the documents mentioned above for individuals. If additional documents are required, the client will be contacted via email.

Corporate Account Information

- Certificate of Incorporation
- Certificate of Registered Office
- Memorandum and Articles of Association
- Certificate of Good Standing/ Incumbency
- Certificate of Incumbency
- Certificate of Directors and Secretary
- Certificate of Shareholders
- A resolution of the board of directors for the opening of the account and granting authority

to those who will operate it

- Proof of Identification for Shareholder(s)/Director(s)/Secretary/UBO
- Proof of Residence for Shareholder(s)/Director(s)/Secretary/UBO

Card verification

The Users who are intended to use payment cards in connection with the Moonance LLC's Services must pass card verification in accordance with Company's policy.

2. Sanctions and PEP lists screening

Moonance LLC screens applicants against recognised Sanctions and Politically Exposed Persons (PEPs) lists. Individuals and legal entities are screened against mentioned lists:

• on the onboarding stage when the user is submitting the application.

• on each anti-fraud and AML alerts manually by the Compliance Officer.

• daily by running automatically with a script to re-check all DB of customers.

For the screening process Moonance LLC uses an in-house system supported by World-Check and other official lists. Sumsub for manual confirmation."

3. Compliance Officer

The Compliance Officer is the person, duly authorized by Moonance LLC, whose duty is to ensure the effective implementation and enforcement of the AML/KYC Policy. It is the Compliance Officer's responsibility to supervise all aspects of Moonance LLC's anti-money laundering and counter-terrorist financing, including but not limited to:

a. Collecting Users' identification information.

b. Establishing and updating internal policies and procedures for the completion, review, submission and retention of all reports and records required under the applicable laws and regulations.

c. Monitoring transactions and investigating any significant deviations from normal activity.

d. Implementing a records management system for appropriate storage and retrieval of documents, files, forms, and logs.

e. Updating risk assessment regularly.

f. Providing law enforcement with information as required under the applicable laws and regulations.

The Compliance Officer is entitled to interact with law enforcement, which is involved in the prevention of money laundering, terrorist financing and other illegal activity.

4.Monitoring Transactions

The clients are known not only by verifying their identity but, more importantly, by analyzing their

transactional patterns. Therefore, Moonance LLC relies on data analysis as a risk assessment and suspicion detection tool. Moonance LLC performs a variety of compliance-related tasks, including capturing data, filtering, record-keeping, investigation management, and reporting. System functionalities include:

1) Daily check of Users against recognized “black lists” (e.g. OFAC), aggregating transfers by multiple data points, placing Users on watch and service denial lists, opening cases for investigation where needed, sending internal communications and filling out statutory reports, if applicable;

2) Case and document management.

With regard to the AML/KYC Policy, Moonance LLC will monitor all transactions and it reserves the right to:

- ensure that transactions of suspicious nature are reported to the proper law enforcement through the Compliance Officer.
- request the client to provide any additional information and documents in case of suspicious transactions.
- suspend or terminate Client’s Account when Moonance LLC has reasonable suspicion that such client engaged in illegal activity.

The above list is not exhaustive, and the Compliance Officer will monitor clients’ transactions on a day-to-day basis in order to define whether such transactions are to be reported and treated as suspicious or are to be treated as *bona fide*.

5. Risk Assessment

Moonance LLC, in line with the international requirements, has adopted a risk-based approach to combating money laundering and terrorist financing. By adopting a risk-based approach, Moonance LLC is able to ensure that measures to prevent or mitigate money laundering and terrorist financing are commensurate to the identified risks. This will allow resources to be allocated in the most efficient ways. The principle is that resources should be directed in accordance with priorities so that the greatest risks receive the highest attention.

6. Breaches of Anti-Money Laundering/Know-Your Customer Policy

Any breaches of the Anti-Money Laundering rules will be recorded on the Company’s breach log, reported to the Compliance Officer on a monthly basis, and to the Financial Services Authority on a quarterly basis.