

Anti-Money Laundering Policy

for natural person

Introduction: This Policy represents the basic standards of Anti-Money Laundering and Combating Terrorism Financing (hereinafter collectively referred to as AML) procedures of Mixed Trade Kft (2377 Örkény Fő u 20VAT: HU24967170) (the “Company”). The Company drafted its AML policy in compliance with the respective laws and regulations of money laundering and terrorist financing.

Scope of Policy: The Anti-Money Laundering 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. The Company is committed to Anti-Money Laundering compliance in accordance with applicable laws and requires its officers, employees and appointed producers to adhere to these standards in preventing the use of its products and/or services for money laundering purposes. Money laundering is engaging in doings made to hide or cover the origin of money that were derived due to criminal or illegal or legal activity so that these monies appear to have come from legitimate sources or constitute legitimate possessions. The AML policy of the Company is to prevent and stop money laundering and any other activity that might help money laundering or the funding of terrorists or criminal activity. The Company applies certain procedures in a proportionate way to focus on the prevention of money laundering and terrorist financing depending on the degree of possibility for these acts to takes place.

Risk based approach: The adopted risk based approach taken by the Company takes into consideration different factors including country of residence/origin of clients, amount of funds, way of transfer of funds, number of transfers, economic profile of clients, risk profile of clients, and many others factors. The same risk based approach taken by the Company takes active techniques and procedures to identify the risks involved like:

1. Ongoing monitoring of clients’ accounts, transactions, etc.
- 2.
3. Ongoing implementation and updating of AML (anti money laundering) procedures implemented by the European Union
- 4.
5. Use of modern software for screening clients before and in the process of accepting them; and during their engagement with the company if there is reasonable suspicion that have risen against them.

The Stages of money laundering: The term ‘money laundering’ is in fact a misnomer. Often it is not money that is being laundered but other forms of property that directly or indirectly represent benefit from crime. Any form of tangible or intangible property is capable of representing another person’s benefit from crime. The main objective of the money launderer is to transform ‘dirty’ money into seemingly clean money or other assets in a way to leave as little trace as possible of the transformation. Traditionally, money laundering has been described as a process that takes place in three stages as follows:

- **Placement**

This is the first stage in which illicit funds are separated from their illegal source. Placement involves the initial injection of the illegal funds into the financial system or carrying of cash across borders.

- **Layering**

After successfully injecting the illicit funds into the financial system, laundering them requires creating multiple layers of transactions that further separate the funds from their illegal source. The purpose of this stage is to make it more difficult to trace these funds to the illegal source.

- **Integration**

This is the final stage in a complete money laundering operation. It involves reintroducing the illegal funds into the legitimate economy. The funds now appear as clean income. The purpose of the integration of the funds is to allow the criminal to use the funds without raising suspicion that might trigger investigation and pursuit. In reality, the three stages often overlap and the benefit from many crimes including most financial crimes does not need to be 'placed' into the financial system. Money laundering is a crime that is most often associated with banking and money remittance services. Whilst banks are often an essential part of successful laundering schemes, the financial and related services that Licensees offer are also vulnerable to abuse by money launderers.

Terrorist financing: Terrorist financing is the act of providing financial support to acts of terror, terrorists or terrorist organizations to enable them to carry out terrorist acts. Unlike other criminal organizations, the primary aim of terrorist groups is non-financial. Yet, as with all organizations, terrorist groups require funds in order to carry out their primary activities. The need for funds, is key in fighting terrorism. Follow the money. Follow the financial trail. This is the core objective of all measures that aim to identify, trace, and curb terrorist financing. There are similarities and differences between money laundering and terrorist financing. Differences include:

- Terrorist financing is an activity that supports future illegal acts, whereas money laundering generally occurs after the commission of illegal acts; legitimately derived property is often used to support terrorism, whereas the origin of laundered money is illegitimate.

Similarities include:

- Terrorist groups are often engaged in other forms of criminal activity which may in turn fund their activities; both money laundering and terrorist financing require the assistance of the financial sector.

The key to the prevention of both money laundering and terrorist financing is the adoption of adequate CDD measures by all Licensees both at the commencement of every relationship and on an on-going basis thereafter.

Customer Due Diligence Procedures to be adopted: In case of natural persons:

- Full Name
- Birth Name
- Permanent residential address
- Mother`s name
- Date of birth
- Place of birth
- Nationality

Primary identity documentation for identity must be obtained and retained on these clients. They must bear a photograph of the principal. Primary identity documentations acceptable are:

1. Current valid passports;
2. National Identity cards;
3. Current valid driving licenses;

In addition to this primary identity documentation, we must also obtain additional verification of identity information- secondary identity documentation. The following documentation is acceptable:

1. A recent utility bill (which is less than 3 months old);
2. A recent bank or credit card statement (as such PO Box addresses are not acceptable as permanent residential addresses of clients. Some countries have P.O Box addresses such as in Middle East and Africa) (which is less than 3 months old);
3. A recent bank statement (which is less than 3 months old);
4. A domestic passport (page with registration address)

5.Phone number

1. Email address

The same document cannot be used for the verification of both the identity and the residential address of the client.

Dispositions of AML Flags

- Global Sanctions List - If the flag is a match on the Global Sanctions List, the Company shall deny the purchaser and let them know of the disposition of the review.
- PEPs - If the flag is a match on PEPs, the Company shall review the AML report and may request proof of identification or additional verification from the prospective purchaser.
- Adverse Media - If the flag is a match on Adverse Media, the Company`s counsel shall review the adverse media and make a determination on whether to allow the prospective purchaser.

After receiving any additional verification information, the Company shall provide the prospective purchaser with notice of disposition.

Other objectives pursued by this Policy are as follows:

- Promote a “Know Your Customer” policy as a cornerstone principle for the business ethics and practices;
- Introduce a controlled environment where no business with a Customer is transacted until all essential information concerning the Customer has been obtained;
- Conduct self-assessments of compliance with AML policy and procedures. Adherence to this policy is absolutely fundamental for ensuring fully comply with applicable antimoney laundering legislation. The Company will not have any relationship with any shell banks. The company is committed to examining its anti-money laundering strategies, goals and objectives on an ongoing basis and maintaining an effective AML Policy.
- Company is obliged to follow the 40+9 recommendations given by the FATF Financial Action Task Force.

Monitoring and reporting of suspicious transactions/activity:

- All personnel must be diligent in monitoring for any unusual and potentially suspicious transactions/activity basing on the relevant criteria applicable
- The reporting of suspicious transactions/activity must comply with the International laws/regulations
- If case Company suspects that any customers are abusing the money laundering services on www.coinmixed.eu, the Company reserves the right to suspend the transactions under process during the internal investigation.
- Moreover, Company reserves the right to report to the police or the competent authority about all suspicious activity, without informing the said client.

Record keeping:

- Records must be kept of all documents obtained for the purpose of identification and all transaction data as well as other information related to money laundering matters in accordance with the applicable antimoney laundering laws/regulations of the country;
- All records must be kept for at least 10 years;

Our Commitment:

- We are committed to complying fully with all applicable laws and regulations relating to combating money laundering and any activity which facilitates the funding of terrorist or other criminal enterprises.
- We are responsible for uncovering or reporting any activity that might constitute, indicate or raise suspicions of money laundering. To this end, we provide continuing education and training for all such persons.
- Company is required to comply with all trade and economic sanctions imposed by OFAC against targeted foreign countries and shall cooperate fully with government agencies, self-regulatory organizations and law enforcement officials.
- As required by the Act, the Company may supply information about former, current or prospective clients to such bodies.

