

Anti-Money Laundering and Counter-Financing of Terrorism Policies and Procedures

– CONFIDENTIAL –

This document is intended only for the following users:

<u>User Types</u>
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1. OBJECTIVES

This document aims to define how the settlement process towards players is carried out, the procedure to be utilized for verifying player identity, and how all transactions are monitored to avoid fraudulent activities.

2. GENERAL DEFINITIONS

For this Manual, unless the context shall prescribe otherwise:

“Advisory Authority” means the Advisory Authority for Combating Money Laundering and Terrorist Financing; - Not applicable for Curaçao (FIU).

“Beneficial Owner” means the natural person or natural persons, who ultimately own or control the Client and/or the natural person on whose behalf a transaction or activity is being conducted.

“Zoomba” means Zoomba B.V.

“Business Relationship” means a business, professional, or commercial relationship connected with the professional services offered by the Company, and which was expected, at the time when the contract was established, to have an element of duration.

“CDD” – customer due diligence

“CFATF” - The Caribbean Financial Action Taskforce. an organization of twenty-four (24) states of the Caribbean Basin, Central and South America, which have agreed to implement common countermeasures to address money laundering.

“Compliance Officer” – A senior officer at the management level and independent from the game's operations, responsible for detecting and deterring money laundering and terrorist financing.

“Client” means any legal or physical person aiming to conclude a Business Relationship or conduct a single transaction with the Company.

“Company” means Zoomba B.V., a limited liability company that is duly incorporated under the Laws of Curaçao and its related companies and entities.

“EDD” – enhanced due diligence

“European Economic Area (EEA)” means Member State of the European Union or other contracting state which is a party to the agreement for the European Economic Area signed in Porto on the 2nd of May 1992 and was adjusted by the Protocol signed in Brussels on the 17th of May 1993, as amended.

“EU Directive” means the Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing and amending Directives 2009/138/EC and 2013/36/EU

“FATF” – the Financial Action Task Force. An independent intergovernmental body, established in 1989 and mandated by its Member Jurisdictions to develop and promote policies to protect the global financial system against money laundering, terrorist financing, and the financing proliferation of weapons of mass destruction.

“FATF Recommendations” – a framework of recommendations on policies and measures, issued by the FATF, to combat money laundering, terrorist financing, and the financing of proliferation of weapons of mass destruction;

“Financial Transactions” – in casinos these include the purchase or cashing in of casino chips or tokens, the opening of an account, wire transfers, and currency exchanges. Financial transactions do not refer to gambling transactions that include only casino chips or tokens.

“FIU” – The Financial Intelligence Unit Curaçao, as it is referred to in Art. 2 of the NORUT.

“Kingdom Sanctions Act” - The National Ordinance also known as the “Rijkssanctiewet”, published under N.G. 2016 no. 54.

“KYC” for Know Your Customer

“Law” means any Laws and Acts legally enacted from time to time in Curaçao, or which are applicable and enforceable in Curaçao.

“Manual” means the Anti-Money Laundering and Counter Financing of Terrorism Policies and Procedures.

“Money Laundering and Terrorist Financing” or **“ML/TF”** means the money laundering offenses and terrorist financing offenses defined in the Law.

“NAf. 4,000 threshold” means the threshold as defined in the Regulations.

“NOIS” – National Ordinance on Identification of Clients when rendering Services (Landsverordening identificatie bij dienstverlening, N.G. 2017, no. 92).

“NORUT” – National Ordinance on the Reporting of Unusual Transactions (Landsverordening Melding Ongebruikelijke Transacties, N.G. 2017, no. 99).

“Occasional Transaction” means any transaction other than a transaction carried out in the course of an established Business Relationship formed by a person acting in the course of financial or other business.

“Politically Exposed Persons (PEPs)” – foreign PEPs are individuals who are or have been entrusted with prominent public functions by a foreign country and the direct family members or close associates of such persons. Examples are Heads of State or of government, senior politicians, senior government, judicial or military officials, senior executives of state-owned corporations, and important political party officials. Domestic PEPs are individuals who are or have been entrusted domestically with prominent public functions, for example, Heads of State or government, senior politicians, senior government, judicial or military officials, senior executives of state-owned corporations, and important political party officials. Persons who are or have been entrusted with a prominent function by an international organization refer to members of senior management, i.e. directors, deputy directors, and members of the board or equivalent functions.

“Regulations” – the Curaçao Gaming Control Board’s Regulations for the Combating of Money Laundering, the Financing of Terrorism, and the Proliferation of Weapons of Mass Destruction introduced on May 20, 2024

“Sanctions National Ordinance” – the National Ordinance also known as the “Sanctielandsverordening”, published under N.G. 2014 no. 55.

“Source of Funds” – refers to how the funds for a particular transaction were obtained by the player, like personal savings, pension release, property sales, share sales and dividends, gambling winnings, gifts, and compensation from legal rulings.

“Source of Wealth” – source of wealth is the origin of all the money a person has accumulated over their lifetime, like employment income, inheritances, investments, and business ownership interests.

“STR” – suspicious transaction report.

“Unusual transaction” – a transaction that is considered as such on the basis of certain indicators,

under Article 10 of the NORUT.

“Ultimate beneficial ownership (UBO)” – Refers to the natural person(s) who ultimately own(s) or control(s) a customer and/or the person on whose behalf a transaction is being conducted. It also incorporates those persons who exercise ultimate effective control over a legal person.

3. INTRODUCTION

The AML/CFT policy document shall indicate and define the company’s policies and procedures intended to prevent its products and/or services from being used for ML/TF purposes. This document shall set the standard to be followed by the company, its officers, and employees, the measures and controls in place, and the internal practices to follow. The AML/CFT manual shall be reviewed yearly to determine if any updates and/or amendments are required. The frequency of such updates can be less should there be any regulatory change or change in the policies and procedures to be applied due to any change in the risks faced by the company or due to any changes in the assessment of certain risk factors arising out of publications made by the FIU, FATF, National Risk-Assessments and/or supra-national Risk Assessments. It shall be the Compliance Officer’s responsibility to ensure that this document is reviewed and updated if and when required. Any updates and/or changes made to this document shall be presented to the board of directors who shall review and approve such changes.

3.1. Stages of money laundering

The company strives to ensure that all possible efforts are undertaken to prevent money laundering or the funding of terrorism and actively acts to curtail such illicit activity. The company complies with the Kingdom Sanctions Act, NOIS, NORUT, Sanction National Ordinance, EU Directives on the Prevention of Money Laundering and Funding of Terrorism, and any other applicable laws and regulations.

Money laundering is an offense by which money derived from criminal activity is passed through a series of processes to disguise the ownership and management of such revenue which therefore cannot be traced back to the underlying crime. The process of money laundering makes such funds appear to have been generated from legitimate sources of business.

The stages of money laundering are as follows:

- I. Placement
- II. Layering
- III. Integration

3.2. Placement

Placement is the stage where the money is introduced into the financial system, the funds at this stage are still illegitimate and the launderer will try to incorporate and place the funds derived from

illicit activity into the system to start the process of money laundering. At this stage, it is essential to understand where the money originates from, as the person who intended to commit such an act will need to obfuscate any link between the funds and criminal activity without attracting any attention.

There are several methods for a launderer to perform the placement stage including, cash deposit cheques, traveler's cheques, gambling, loan repayments, life insurance policies, deposits in an amount of less than 10,000, mixing legitimate with illegitimate funds, and asset purchasing.

3.3. Layering

At this stage the funds have managed to be deposited in the financial institution it is at this point layering is used through complex structures directed to lose all trace of the money and remove any trace of its origination from the proceeds of a crime. This may happen by conducting transactions in different jurisdictions. This process is intended to ensure that the funds are as far removed as possible from the proceeds of a crime.

It is important to prevent such an event by transaction by ensuring staff are equipped to ask the right questions whilst avoiding alerting the customer of any suspicion. Tipping off a money launderer can have severe penalties, so all staff are regularly trained in how to detect at which point a transaction is out of their comfort zone and how to interact in a way that would not alert the individual making the transaction of any suspicion.

3.4. Integration

At this stage, the money derived from criminal activity has been made legitimate and placed once again into the financial system as legitimate funds. At this stage, the launderer has been successful in laundering the funds.

3.5. Terrorist Financing

When dealing with the issue of terrorist financing, an important aspect is that the money does not necessarily have to be derived from criminal activity. The funds may be legitimate. It is not a case of disguising the source of the funds but simply the intentional transfer of funds from A to B with the intention of the receiver using those funds to support terrorist activity.

The intent and the scope of such acts are different and differ from case to case, but the process used for the funding of terrorism can be fairly like those methods used for money laundering.

Current legislation enforces Customer Due Diligence on transactions and having this process in place has made such activity harder for those intent on laundering money generated from illegal activities. It is of utmost importance to the company that the policies and procedures are structured in a way that ensures compliance with regulators and legal frameworks, ensuring that the company

is not an attractive vehicle for terrorist financing.

The Company's AML&CTF policies, procedures, and internal controls are designed to ensure compliance with all applicable legislation and best practice procedures. The policies are reviewed and updated regularly to ensure all applicable procedures and internal controls are up to date to account for both changes in regulation and internal changes that could present new risk factors.

4. RESPONSIBILITIES

The Financial Department Management and staff are responsible for monitoring all transactions to and from the company and verifying the identity of all online registered players requesting a withdrawal, who have reached the NAf 2,000. They must also establish parameters by which any suspicious activity can be immediately noted, and form procedures by which to solve these issues while keeping the risk to a minimum. Such staff must follow the guidelines and requirements as per the Kingdom Sanctions Act, NOIS, NORUT, Sanction National Ordinance, Regulations, EU Directives on the Prevention of Money Laundering and Funding of Terrorism, and any other applicable laws and regulations.

The above-mentioned regulations require obliged entities to verify the player in such a way that the source of funds is also identified. The verification process will be documented in such a way that every player will have a profile and if any Suspicious Transaction Report needs to be filed, all evidence in respect of the player will be in hand.

The following departments are directly targeted by the requirements of this procedure:

Board of Directors – Approval and Signature requirements, especially in high-risk scenarios

All Key Functions – Knowledge of procedure and understanding of requirements

Customer Support – Understanding reporting requirements

KYC Department – Understanding and applying DD requirements

Security – Understanding DD requirements

Fraud – Understanding the difference between a fraud case and an ML case

Finance Department – Understanding the risks posed by ML/TF

Legal Department – Ensuring all legislation requirements are met

Compliance Officer – Updating Policy and ensuring all relevant employees are aware of AML requirements

The scope of this procedure may be extended to other departments if the need ever arises and all employees need to be attentive and aware of the information flow regarding the Prevention of Money Laundering and Funding of Terrorism.

5. AML POLICIES AND PROCEDURES

5.1. AML Detection

Senior Management of the Company is aware of the stages of money laundering and ensures to take all preventative measures to combat, prevent, and detect money laundering. Prevention is ensured by carrying out the following measures:

- Implement policies and procedures throughout the group of companies.
- Communicate such policies and procedures to staff.
- Adopt a risk-based approach.
- Internal Controls.
- Customer due diligence procedures.
- Record keeping and Monitoring.
- Suspicious activity reporting.
- Training.

5.2. Implement and communicate policies and procedures to staff

Due to the size of the operation, management is principally responsible for most functions within the company. Management is aware of the policies and procedures in place throughout the group of companies. For example: withdrawals can be requested for amounts that have been turned over at least once. This protects the operator from being abused for money laundering purposes and protects our system from free-of-charge deposits that may be abused to our disadvantage. All withdrawal requests are initially checked by management, which monitors all the withdrawal requests and denotes those which are suspicious, based on any suspected fraudulent background. Due to the size of the operation and knowledge of the player database, various customer/s due diligence and verification processes are carried out manually by management. In any case where a transaction is complex or unusually large or there is an unusual pattern of transactions and the transaction has no apparent economic purpose concerning the nature of the business, such transaction is flagged manually as unusual and investigations are immediately kicked off. Checks for multiple accounts, individuals who may have been blacklisted by any relevant organization or company, transaction, and betting behavior, handled amounts, and deposit/withdrawal methods are carried out to identify any suspicious activity.

5.3. Risk Based Approach

The AML Regulations impose prevention and enforcement for subject persons. Therefore, Zoomba B.V. applies the risk-based approach to prevent and detect fraud.

The following steps are followed to implement the risk-based approach:

- **Identification** – The identification process involves the identification of internal and external risk factors that increase the risks being faced by the company. Predominantly, Zoomba B.V. must assess the domestic and foreign money laundering risks affecting their target market/s. In the case scenario, whereby players are registering from countries that are non-compliant with AML regulations and fraud management procedures, an onus is imposed on the operator to ensure that all players comply with the procedures implemented by the company. To actively assess and be aware of the risks the business is facing, the company must update its business risk assessment yearly or whenever the need arises (whichever occurs first) to ensure that the company is constantly aware of the ever-changing risk scenarios and mitigate such risks accordingly.

The Company differentiates risk according to four main categories:

- a) Jurisdiction Risk
 - b) Interface Risk
 - c) Customer Risk
 - d) Product/Service Risk
- **Assessment** – As an online gaming operator, management as well as the shareholder/s of the company understand and are aware that there is susceptibility to a certain level of high risk. Furthermore, management must stimulate awareness to detect the lack of implementation of stringent measures to detect fraudulent activity; the sites may become an easy target to launder money, and this is a clear example of inherent risk. In carrying out the risk assessment required, the company must consider factors relating to:
 - Customers.
 - the countries of geographic areas in which it operates.
 - products and services including the transactions undertaken in the use of such delivery channels.
 - **Monitoring and Follow-up** – Management scrutinizes the risk assessments carried out to recognize gaps in procedures and areas of improvement in procedures to reduce inefficiencies. It is important to note that inefficiencies may be present in both procedures and a lack of technical expertise adopted by staff.
 - **Supervisory** – This process includes the review of risk assessments and management to ensure that training is provided to staff involved to ensure that any updates in regulations are applied accordingly.

5.4. Internal Controls – Implementation of the Risk-Based Approach

Following the identification of inherent risk, management is required to implement the respective

controls to mitigate such risks. The first step to adopting some form of internal control, the company must appoint at least one individual (depending on the size of the company) who is a member of the board of directors responsible for compliance with these regulations.

Ensure that independent testing is carried out to ensure that such controls in place are in place and do not impose any risk to the company due to present inefficiencies.

5.5. Dynamic Risk Management

Risk management is a continuous process, carried out on a dynamic basis. Risk assessment is not an isolated event of a limited duration. Clients' activities and requests change as well as the services they require to be provided.

In this respect, the Compliance Officer must undertake regular reviews of the characteristics of existing Clients, new Clients, services, and the measures, procedures, and controls designed to mitigate any resulting risks from the changes of such characteristics. These reviews shall be duly documented as per the Manual's requirements, as applicable, and form part of the Annual Money Laundering Report.

It is also important for the Compliance Officer to monitor and ensure that the proper procedures are being implemented, and the risk-based approach principle is truly being followed in all areas of the Company. By doing so, one will also be ensuring that although certain products or clients may be of a higher risk, the company may continue providing these services and assisting these clients due to the risk being mitigated through the proper policies being implemented.

5.6. Customer Acceptance Policy

The Client Acceptance Policy (hereinafter the "CAP"), follows the principles and guidelines described in this document, defines the criteria for accepting new Clients, and defines the Client categorization criteria that shall be followed by the company and especially by the employees who have direct involvement in the obtainment of information and data relating to the client as well as employees who will be tasked with evaluating such client information to make recommendations as to whether such client falls within the Company's risk appetite in so far as the products or services being provided are concerned.

The Compliance Officer shall review and evaluate the adequate implementation of the CAP and its relevant provisions, at least annually, by the provisions of this policy, or at any other such interval as may be determined from time to time based on any changes in the company's inherent and residual risk.

5.6.1. Failure or refusal to submit information

Clients who fail or refuse to submit and provide the company with the requisite data, information,

and/or documentation for their identification and verification and the creation of their profile, after they have reached the relevant thresholds (hereinafter referred to as the “thresholds”) i.e. Naf 4,000 threshold deposits in 180 days, first withdrawal or due to an increase in the client risk profile, without adequate justification, constitutes elements that may lead to the creation of a suspicion that the Client is involved in money laundering or terrorist financing activities, although this cannot be taken as an absolute and more investigation may be required before coming to such conclusion. In such an event, the company shall suspend the customer’s account or the execution of the transaction while at the same time, the Compliance Officer must also consider whether it is justified under the circumstances at hand to submit a report to the FIU.

If, during the Business Relationship or pending the execution of a transaction, the Client fails or refuses to submit, within a reasonable timeframe (30 days from the date upon which the relevant threshold or circumstances have become effective), the required verification data and information by this document, the company may inform the Client of their intention to terminate the Business Relationship, **provided that in so doing it will not be tipping off the client**. The relevant report of the transaction should be submitted to the FIU.

5.6.2. General Principles of the CAP

The General Principles of the CAP are the following:

- (a) the company shall classify Clients and/or products into various risk categories and, based on the risk perception attached to such classifications will determine the amount and quality of information and documentation which will be required for a client to be accepted or rejected. Such information and data must not be below the minimum requirements as set in the FIU and CGA implementing procedures and the AML Laws and EU Directives in force at the time
- (b) Customers may only sign up and be allowed to make use of the company’s products and services if they provide the following information: (a) name and surname; (b) permanent residential address; (c) date of birth;(d) place of birth;(e) nationality; and(f) identity reference number where applicable. However, in low-risk scenarios, licensees may limit identification to the three personal details set out in (a) to (c) above.
- (c) all documents and data described in this policy must be collected before allowing a client to continue making use of the services provided once the thresholds have been reached (Identity Documentation and Proof of Residence).
- (d) no services shall be provided to anonymous clients or clients who are known to be operating under fictitious names(s)
- (e) no services shall be provided to high-risk clients unless the prospective Client is approved by:
 - one of the Company’s Directors and/or Senior Managers or
 - the Compliance Officer.

5.6.3. Criteria for Accepting New Clients (based on their respective risk)

This Section describes the criteria for accepting new Clients based on their risk categorization. Following a risk-based approach, one must on a case-by-case basis determine what level of due diligence should be applied on identification, business relationship, and transaction level, provided that these do not fall below the minimum as set out by the various applicable laws and regulations in place at the time. Whether the level of risk is above or below the threshold the Company is willing to undertake, one needs to be able to provide evidence to regulatory bodies that the appropriate steps have been taken to mitigate risk. There are three commonly recognized categories of due diligence.

5.6.4. Low-Risk Clients

The Company shall accept Clients who are categorized as low-risk Clients if the general principles discussed in the sections below are applied.

Moreover, the Company shall follow the *Simplified Client Identification and Due Diligence Procedures* for low-risk Clients, as defined in this policy

5.6.5. Medium Risk Clients

The Company shall accept Clients who are categorized as medium-risk Clients by the general principles as defined in this policy.

5.6.6. High Risk Clients

The Company shall accept Clients who are categorized as high-risk Clients by the general principles under Section 5.10 of the Manual.

Moreover, the Company shall apply the *Enhanced Client Identification and Due Diligence* measures for high-risk Clients, by the measures in this policy and the due diligence and identification procedures for the specific types of high-risk Clients as applicable.

The company will also classify the risk further to ensure that adequate attention is given to the clients under their respective risk profiles. For this reason, the 3 main risk categories are further subdivided as follows, Medium and Medium-High. Such an approach ensures that the measures taken to ensure the detection of any ML/TF are more targeted to the respective risk levels

Player Registration

To open an account with Zoomba B.V., the web portal, a user must first complete the registration process and deposit some funds with which he/she can then start playing. A risk-based approach is adopted, therefore basic principles are followed, and however, a checklist approach is avoided to remain vigilant of the customers being accepted.

The registration details to be filled in by all new customers include the first and last name, permanent residential address, country of residence, date of birth, e-mail address, phone number, gender, and account currency. All customers must be at least 18 years old and can only have one player account in their name, as specified in Article 4 of the Conditions to Curaçao Online Gaming License. Therefore, no minors can play on the website, furthermore, users who do not have a registered player account will not be allowed to play.

Email Verification

When a new account is created, a verification link is sent to the email account specified during the registration process. When the user clicks on the link the account is then successfully created. Only at this point can the player deposit money and start placing bets.

5.7. Customer Risk Level Breakdown

The customers will be classified as follows:

a. Low Risk (score 1 to 1.99)

Customers with a low-risk rating will need to undergo basic customer due diligence (as described in the Customer Due Diligence Procedure) when reaching the established threshold of NAf 4,000 or on the first withdrawal. The customers classified as low risk will be monitored at a lower rate. Based on changes in the customer's account they can be moved to a higher risk class.

b. Medium Risk (Score 3 to 3.99)

Customers with a medium risk score will need to undergo basic customer due diligence (as described in the Customer Due Diligence Procedure) when reaching the established threshold of NAf 4,000 or on the first withdrawal. The customers classified as medium risk will be more stringently monitored (as opposed to medium-low risk customers), and Level 2 account controls will be implemented. Specific Enhanced due diligence will be requested if the case arises.

c. High Risk (Score 5 to 5.99)

Customers with a high-risk score will need to undergo basic customer due diligence (as described in the Customer Due Diligence Procedure) when reaching the established threshold of NAf 4,000 or on the first withdrawal. The customers classified as high risk will have the highest level of stringency applied to their ongoing monitoring. Level 3 account controls will be implemented. Full enhanced due diligence will be requested.

d. PEPs

PEPs (Politically Exposed Persons) will be classified as their own category and will receive exceptionally stringent attention and monitoring. All customers that classify as PEPs will need to undergo compulsory due diligence as well as full enhanced due diligence including proof of wealth as well as proof of funds for all transactions higher than NAf 1,000. Level 4 account controls will be implemented.

5.8. Customer Due Diligence

The process of carrying out due diligence is two-fold: Simplified customer due diligence and enhanced customer due diligence.

Simplified due diligence – this is the first stage of the process, which is carried out to identify and verify the player. Registered details will be cross-checked against any documentation and public information, including confirmation of the name, surname, date of birth, and address of the player. Such documents requested by the company may be in the form of scanned documents such as scans of the I.D. card or passport to confirm their identity. In instances where the I.D. card does not also confirm the players' residence because no such residential information is provided on the document, then, a recent bill to confirm their address will be requested. This process may be kicked in upon registration or the first deposit phase but does not become a requirement until the thresholds are reached. In this stage verification of the source of wealth and source of funds will not require an in-depth analysis of the origin of the customer's funds and the activities which have led to the accumulation of the customer's wealth as the risk of ML/TF is relatively low. However, information in relation to said source of wealth must still be obtained, at which point a review will be undertaken of the information acquired to determine whether such information is sufficient, or whether further supporting documentation is required.

Customer due diligence – this is the standard process that is to be followed for most of the customer base, provided they fall within the respective risk categories requiring the application of CDD. In addition to verifying the customer's identity and residential address, Zoomba B.V. must also identify and verify the customer's source of wealth and source of funds. The company must be satisfied with sufficient certainty that the customer has provided the necessary supporting documentation which proves the origin of the customer's wealth and the activities that have led to the accumulation of the customer's wealth effectively. The customer will be allowed to deposit and make use of the company's products but will not be allowed to make any withdrawals until such time as the documentation is received. If such documentation is not received within 30 days from when the company requested such information and documentation from its customers, the customer's account shall be suspended, and the customer will be precluded from depositing and making use of the customer's products and services in addition to not allowing withdrawals to be made. A report should be sent to the Compliance Officer within 24 hours of the occurrence of such an event. The Compliance Officer shall then investigate and determine whether an STR or SAR is to be filed with the FIU.

Enhanced due diligence – this is the third and most crucial stage of the due diligence process, as further information in terms of the player is acquired. Such information includes acquiring sound knowledge and the respective supporting documentation to confirm the proof of source of wealth of the player. This would include a higher level of staff with relevant experience as such a process requires judgment when receiving such documentation and information from the player. Upon any

single or cumulative transaction, be it a withdrawal of any amount or deposit by any customer amounting to NAf 4,000 or more, the player will be obliged to send proof of funds as part of the enhanced due diligence.

No further transactions may be processed until these documents are sent by the customer and are checked and verified by the management.

This process is in line with Regulations, to lower the AML risks. Upon registering a new customer, his/her transactions and betting behavior will be checked and monitored daily. Mechanisms are in place that enforce a one-account-per-person policy, and if an issue of multiple accounts is detected all relative accounts are suspended/frozen until the matter is resolved. Scripts are in places that detect strange or unusual behaviors from our clients, and our software provider partners (KYCAID LIMITED) are immediately notified. This procedure enables the company to analyze the way every individual uses the products from our website, making it possible to categorize the players and thus set limits on the individual players according to their betting habits.

Customer identification and verification guidelines

To make a first deposit with Zoomba B.V. a customer needs to provide the following mandatory details:

- First name
- Last name
- Street and street number
- City and postal code
- Country
- Email address (must be valid and unique within Zoomba B.V.)
- Date of birth
- Password (will be encrypted)
- Confirmation of password
- Account currency
- Mobile phone number

A newly registered Zoomba B.V. account will be checked in the shortest time possible by the service department to find out if the details are correct (accounts with fancy names and addresses will be closed). Also, the registered country and the IP-country address need to be compared. A mismatch is automatically to be noted in the customer's account. This helps us close fake accounts before any pay-in can be processed.

Players who are not registered are unable and not allowed to play for real money. Any online transaction, may it be pay in or pay out, will not be accepted or processed.

Once the registration process has been finalised, customers will receive a welcome email with a link to access their accounts. This procedure aims at verifying the customer's email address.

Customers reaching one of the specified thresholds (NAf 4,000 total deposits, first withdrawal request, suspicion of ML/TF) go through an initial Risk assessment screening in order to determine if the customer's risk profile falls within the company's risk appetite. The following pieces of information are checked regarding each customer in order to determine the initial risk profile:

- Funding Methods
- Requested Product Type(s)
- Business Relationship Channel
- Geo-Location
- Politically Exposed Person (PEP) screening
- Sanctions Lists Screening
-

Each new customer must provide a copy of an ID document (passport, ID card, or driving license) when relevant thresholds are reached. This is in line with the local transposition and implementation of the AML and CTF measures as well as the relevant Implementing Procedures and Guidance Notes.

The identity check has to include a copy of a utility bill and/or bank statement showing the name and address and cannot consist of a mobile telephony bill.

Furthermore, the identity check may include additional measures such as the provision of a copy of each credit card used in the specific account. Further details can be found in the Procedure detailing the Due Diligence process.

Any remaining doubts concerning the identity of a customer have to be reported based on the Procedure detailing reporting lines. In such a case, further investigations have to be started.

These may include:

- Check the IP used by the customer
- Check the provided phone number and/or call the provided phone number
- Internet research on the customer details
- Request to the official authorities in the country of the customer – this has to be done by compliance management.
- More information is available in the dedicated CDD chapter

The due diligence criteria are set as follows:

- I.D documents must be official documents issued by a government entity that include confirmation of the name and residential address or date of birth and a photo such as a passport can be used to verify an identity. Where this type of documentation is not available a government-issued document confirming the name of the individual and supporting document supplied by a public authority, court, or a financially regulated service provider that includes the individual's full name and either date of birth or residential address can be used.
- The details in the passport are compared to other documents collected at the company's discretion.
- When in doubt of forgery, the player is requested to hold up the passport to his/her face to verify that such passport belongs to the said individual.
- Online public databases are checked to cross-check the information in the documents provided.
- Public searches through social media and other sources are checked to build the player profile.
- Finally, if it comes to our attention that the individual is a politically exposed person, enhanced due diligence is immediately carried out and the account is monitored closely.
- If the customer comes from a high-risk jurisdiction, the enhanced due diligence process is kicked off immediately and the account is monitored closely. It is at the operator's discretion to refuse registrations from high-risk jurisdictions.

Sanction list Screening

The company shall on the occurrence of the following events or when it deems it fit and proper to do so, conduct a screening of the relevant sanction lists in line with its obligations under the Sanctions National Ordinance, Kingdom Sanction Act, and FIU implementing procedures respectively.

Upon registration, the client will be screened with the various sanctions lists issued by the United Nations or the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury, the European Union, or any other relevant body responsible for imposing sanctions at a worldwide level. Such screening will then be conducted periodically based on the client risk assessment conducted. The frequency of such sanction list screening will be increased should a player reach the NAf 4,000 threshold, although such frequency will still be determined according to the client's risk. Moreover, the frequency of such screening will also be impacted by the PEP status of the particular player.

If the company becomes aware that one of its clients, or potential clients is subject to an international Sanction, or has ties to countries or entities subject to such sanctions, the company

must immediately inform without delay the FIU. All appropriate measures must be taken to ensure that any assets including funds held on behalf of such individuals are frozen immediately until further instructions are given by the FIU.

Prohibited Countries:

The list to be found in section A includes all countries from which the company will not be accepting any customer traffic and/or registrations.

5.9. Player Verification Procedure

Players will be requested to provide mandatory due diligence documents during the following stages:

- Once the Player reaches the NAf 4,000 deposit threshold
- Upon request for the first withdrawal
- At any other stage the Company's systems or employees detect any suspicious behavior of the Player or have any doubt on the accuracy of the information provided during the Registration Process or a Player Account classified as High Risk.

Players are obliged to provide the Company with documents that verify their identity and Address. The company's employees should oversee this procedure and, where any red flags are raised or registration has been rejected and are unable to complete the registration process, the employees should manually review the documents provided and the reasons for rejection. In such cases, the employees should thoroughly check all the documents provided and third-party verification reports, and reconsider whether the documents should be accepted or rejected, and in case of rejection, whether to request the customer to provide new documents or suspend the account and report the case to the Compliance Officer in line with the company's internal reporting procedures.

The company's employees, in terms of the player verification process, shall review the following documents:

- Documents needed to verify Players' identity:
A clear, color, scan or photo, alongside a selfie picture of any of the following:
 - Official ID card (both sides)
 - Passport (open and display the full photo ID page of the passport holder)
 - Driving License (both sides)
- Documents needed to verify Players' address:

Player' should follow should provide a clear scan, color photo, PDF or screenshot of any official document addressed to them, issued within the last 3 months, stating their full name and current address. This can include one of the following:

- Utility bill (electricity, water, gas, landline phone bill, internet line account)
- Bank statement or reference letter

- Credit card statement
- Tax/welfare letter
- correspondence from a central or local government authority, department or agency, or any other government-issued document.
- Any additional documents:
At any stage, Players may be asked to provide any further information to those already provided or any additional documentation (check Appendix B), at the Company's sole discretion.

Upon receiving the required documents and for the player's account to be validated, the Company's employees shall conduct a manual check on the information/documentation received and consider whether more information/documentation is needed. The following checks are to be performed:

- Check whether the Player's personal data listed in the document provided matches the information provided during the registration
- Cross-checking of any third-party report on similarity checks and whether the Selfie meets the system requirements (clear photo of the Player's entire face without wearing glasses, hats, scarves, or any other accessory that covers the face, in whole or in part) has been adhered to
- Make sure that the system does not allow registration of Players who are underage (according to clause 5.10 – Minors Prevention Procedures), coming from restricted counties, or have another Player Account in their name.
- Manual Check of documents provided to verify Players' address
- Verify the validity and authenticity documents provided
- Verify and confirm that the documents provided contain all necessary information, according to the information it is meant to verify

5.10. Applied Due Diligence Measures and Account Controls Breakdown

Based on customer risk class, specific control levels will be applied to each customer account to mitigate the inherent risk posed by any of these classes. The controls will be applied based on which risk criteria are more relevant when calculating customer scores. The list below is by no means exhaustive and Zoomba B.V. employees will seek guidance and advice regarding specifically suspicious accounts and situations from middle management, the compliance department, the Compliance Officer, and Senior management when the need for more stringent controls arises.

a. Level 1

- Proof of ID
- Proof of address
- Proof of funds (where applicable)

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- Copy of Credit card (where applicable)

b. Level 2

- Controls may include but are not limited to:
- All controls mentioned for Level 1 above
- Proof of Source of Wealth
- Proof of Source of Funds

c. Level 3

Controls may include but are not limited to:

- All controls mentioned for Level 2 above
- Secondary proof of address
- Certified copies of due diligence documentation
- Video call with customer for verification purposes
- Professional/Bank Reference Letters
- Controls include but are not limited to
- Manual information review by Compliance Officer
- Management approval for relationship continuation
- Daily account monitoring by relevant teams

Zoomba B.V. has multiple stages of Customer Due Diligence (CDD) in place to mitigate as many of the risks posed by the possibility of Money Laundering and Terrorist Financing as well as properly understand their customers as well as the nature of the intended business relationship.

To this extent, specific mechanisms have been put in place to:

- Determine who the customers are
- Verify whether that person is the person he/she purports to be
- Determine whether a person is acting on his/her behalf or on behalf of another person
- Establish the purpose and intended nature of the business relationship and the customer's business and risk profile
- In the case of a business relationship, monitor that relationship on an ongoing basis.

Zoomba B.V.'s applied Due Diligence measures consist of the following:

- Identification and Verification of the Customer
- Obtaining additional information on the Purpose and Intended Nature of the Business Relationship
- Understanding and verifying the customer's source of wealth and source of funds where applicable
- Ongoing Monitoring

a. Customer Due Diligence

Zoomba B.V., following the Regulations, requests all customers to provide standard due diligence in the following cases:

- Player reaches the requested threshold of NAf 4,000 as recommended by the CGA.
- Player requests their first withdrawal.
- Any reasonable suspicion towards the player is raised.
- A change in the customer's risk rating.

Standard due diligence contains but is not limited to the following documents:

- Proof of Identity – This documentation will be used to begin verification of customer identity and will create the basis of the customer's profile. The proof of identity might consist of but is not limited to a copy of a Local government-issued ID, a Copy of a Passport, a Copy of a Driver's License, a Copy of a Residency Card (where applicable).
- Proof of Address – This documentation complements the proof of identity and assures the customer has their residency where they claim they do, so proper measures can be applied to cater to their specific jurisdiction requirements. The proof of address may consist of, but is not limited to Utility Bill, Lease Agreement, and Bank Statement.
- Source of Wealth – This piece of documentation will be used to determine the overall capacity of the player to use the funds they are using on the Company's website, as well as to determine if responsible gambling regulations are respected by the players. Proof of source of wealth may consist of but is not limited to a bank statement for a longer period, a Letter from the bank confirming the customer's balances, and Proof of transactions that might have provided the customer with a large amount of funds.
- Proof of funds – This piece of documentation is required in situations where a transaction is out of the ordinary or contrary to the estimated customer rollover capacity per transaction. This is to ensure the funds used for an outstanding transaction have not been acquired by any predicate crime. Proof of funds may consist of but is not limited to a letter from the bank explaining said funds, Proof of sale (in case funds were obtained from the selling of movable or immovable property), a Bank statement specifically showing the provenience of funds used, proof of ownership of any security, proof of ownership of any legal entity and its related financial statements, dividend warrants.
- Ongoing Monitoring – As per regulation all customers need to undergo ongoing monitoring to a certain extent based on risk profile. A less stringent monitoring regime will be applied to customers that have scored below High Risk (for more details on risk levels please see Onboarding Procedure).

b. Enhanced Due Diligence

As per Policy all customers that pose a high risk of ML/TF, are politically exposed or it is determined that it will be more prudent to apply EDD measures, will be requested to provide extra documentation and proof of verification based on the most relevant risk factor(s). As described in

the Onboarding Procedure each Risk rating warrants a level of extra documentation, however, if deemed necessary one or more of the following actions will be taken to ensure the customer is properly verified and the risk of ML/TF is well kept under control. The following list describes the most common documents that can be requested for Enhanced Due Diligence purposes; however, it is not exhaustive, and Zoomba B.V. reserves the right to request any documentation to the point where management is satisfied with the customer verification:

- Copy of Debit/Credit Card – this piece of documentation is requested to verify that the deposit means used is indeed under the correct name that was collected during the initial identification and verification procedure
- Bank Statement – this piece of documentation is requested in cases where money has been transferred using bank transfer and helps verify that the account used for the transfer is indeed under the name collected during initial identification and verification. The Bank Statement is also used as supporting documentation for the proof of funds and wealth.
- Letter from the Bank – this piece of documentation is requested as further proof of the customer's identity as well as to double-check his reputation with a financial institution.
- Certified True Copies of Due Diligence Documentation – certifying the copies of the required documents offers extra control towards the accurate verification of the customer's identity using a secondary licensed person checking that the documents are veritable. This can be requested when there is suspicion that the documentation might have been tampered with.
- Recorded Video Call – this action is taken when there are doubts that the person using the Zoomba B.V. account is the one whose due diligence documentation has been received. Specific interactions are required on behalf of the customer to make sure that the footage is live. This procedure is not meant to eliminate the risk posed by a non-face-to-face relationship which will still be taken into consideration when analyzing the customer, however, it will provide extra assurance of the legitimacy of the customer's claims.
- Account Review by Compliance Officer – this action is taken when there is suspicion of ML/TF on behalf of the customer but there is not sufficient information for filing an STR. The Compliance Officer checks the account and gathers all needed information to make a final decision regarding the ML/TF suspicion.
- Management Approval for Relationship Continuation – In cases where the customer poses a high risk of ML/TF but does not raise any suspicion based on behaviour or documentation, express approval from management will be required to continue the business relationship.
- More Stringent Account and Transaction Monitoring – all accounts deemed as High Risk will be subject to more stringent scrutiny from the relevant teams.

c. Simplified Due Diligence

Such measures shall only be applied in low-risk scenarios, provided none of the other CDD or EDD thresholds are reached. In such a case level 1 controls will be applied.

d. CDD: Player Limits and Limit Monitoring

Based on jurisdictional requirements players may need to set deposit limits upon opening an account with Zoomba B.V. Company's staff will make sure these limits are applied. If a particular player sets their deposit limit higher than the approved amount, they will be contacted by the Company's relevant departments and will be requested to provide reasoning for their limits. Where any ML or FT suspicions come up based on the player behaviour analysis the case will be escalated to Senior Management and an EDD requirement may be triggered.

5.11. Protection of Minors

Customers under the age of 18 will be denied registering an account. Customers will be required to register before playing for real money. Responsible gambling procedures will be put in place to ensure minors and persons under the legal gambling age are denied access to gambling services.

The company will not accept customers unless they are of legal age (18 years or the legal age of majority in his/her jurisdiction, whichever is greater). The registration process requires confirmation of date of birth, as well as confirmation that the customer is over 18 years of age.

Should a player still manage to go through the registration process and is under the age of 18, the Company has implemented controls to check and verify the age and identity of the customer. This check is carried out instantaneously upon registration by the player through Location screening. Should this check however fail for some reason, the company shall still request KYC documentation from the player upon first withdrawal. Should at any stage the player be found to be a minor, all stakes, winnings, and bonuses are to be forfeited, the deposit returned (any part of it that remains), and the account blocked.

5.12. Politically Exposed Persons

Zoomba B.V. is aware of its duties towards identifying and carrying out due diligence in terms of politically exposed persons. Due to the size of the operation and awareness of our client database, currently, no politically exposed persons have registered on the site.

The company shall apply the following to the accounts of "Politically Exposed Persons":

1. The establishment of a Business Relationship or the execution of an Occasional Transaction with persons holding important public positions and with natural persons closely related to them, may expose the Company to enhanced risks, especially if the potential Client seeking to establish a Business Relationship or the execution of an Occasional Transaction is a PEP, a

member of his immediate family or a close associate of or is known to be associated with a PEP.

The Company shall pay more attention when the said persons originate from a country that is widely known to face problems of bribery, corruption, and financial irregularity and whose anti-money laundering laws and regulations are not equivalent to international standards or who have been flagged as having regulatory deficiencies by the FATF or any other regulatory and/or monitoring authority.

2. To effectively manage such risks, Zoomba B.V. shall assess the countries of origin of its Clients to identify the ones that are more vulnerable to corruption or maintain laws and regulations that do not meet the 40+9 requirements of the FATF.

With regards to the issue of corruption, one useful source of information is the Transparency International Corruption Perceptions Index which can be found on the website of Transparency International at www.transparency.org.

Concerning the issue of adequacy of application of the 40+9 recommendations of the FATF, the Company shall retrieve information from the country assessment reports prepared by the FATF or other regional bodies operating by FATF's principles (e.g. Moneyval Committee of the Council of Europe) or the International Monetary Fund.

3. PEPs are the natural persons who are or have been entrusted with prominent public functions and immediate family members, or persons known to be close associates, of such persons.
4. The meaning of a 'Politically Exposed Person':

Foreign PEPs are individuals who are or have been entrusted with prominent public functions by a foreign country and the direct family members or close associates of such persons. Examples are Heads of State or government, senior politicians, senior government, judicial or military officials, senior executives of state-owned corporations, and important political party officials. Domestic PEPs are individuals who are or have been entrusted domestically with prominent public functions, for example, Heads of State or of government, senior politicians, senior government, judicial or military officials, senior executives of state-owned corporations, and important political party officials. Persons who are or have been entrusted with a prominent function by an international organization refer to members of senior management, i.e. directors, deputy directors, and members of the board or equivalent functions.

Both domestic and foreign PEPs are to be considered as PEPs and EDD measures on a risk-

sensitive basis must be applied

5. Without prejudice to the application, on a risk-sensitive basis, of enhanced Client due diligence measures, where a person has ceased to be entrusted with a prominent public function within the meaning of point (4) above for at least one year Zoomba B.V. shall not be obliged to consider such a person as politically exposed. Nevertheless, the Company may still consider a person to be politically exposed notwithstanding that he no longer holds an office or role which had rendered him to be considered as a PEP for a period longer than 12 months. Such a decision will be based on the risk associated with the position the person had held when being considered as a PEP.
6. 'Persons known to be close associates' includes the following:
 - (a) any natural person who is known to have joint Beneficial Ownership of legal entities or legal arrangements, or any other close business relations, with a person referred to in point (4) above
 - (b) any natural person who has sole Beneficial Ownership of a legal entity or legal arrangement which is known to have been set up for the benefit de facto of the person referred to in point (4) above.
7. Without prejudice to the provisions of this document, Zoomba B.V. will adopt the following additional due diligence measures when it establishes a Business Relationship or will carry out an Occasional Transaction with a PEP:
 - (a) Zoomba B.V. puts in place appropriate risk management procedures to enable it to determine whether a prospective Client is a PEP. Such procedures may include, depending on the degree of risk, the acquisition, and installation of a reliable commercial electronic database for PEPs, seeking and obtaining information from the Client himself or publicly available information. In the case of legal entities and arrangements, the procedures will aim at verifying whether the Beneficial Owners, authorized signatories, and persons authorized to act on behalf of the legal entities and arrangements constitute PEPs. In the event of identifying one of the above as a PEP, then automatically the account of the legal entity or arrangement should be subject to the relevant procedures specified in this Section of the Manual.
 - (b) The decision to establish a Business Relationship or the execution of an Occasional Transaction with a PEP is taken by an Executive Director of the Company and the decision is then forwarded to the Compliance Officer. When establishing a Business Relationship with a Client (natural or legal person) and subsequently it is ascertained that the persons involved are or have become PEPs, then approval is given for continuing the operation of

the Business Relationship by an Executive Director of the Company which is then forwarded to the Compliance Officer.

- (c) before establishing a Business Relationship or executing an Occasional Transaction with a PEP, the company shall obtain adequate documentation to ascertain not only the identity of the said person but also to assess his business reputation (e.g. reference letters from third parties).
- (d) Zoomba B.V. shall create the economic profile of the Client by obtaining the information specified in Section III.4 and III.6 of the Regulations. The profile shall be regularly reviewed and updated with new data and information. The Company shall be particularly cautious and most vigilant where its Clients are involved in businesses that appear to be most vulnerable to corruption such as trading in oil, arms, cigarettes, and alcoholic drinks
- (e) The account shall be subject to a shorter review period than would otherwise be assigned for a client of a similar risk, to determine whether to allow its continuance of operation. Such a period shall take into account the position and measure of political influence the PEP has as well as the inherent risk and mitigating measures associated with the products being offered to such a client. A short report shall be prepared summarizing the results of the review by the person who oversees monitoring the account. The report shall be submitted for consideration and approval to the Partners and filed in the Client's file.
- (f) Zoomba B.V. is required to obtain a higher standard of the quality of documents obtained.

8. Licensees may carry out or, in the case of applying enhanced ongoing monitoring, implement these measures at any point in time between the establishment of the business relationship and the point in time when the NAf 4,000 threshold is met, but not later from the lapse of thirty days from when the said threshold is reached. In the case of an occasional transaction, licensees have to carry out the said measures, in so far as they are applicable, before carrying out the transaction in question.

9. Screening for PEP status will be carried out regularly but this must be done within thirty days of the NAf 4,000 threshold being met, even where Zoomba B.V. may have already screened customers to determine if they were PEPs earlier on during the business relationship. Should a customer who had not been identified as a PEP at the onboarding stage result to have become one, the licensee concerned has to carry out or obtain senior management approval to service the PEP as well as establish the source of wealth and, where applicable their source of funds is within the thirty-day window, failing which it would have to terminate the business relationship with the said customer as described in Section III.6 of Regulations.

10. The Company shall monitor the PEP registers to better ascertain if potential or current clients are PEPs or whether any officials or related personnel of a client are PEPs. Such registers are to be considered as guidance tools, and one should always endeavor deeper to determine whether a person is to be considered as a PEP.

5.13. Ongoing Risk Assessment – Advanced

The player risk profile is a document describing the various items taken into consideration, when enough information is gathered regarding a player, to determine the risk said player poses to the company from an AML/CFT perspective within the confines of the Business Risk Assessment created for the company.

The player risk assessment is created in one of the following situations:

- Player reaches the required threshold (NAf 4,000)
- Player makes their first withdrawal
- Suspicion has been raised internally regarding the player's activity
- Change in Customer's PEP status
- Increase in customer risk classification

In either of the above-mentioned cases, a player risk profile is drafted and filled in using information gathered during the business relationship. Should additionally control measures be applied, the response, information, and documentation provided shall also be taken into account when drafting such player risk profile.

The customer risk profile contains the following fields:

a. Username as stored in the back office

When creating an account with the company the player selects a username that will be stored within the company's back office and is used to further identify the customer. The username itself cannot be utilized to identify the customer unless access is provided to the secured company back office and thus anonymization is achieved to satisfy GDPR.

The only way to establish a link between the player's risk profile and the player's sensitive data is to have access to both platforms. Access to said platforms is carefully monitored by the company's IT security team.

b. Funding method as described in the back office

The company's back office stores all possible funding methods for all jurisdictions within its back office and allocates these funding methods to players using them accordingly.

Each payment method has received an internal relevant risk score based on the strength of the controls applied to the customers using said particular payment methods, as well as on the strength of the AML policies and procedures employed by the payment method providers themselves.

The risk scores are described as follows:

Risk Rating	Risk Score	Description
Low	4	• European or EU equivalent bank transfers • Debit cards issued by credit institutions within the EU/EEA or at EU standards
Medium	9	• EU/EEA Credit Card • EU/EEA PSP which does not allow customers to fund with cash or quasi-cash
High	14	• Prepaid Cards • Vouchers • NON-EU/EEA Debit card • NON-EU/EEA Credit card • VFAS (cryptocurrencies) • EU/EEA licensed payment providers that can be funded with cash or quasi-cash • Non-EEA licensed PSPs that allow customers to fund with cash or quasi-cash • NON-EU/EEA which do not allow customers to fund with cash or quasi-cash.

NOTE: Some of the risk categories found in the above ratings might not be currently present within the Company's risk appetite, however, they have been noted in the general risk assessment as to be used at any future date in case the company deems it necessary.

The current payment methods have been adjusted to reflect the status of the company's risk appetite in the individual scores.

c. Player Jurisdiction

The company takes into consideration player jurisdiction upon onboarding to ensure that the country the player comes from is within the company's risk appetite.

All countries accepted by the platform have been analyzed based on the individual controls applied by the company on a case-to-case basis, as well as concatenating information from various online resources that offer insight into the risk specific jurisdictions pose from an AML/CFT perspective.

Each country supported by the platform has been given a risk score based on the data processed from the various resources.

The main documentation used for determining a country's risk rating are:

- The Basel Institution of Governance risk rating report
- Transparency International Corruption Index
- World Governance Indicator – Control of Corruption

The jurisdiction risk scores are described as follows:

Risk Rating	Risk Score	Description
Low	8	Countries that offer a strong AML/CFT regulation in line with international standards. Countries that offer good AML/CFT regulation and show signs of constant improvement
Medium	17	Countries that offer an acceptable AML/CFT regulation have shown plans to improve in the future. Countries that offer a baseline AML/CFT regulation and controls can be put in place to mitigate risks
High	25	Countries lacking sufficient and/or effective AML/CFT regulation and controls in place to mitigate risks
Blocked/Extreme	N/A	Countries banned via platform to avoid risks from an AML/CFT perspective and countries listed as High-Risk Jurisdictions subject to a Call for Action by the FATF

NOTE: Not all countries present in the extended score description are currently available through the platform, however, scores have been assigned to the above-mentioned countries to ensure a term of comparison where needed.

d. Player registration channel

The company offers the possibility of online registration for its players. On signing up players must input the details as described in section 4.8 and provide at least the first two points of level 1 controls for identification purposes. Once the player deposits and starts to wager, the account is monitored for any increase in risk or high-volume wagering/high amount wagering. Should it be deemed necessary, the client will be asked to verify the source of funds even though the relevant thresholds have not been met. Should it transpire that the information and documentation provided at this stage is fake, inaccurate, or incorrect, the account will be suspended, and an investigation will be initiated to determine whether there are sufficient grounds to file an STR.

e. Player first deposit amount

The company considers that the initial sum deposited by a specific player is crucial in determining

the type of behavior the company needs to exhibit toward the player from both an AML perspective as well as a Responsible Gambling perspective.

To this extent, the possible first deposit amounts have been broken down into 5 categories beginning with the most common deposit amount and incrementing to the threshold for Due Diligence requirement.

The deposit amounts are broken down as follows:

Risk Rating	Risk Score	Amounts (NAf)
Low	4	0 to 2000
Medium	9	2001 to 4000
High	11	4000 +

f. Player first withdrawal amount

The company monitors the initial withdrawal amount to determine the type of business relationship the customer seeks to form with the company as well as to place monitoring flags on the customer account for future withdrawal actions and search for any suspicious patterns.

The withdrawal amounts are broken down as follows:

Risk Rating	Risk Score	Amounts (NAf)
Low	4	0 to 2000
Medium	9	2001 to 4000
High	11	4000 +

5.14. Record Keeping and Monitoring

5.14.1. General

The Company's Management shall maintain records of the Client identification documents obtained during the Client identification and due diligence procedures, as applicable.

The documents/data mentioned above shall be kept for at least five (5) years, which is to start running either from the termination of a business relationship or from the date on which an occasional transaction has been executed.

It is provided that the documents/data mentioned in points (a) and (b) above which may be relevant to ongoing investigations shall be kept by the Company until the FIU confirms that the investigation has been completed and the case has been closed. Furthermore, should the firm require the documents for the institution, prosecution or to defend against any claim for which a longer prescriptive period exists, then such records will be kept until the claim is extinguished or such prescriptive period has elapsed.

5.14.2. Format of Records

The Company's Management shall retain the documents/data mentioned in this Policy, other than the original documents or their Certified true copies that are kept in a hard copy form, in other forms, such as electronic form, provided that the Company's Management shall be able to retrieve the relevant documents/data without undue delay and present them at any time, to the FIU or any other relevant authority, after a relevant request.

In case the company establishes a documents/data retention policy, the Compliance Officer shall ensure that the said policy shall take into consideration the requirements of the Law and the Directives.

The Internal Auditor shall review the adherence of the company to the above, at least annually.

5.14.3. Certification and language of documents

1. The documents/data obtained shall be in their original form or as a copy of the original. In high-risk cases or if deemed appropriate, the company may request documents to be certified as true copies of the original and/or be apostilled. In the case that the documents/data are certified as true copies by a different person than the company itself or by the third party with whom a reliance and or intermediary agreement has been reached, the documents/data must be apostilled or notarized or certified by a professional whose identity and professional capacity must be confirmed and verified. In certain high-risk cases, identification and verification of the certifier may also be necessary.

2. A true translation shall be attached in the case that the documents of point (1) above are in a language other than English, or a language which is not known by the person reviewing the document.

Each time the Company shall proceed with the acceptance of a new Client, the Head of the Corporate Administration Department shall be responsible for ensuring compliance with the provisions of points 1 and 2 above.

5.15. On-going Monitoring Process

5.15.1. General

The regular monitoring of the Clients' accounts and transactions is an imperative element in the effective controlling of the risk of Money Laundering and Terrorist Financing. In this respect, the Compliance Officer shall be responsible for maintaining, as well as developing, ongoing monitoring processes of the Company.

5.15.2. Procedures

The procedures and frequency relating to the monitoring of Customers' profiles, accounts, and examination of transactions based on the Client's level of risk shall include the following:

- (a) the identification of:
 - transactions which, as of their nature, may be associated with money laundering or terrorist financing.
 - unusual or suspicious transactions that are inconsistent with the economic profile of the Client for further investigation.
 - in case of any unusual or suspicious transactions, the administrator handling the specific client as well as the Head of that Department shall be responsible for communicating with the Compliance Officer.
- (b) Further to point (a) above, the investigation of unusual or suspicious transactions by the Compliance Officer. The results of the investigations are recorded separately and kept in the file of the Clients concerned.
- (c) the ascertainment of the source and/or origin of the funds credited to accounts.
- (d) the use of appropriate IT systems.
- (e) For the Company to comply with its monitoring requirements it shall review the client's file according to the timeframes, as per section 5.15.3 below, and take into consideration the following to assess whether any additional or replacement documentation/evidence might be required:
 - Update any expired identification documentation
 - Update any changes in the companies' structure and involved people.
 - Changes in the clients' activities which might have an impact on the clients' economic profile.
 - Reviewing ways in which new products and services may be used by criminals for money laundering and/or terrorist financing purposes, and how these ways may change to conceal such illicit activities.
 - The compliance officer performs checks to ensure that the relevant reviews take place and documentation is kept accordingly.
 - Reporting and accountability by the compliance officer to the Board of Directors and Senior Management.
 - Liaising with the Curacao Gaming Control Board, FIU, or any other relevant/applicable authority in a case where such liaising is required.

5.15.3. Timeframes

The time frames set below shall act as guidelines for the compliance officer when setting the dates for the re-review dates. Such time frames may be changed if justified notwithstanding the client has been risked as in a category, provided such justification is recorded. Furthermore, these time

frames should be changed and updated should any of the factors affecting the risk the client poses change. The below time frames shall be taken as guidance points and not as a mandatory rule.

Risk Classification	Time Frames
Low Risk	12 - 24 months
Medium Risk	6– 12 months
High Risk	3 – 6 months

5.15.4. Payout Management Procedure

Checks to be performed on each pay-out:

a. Account check

The owner of the Zoomba B.V. account must be the same person as the owner of the bank account or credit card. All account information, like address, email, date of birth, etc., must be complete and authentic. Withdrawals will be made to the same source where the funds originated (where possible).

b. Deposits must have been used

On each payout, the company will verify whether the deposits have been used for stakes. All deposit amounts need to have been wagered at least once (1) when a bonus was not credited before a withdrawal request can be made. In the case where a bonus has been utilized, the total amount of deposit and bonus must be wagered at least seven (7) times before being allowed to make a withdrawal. A pay-out cannot be processed if the deposited amount has not been used for stakes. If the deposited amount has not been used, the payout has to be denied. Furthermore, the latest winnings have to be checked for correctness.

c. Fulfilment of bonus rules

Before a payout can be deducted from the customer's account, the account has to be checked if a bonus has been given to the customer since the last payout. When a bonus has been credited, the account has to be checked for the fulfilment of the bonus rules applicable to that bonus.

If bonus rules have not been fulfilled the requested pay-out cannot be completed.

d. Deposit of funds

Funds deposited in the gaming wallet can only be used for gaming activity. Should Zoomba B.V. notice regular changes by players to the payment method linked to the gaming wallet, the account will be suspended until the necessary explanations are provided by the player for these changes.

Zoomba B.V. does not allow players to transfer funds between accounts under any circumstances.

The company's KYC team continuously monitors players' deposit activity as well and has automated processes in place to receive notifications when players achieve the NAf 4,000 (four thousand) transaction limit.

e. Risk Profile for Zoomba B.V.

The risk profile and Risk appetite for Zoomba B.V. will be calculated based on the Business Risk Assessment done at a minimum once every year. The Business Risk Assessment will take into consideration all Risks the company faces constantly as well as the mitigating factors controlling the inherent risk. Modifications will be done to the policies and procedures for Zoomba B.V. based on the resulting residual risk, as soon as the need arises.

Withdrawals can only be paid to the same customer's account used to deposit money. This is in line with p. II.2.3.3. of Regulations, which provides that there is a higher transaction risk if the user's card is issued in the name of third parties. Therefore, the funds to be paid to the player can only be withdrawn to the same account from which the funds paid into the player's account originated. If the payment method used does not allow Zoomba B.V. to settle payouts to the same payment method, then Zoomba B.V. must identify and verify that the method used to settle the withdrawal request belongs to the player in question.

Zoomba B.V. does not accept cash from customers, and funds may only be received through online transfer. In the same manner, no withdrawals can be processed as cash. Withdrawals will always be remitted to the same account from where the funds originated or to an account or payment method that has been verified as belonging to the player.

At all times management shall ensure that the total of all the players' account funds including any funds in transit shall be at least equal to the aggregate of the amount standing to the credit of the players' accounts held by the licensee to have sufficient funds to pay out the prize money with appropriate ring-fencing and segregation measures as prescribed by per p.5, Art.6 of the Conditions to Curaçao Online Gaming License.

CDD documentation is always requested and verified for all players affecting a single or cumulative transaction of NAf 4,000 or more or upon requesting to withdraw funds.

The system will automatically stop minors from playing as players inputting a date of birth below the age of 18 years of age or the applicable age within their country of residence will not be able to complete the registration process.

5.16. Dormant Accounts

If you do not log in to your account for a consecutive period of 365 days, your account will be

considered a dormant account. Any positive cashable balance in a dormant account may be removed by us. Before any positive balance is transferred out of a dormant account, we will make reasonable efforts to notify you via the most current contact details you provided to us. However, you can at any time contact us to request access to any positive balance in your account before the account becomes a dormant account. Following your request and subject to verifying your identity, we will promptly consider any such request, and we will restore access to your account and such positive balance where we are reasonably able to do so, or if we are not reasonably able to restore access to your account, we will refund the positive balance directly to you.

6. UNUSUAL ACTIVITY REPORTING

In any case, where the company encounters, verifies or there exists a reasonable suspicion that any form of money laundering is taking place or being attempted, such activity will be reported to the Financial Intelligence Unit (FIU), as required. The activity will be reported through the portal for filing and submitting suspicious transaction reports (STR) and Suspicious Activity reports (SAR), as designated by the FIU. The company, through its Compliance Officer, is responsible for ensuring that when an STR is filed, all supporting documentation and information about why the transactions, as well as the player, have been flagged as suspicious must also be submitted. Any employee and/or company officer having a suspicion that a client is involved in any stage of ML or TF is attempting to launder money using the products and/or services of the company must report such suspicion to the Compliance Officer by not later than 24 hours from when such suspicion is formed. The Compliance Officer, upon receipt of such report, must initiate an investigation into the suspicious activity and/or transaction and verify if such suspicion is objectively justified. This is to be done in the shortest time possible. This notwithstanding, the Compliance Officer may continue to investigate to gather the evidence required to submit a complete SRT/SAR.

The financial task force on the money laundering site is checked regularly to keep abreast with the latest updates and blacklist jurisdictions as well as jurisdictions that do not abide by FATF and anti-money laundering regulations.

The definition of a suspicious transaction as well as the types of suspicious transactions that may be used for Money Laundering and Terrorist Financing are almost unlimited. Suspicion of ML/FT is subjective, and one must consider several circumstances together to be able to come to a reasonable conclusion that suspicion does indeed subsist. A suspicious transaction or activity will often be inconsistent with a client's known, transaction pattern/activities with the normal deposit/wagering activity of the specific client, or in general with the economic profile that the company has created for the Client. The company shall ensure that it maintains adequate information and knows enough about its Clients' activities to recognize on time that a transaction or a series of transactions is unusual or suspicious.

6.1. Knowledge

Knowledge may be deemed to be an objective criterion and therefore it is not difficult to ascertain whether there is ML/FT. If for any reason the Compliance Officer, or any other employee of the Company, is aware or owns information that indicates that any of the above activities may have taken place, are taking place, or will be taking place, the Compliance Officer should immediately proceed with filing a report with the FIU.

6.2. Unusual and Suspicious Transactions

The definition of an unusual transaction as well as the types of suspicious transactions that may be used for Money Laundering and Terrorist Financing are almost unlimited. Suspicion of ML/FT is subjective, and one must consider many circumstances together to be able to come to a reasonable conclusion that suspicion does indeed subsist. An unusual transaction will often be inconsistent with a client's known, legitimate business or personal activities with the normal business of the specific client, or in general with the economic profile that the Firm has created for the Client. The Company shall ensure that it maintains adequate information and knows enough about its Clients' activities to recognize on time that a transaction or a series of transactions is unusual or suspicious.

Any unusual behavior needs to be reported to the FIU. If Curaçao FIU, after proper analysis of an unusual transaction, concludes that there is a suspicion of money laundering and/or terrorism financing, this transaction will be reported to the Public Prosecutor's Office as a **suspicious transaction**.

Examples of what might constitute unusual transactions/activities related to Money Laundering and Terrorist Financing are listed in Appendix B of the Manual. The relevant list is not exhaustive, nor does it include all types of transactions or services that may be requested to be used, nevertheless, it can assist the Company and its employees (especially the Compliance Officer and the Company's Management) in recognizing the main methods used for Money Laundering and Terrorist Financing. The detection by the Company of any of the transactions contained in the said list prompts further investigation and constitutes a valid cause for seeking additional information and/or explanations as to the source and origin of the funds for the payments and intended transactions, the nature and economic/business purpose of the underlying transactions requested, and the circumstances surrounding the activities.

To identify unusual transactions, the Compliance Officer shall perform the following activities:

- Monitor continuously any changes in the Client's financial status, business activities, type of transactions, etc.
- Monitor continuously if any Client is engaged in any of the practices described in the list containing examples of what might constitute suspicious transactions/activities related to

Money Laundering and Terrorist Financing which is mentioned in the Appendixes of this Manual.

- Provide adequate training to any staff who will be in contact with any client, agents, client's officers, client's representatives, client's transactional information and/or documentation client's, operational information and/or documentation, and any other information and/or documentation which can lead to knowledge or suspicion being detected.

Furthermore, the Compliance Officer shall perform the following activities:

- Receive and investigate information from the Firm's employees on unusual transactions that create the belief or suspicion of money laundering. This information is reported in the Internal Unusual Report or any other form that may be deemed appropriate from time to time under the urgency and severity of the situation. The said reports are archived by the Compliance Officer.
- evaluate and check the information received from the employees of the Firm, concerning other available sources of information and the exchanging of information about the specific case with the reporter and, where this is deemed necessary, with the reporter's supervisors. The information which is contained in the report which is submitted to the Compliance Officer is evaluated on the Internal Evaluation Report, which is also filed in a relevant file.
- If, because of the evaluation described above, the Compliance Officer decides to disclose this information to the FIU, then he prepares a written report, which he submits to the FIU, according to point (f) of Section 8.2 and Section 10.3 below
- If, because of the evaluation described above, the Compliance Officer decides not to disclose the relevant information to the FIU, then he fully explains the reasons for his decision in the Internal Evaluation Report.

6.3. Compliance Officer's Report to the FIU

All the reports of the Compliance Officer relating to SAR/STR are submitted through the goAML reporting portal. After the submission of STR/SAR reports, the company may subsequently wish to terminate its relationship with the Client concerned for de-risking reasons or to keep the account suspended until further notice/information is obtained from the FIU. In such an event, the company exercises caution, according to the Law, not to alert the Client concerned that a suspicious report has been submitted to the FIU. Close liaison with the FIU is, therefore, maintained to avoid any frustration to the investigations being conducted. If no information and/or directions are given by the FIU, it shall be up to the company to decide on the best course of action, whilst at all times ensuring that no tipping-off takes place.

Furthermore, after the submission of a suspicious transaction/activity report, the Clients' accounts and services rendered concerned as well as any other connected accounts are placed under the close monitoring of the Compliance Officer and cease to be operative if deemed appropriate to do so without tipping off or risking tipping off the reported individual or entity.

6.4. Submission of Information to the FIU

The company shall ensure that in the case of a suspicious transaction investigation by the FIU, the MLRO will be able to provide without delay the following information:

- (a) the identity of the holders for which the services have been provided.
- (b) the identity of the Beneficial Owners.
- (c) the identity of the persons authorized to act on behalf of the Beneficial Owners.
- (d) data of the volume of funds or level of transactions used for the services being rendered and flowing through the accounts created for the Firm.
- (e) connected accounts, if any.
- (f) concerning specific transactions:
 - the origin of the funds
 - the type and amount of the currency involved in the transaction
 - the form in which the funds were placed or withdrawn, for example, cash, cheques, wire transfers
 - the identity of the person that gave the order for the transaction
 - the destination of the funds
 - the form of instructions and authorization that have been given
 - the type and identifying number of any account involved in the transaction.
 - any other information which is available and deemed to be essential to the investigation

To identify suspicious transactions, the Compliance Officer shall perform the following activities:

- Monitor continuously any changes in the Client's financial status, business activities, type of transactions, etc.
- Provide adequate training to all staff who will be in contact with any client, agents, client's officers, client's representatives, client's transactional information and/or documentation client's, operational information and/or documentation, and any other information and/or documentation which can lead to knowledge or suspicion being detected.

The Compliance Officer shall belong hierarchically to the higher ranks of the Company's organizational structure to command the necessary authority. Furthermore, the Compliance Officer shall lead the Company's Money Laundering Compliance procedures and processes and report to the Senior Management. The Compliance Officer shall also have access to all relevant information necessary to perform his duties. The level of remuneration of the Compliance Officer shall not compromise his objectivity.

Furthermore, the Compliance Officer shall perform the following activities:

- Receive and investigate information from the Company's employees on suspicious transactions that create the belief or suspicion of money laundering. This information is reported in the Internal Suspicion Report or any other form that may be deemed appropriate from time to time by the urgency and severity of the situation. The said reports are archived by the Compliance Officer.
- evaluate and check the information received from the employees of the Company, concerning other available sources of information and the exchanging of information concerning the specific case with the reporter and, where this is deemed necessary, with the reporter's supervisors. The information which is contained in the report which is submitted to the Compliance Officer is evaluated on the Internal Evaluation Report, which is also filed in a relevant file.
- If, because of the evaluation described above, the Compliance Officer decides to disclose this information to the FIU, then he prepares a written report, which he submits to the FIU.
- if because of the evaluation described above, the Compliance Officer decides not to disclose the relevant information to the FIU, then he fully explains the reasons for his decision on the Internal Evaluation Report.
- to act as a first point of contact with the FIU, upon commencement of and during an investigation because of filing a report to the FIU according as indicated above.
- to ensure the preparation and maintenance of the lists of Clients categorized following a risk-based approach, which contains, among others, the names of Clients, their account numbers, and the dates of the commencement of the Business Relationship. Moreover, the Compliance Officer ensures the updating of the said list with all new or existing Clients, in the light of any additional information obtained.
- to detect, record, and evaluate, at least on an annual basis, or on the happening of any event which might have an impact on the overall risk, all risks arising from existing and new Clients, new financial instruments and services, and update and amend the systems and procedures applied by the Firm for the effective management of the aforesaid risks should it be required and appropriate to do so.
- to evaluate the systems and procedures applied by a third party with whom the Firm has entered into a reliance agreement in terms of Customer Due Diligence including Client Identification and Verification of the Customer, Identification & Verification of Beneficial Owners as well as the Purpose & Intended Nature of the Business Relationship applied and approves the cooperation with such third parties.
- to ensure that all the branches and subsidiaries of the Company, if any, have taken all necessary measures for achieving full compliance with the provisions of the Manual, concerning Client identification, due diligence, and record-keeping procedures.
- to provide advice and guidance to the employees of the Company on subjects related to money laundering and terrorist financing.

- to acquire the knowledge and skills required for the improvement of the appropriate procedures for recognizing, preventing, and obstructing any transactions and activities that are suspected to be associated with money laundering or terrorist financing.
- to determine whether the Company's departments and employees require further training and education for preventing Money Laundering and Terrorist Financing and organizing appropriate training sessions/seminars. In this respect, the Compliance Officer shall prepare and apply an annual staff training program. Also, the Compliance Officer assesses the adequacy of the education and training provided.
- to prepare the Annual Report, as required by the FIU and any other applicable authority.
- to respond to all requests and queries from the FIU provide all requested information and fully cooperate with the FIU, if required.
- to maintain a registry that includes the reports of suspicious transactions, and relevant statistical information (e.g. the department that submitted the internal report, date of submission to the Compliance Officer, date of assessment, date of reporting to the FIU), the evaluation reports and all the documents that verify the accomplishment of his duties.
- To review the Client's files and Client Questionnaire and to approve or reject prospective High-Risk Clients.
- to develop and establish the Client Acceptance Policy and submit it to the Directors for consideration and approval.
- to review and update the Manual as may be required from time to time, and for such updates to be communicated to the Directors for their approval, at least annually or at any such period as may be deemed necessary by the Compliance Officer.
- to monitor and assess the correct and effective implementation of the policy practices, measures, procedures, and controls and in general the implementation of the Manual. In this respect, the Compliance Officer shall apply appropriate monitoring mechanisms (e.g. on-site visits to different departments of the Company) which will provide him with all the necessary information for assessing the level of compliance of the departments and employees of the Firm with the procedures and controls which are in force. If the Compliance Officer identifies shortcomings and/or weaknesses in the application of the required practices, measures, procedures, and controls, shall give appropriate guidance for corrective measures and were deemed necessary inform the Directors and Senior Management.

7. TRAINING

The Company must ensure that training and updates are provided to staff and key people involved in the prevention of AML and fraud within the company. Such training may be in-house or from third-party providers. All training provided should be in line with and in proportion to the roles and duties of the individual employee. Training should be tailored to the tasks and duties of the employee and the company should not adopt a one size fits all approach. Training should be provided regularly and when needed. However, a yearly refresher course should be provided to

ensure that all staff are up to date on recent developments.

Records of such training received must be kept on file as proof of attendance in such training.

7.1. Employees' obligations

- (a) The Company's employees shall be personally liable for failure to report any information relating to knowledge or suspicion, regarding money laundering or terrorist financing.
- (b) the employees must cooperate and report internally, without delay, and by not later than 24 hours, anything that comes to their attention concerning transactions for which there are grounds for suspicion that the person is involved in money laundering or terrorist financing
- (c) according to the applicable Law, the Company's employees shall fulfill their legal obligation to report their suspicions regarding Money Laundering and Terrorist Financing, after they comply with point (b) above.

7.2. Employees' Education and Training

- (a) The Compliance Officer shall ensure that the employees are fully aware of their legal obligations according to the applicable Laws, regulations, directives, and implementing procedures by introducing a complete employee education and training program.
- (b) The timing and content of the training provided to the employees of the various departments will be determined according to the needs of the Company. The frequency of the training can vary depending on the amendments to legal and/or regulatory requirements, employees' duties as well as any other changes in the system of Curaçao.
- (c) the training program aims to educate the Company's employees on the latest developments in the prevention of Money Laundering and Terrorist Financing, including the practical methods and trends used for this purpose.
- (d) the training program will have a different structure for new employees, existing employees, and different departments of the Company according to the services that they provide. On-going training shall be given at regular intervals to ensure that the employees are reminded of their duties and responsibilities and kept informed of any new developments.

The Compliance Officer shall be responsible for referring to the relevant details and information in his/her Annual Report with respect to the employee's education and training program undertaken each year.

7.3. Compliance Officer Education and Training Program

The Compliance Officer shall be responsible for any updates to the Law and attend any external training necessary. Based on his/her training the Compliance Officer will then provide training to the employees of the Firm further to Section 14.2 above.

The main purpose of the Compliance Officer training is to ensure that relevant employee(s)

become aware of:

- the Law and the Directive
- the Company's Anti-Money Laundering Policy
- the statutory obligations of the Company to report suspicious transactions
- the employee's own personal obligation to refrain from activity that would result in money laundering
- the importance of the Clients' due diligence and identification measures requirements for money laundering prevention purposes.

The Compliance Officer shall be responsible for including information in respect of his/her education and training program(s) attended during the year in his/her Annual Report.

8. AGENTS/INTERMEDIARIES

The company shall be responsible for creating and maintaining its customer base, and, for the foreseeable future, shall not engage any intermediaries or Agents nor shall it accept customers coming from such individuals or entities. Should the company decide to change its policy on the above, a more detailed policy is to be created and approved by the board of directors, highlighting how such entities will be handled in line with the applicable legislation and regulation at that time. Introducers, such as affiliates, do not fall within such category as their role is to merely introduce the client to the company and will have no further involvement in the business relationship.

ANNEX A
LIST OF THE PROHIBITED JURISDICTIONS

Afghanistan. Australia. Belarus. Burma (Myanmar). Central African Republic. Cuba. Democratic Republic of Congo. Democratic People's Republic of Korea. Ethiopia. France and its territories. Hong Kong. Iran. Iraq. Italy. Lebanon. Libya. Mali. Myanmar.	Netherlands and its territories (Curacao, Aruba, Bonaire, Saba, Sint Maarten, St. Eustatius). Nicaragua. Russian Federation. Singapore, Somalia. South Sudan. Spain. Sudan. Syria. Ukraine's following regions: Crimea, Donetsk, and Luhansk. United Kingdom of Great Britain and Northern Ireland. United States of America. Venezuela. Yemen.
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ANNEX B
EXAMPLES OF UNUSUAL TRANSACTIONS/ACTIVITIES RELATED TO MONEY
LAUNDERING AND TERRORIST FINANCING

A. MONEY LAUNDERING

Under the laws of multiple jurisdictions, money laundering is a serious offense. Money laundering involves various acts committed to conceal or convert property or the proceeds derived from such property (such as money) knowing or believing that these were derived from the commission of a designated offense. In this context, a designated offense means an offense under the Criminal Code (Title XXXI of the Penal Code of Curaçao) or any other applicable law or the equivalent law in the jurisdiction within which such offense has or is suspected to have taken place. It includes but is not limited to those offenses relating to illegal drug trafficking, bribery, fraud, forgery, murder, robbery, counterfeit money, stock manipulation, tax evasion, and copyright infringement amongst others.

Unusual transactions are financial transactions that you have reasonable grounds to suspect are related to the commission of a money laundering offense. This includes transactions that you have reasonable grounds to suspect are related to the attempted commission of a money laundering offense.

Unusual transactions also include financial transactions that you have reasonable grounds to suspect are related to the commission of a terrorist activity financing offense. This includes transactions that you have reasonable grounds to suspect are related to the attempted commission of a terrorist activity financing offense.

“Reasonable grounds to suspect” is determined by what is reasonable in your circumstances, including normal business practices and systems within the industry. While the Act and Regulations do not specifically require the Company to implement or use an automated system for detecting unusual transactions, we do have such a system in place.

In this context, transactions include those that are completed or attempted as previously explained. The Company’s compliance regime includes an assessment during our activities, of the risk of money laundering or terrorist financing. According to this assessment, in higher-risk situations, we take reasonable measures to conduct ongoing monitoring to detect suspicious transactions.

Completed transactions

A completed transaction has occurred. For example, if you process a withdrawal request from a client, a financial transaction has occurred. This is true even if the player did not wager any of the deposit, the refund of the deposit would also be a financial transaction.

Attempted transactions

An attempted transaction is one that a client intended to conduct and took some form of action to do so. An attempted transaction is different from a simple request for information, such as an inquiry as to the fee applicable to a certain transaction. An attempted transaction includes entering negotiations or discussions to conduct the transaction and involves concrete measures to be taken by either you or the client. A formal request by the client to withdraw funds from their account would constitute such an attempt.

The following are examples of attempted transactions:

- A financial entity or casino refuses to accept a deposit because the client refuses to provide identification as requested.
- A securities dealer or life insurance agent refuses to process a transaction - for which the client insists on using cash - because their business practice is not to accept cash.
- A client of a real estate agent starts to make an offer on the purchase of a house with a large deposit but will not finalize the offer once asked to provide identification.
- An individual asks an accountant to facilitate a financial transaction involving large amounts of cash. The accountant declines to conduct the transaction.
- A money services business will not process a request to transfer a large amount of funds because the client requesting the transfer refuses to provide the identification requested.

To report an attempted transaction, it must be one that you have reasonable grounds to suspect that it is related to money laundering or terrorist financing (as explained in section 5). An attempt to conduct a transaction does not necessarily mean the transaction is suspicious. However, the circumstances surrounding it might contribute to your having reasonable grounds for suspicion.

Transactions related to terrorist property

If an employee and/or company officer suspects that a transaction, whether completed or attempted, is related to terrorist financing, such person must raise an unusual transaction report with the Compliance Officer.

If such a person has knowledge, rather than suspicion, that a transaction is related to funds owned or controlled by or on behalf of a terrorist or a terrorist group, then such transaction should be suspended. Accounts and/or any pending actions will be frozen or put on hold accordingly and a SAR/STR should be raised immediately.

1. Transactions with no discernible purpose or are unnecessarily complex.
2. Use of foreign accounts of companies or groups of companies with complicated ownership structure which is not justified based on the needs and economic profile of the Client.

3. The transactions or the size of the transactions requested by the Client do not comply with his usual practice and play activity.
4. Large volume of transactions and/or money deposited or credited into, an account when the nature of the Client's business activities or sources of income would not appear to justify such activity.
5. There is no visible justification for a client using the services of a particular organization. For example, the Client is situated far away from the organization and in a place where he could be provided services by another organization.
6. There are frequent transactions in the same company without obvious reason and in conditions that appear unusual (churning).
7. There are frequent purchases of services by a client who settles in cash or transfer amounts, mainly large, with the Client's instructions, in an account other than the usual account used for the services rendered.
8. Any service requested in its nature, size, or frequency appears to be unusual, e.g. cancellation of an order, particularly after the setting of the instruction.
9. The settlement of any transaction but mainly large transactions, in cash or cash equivalents.
10. Settlement of the transaction by a third person who is different than the Client who gave the order, other than in the case of an approved intermediary.
11. Instructions for transferring payment to a third person that does not seem to be related to the instructor.
12. Transfer of funds to and from countries or geographical areas that do not apply or apply inadequately FATF's recommendations on Money Laundering and Terrorist Financing.
13. A Client is reluctant to provide complete information when establishing a Business Relationship about the nature and purpose of the intended business activities, and anticipated accounts activities, and does not disclose his source of wealth or support it adequately with documentation. The Client usually provides minimum or misleading information that is difficult or expensive for the company to verify.
14. A Client provides unusual or suspicious identification documents that cannot be readily verified.
15. A Client's home/business telephone is disconnected.
16. A Client that makes frequent or large transactions into their accounts and has no record of past or present employment or income.
17. Difficulties or delays in the submission of the financial statements or other identification documents of a client.
18. A Client who has been introduced by a third person whose countries or geographical areas of origin do not apply, or they apply inadequately FATF's recommendations on Money Laundering and Terrorist Financing.
19. Shared address for individuals involved in transactions with cash, or other payment methods which make it easy to disguise ownership of funds (prepaid cards, cash vouchers), particularly

when the address is also a business location and/or does not seem to correspond to the stated occupation (e.g. student, unemployed, self-employed, etc.).

20. The stated occupation of the Client is not commensurate with the level or size of the executed transactions.
21. Unexplained inconsistencies arising during the process of identifying and verifying the Client (e.g. previous or current country of residence, country of issue of the passport, countries visited according to the passport, documents furnished to confirm name, address, and date of birth, etc.).