

# **Anti-Money Laundering and Counter Terrorism Financing and Proliferation of Weapon of Mass Destruction (AML/CTF/PW) Policy**

**of**

**Agenics N.V.**

**Approved by**

Morganite Corporate Services B.V.

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## 1. DEFINITIONS

**AML / Compliance Department** - The unit which has primary responsibility for the initiation and delivery aspects of the AML program within an organization.

**Business relationship** - Business or commercial relationship between a Customer and the Organization and which is expected, at the time when the contact is established, to have an element of duration for a certain period (e.g. conclusion of an agreement between the Customer and the Organization, continuous performance of gambling/betting and monetary operations and transactions).

**Close Associate** - A natural person who, together with the Politically Exposed Person, is a member of the same legal entity or of a body without legal personality or maintains other business relationship.

**Close family member** - The spouse, the person with whom partnership has been registered (i.e. the cohabitant), parents, brothers, sisters, children and children's spouses, children's cohabitants.

**Customer due diligence (CDD)** - Identification of the Customer and verification the Customer's identity on the basis of documents, data or information obtained from a reliable and independent source; assessment and, as appropriate, obtainment of information on the purpose and intended nature of the Business Relationship; the conducting of ongoing monitoring of the Business Relationship including scrutiny of transactions undertaken throughout the course of that relationship to ensure that the transactions being conducted are consistent with the Organizations' knowledge of the Customer.

**Customer/Client/Player** - a person that uses online gambling and betting services provided by the Organization.

**FATF** – The Financial Action Task Force.

**FIU** – Financial Investigation Unit Curaçao.

**High-risk third countries** - countries identified as having strategic deficiencies in their AML/CFT regime, which pose a significant threat to the Union's financial system (Article 9 of Directive (EU) 2015/849).

**Identification** - A part of Customer Due Diligence, allowing to ascertain the identity of a person based on the personalized unique information directly related to that person.

**Law** – applicable Anti-Money laundering legislation.

**Money laundering (ML)** - any act which constitutes an offence of money laundering and is defined in the Law on the Prevention of Money Laundering and Terrorist Financing of Curaçao. The criminal acts cover all procedures that seek to change the identity of illegally obtained funds,

arising from drug dealing, terrorist activities or any other crime to give impression that such money originated from legitimate or legal sources. Money laundering is the participation in any transaction that seeks to conceal or disguise the nature or origin of funds derived from illegal activities such as, for example, fraud, corruption, organized crime, or terrorism etc.

**AML/CTF/PW:** Anti-Money Laundering and Counter Terrorism Financing and Proliferation of Weapon of Mass Destruction

**Organization :** Agenics N.V.

A Curaçao gaming company established under the laws of Curaçao and having the gaming license number OGL/2024/1309/0602 issued by CGA. The term "Company / Organization" when used in this AML policies also refers to the management bodies of the Organization and the members of such bodies as well as the employees of the Organization.

**Player** - A Player is a natural person who receives services from the Company under any service agreement, including participation in games of chance. This includes any customer who deposits, wagers, or withdraws funds or engages in regulated gaming or financial transactions through the Company's platform.

**Policy** – AML/CFT and Sanctions Compliance Policy.

**Politically Exposed Person (PEP)** - Natural persons who are or have been entrusted with Prominent Public Functions and Close Family Members or Close Associates of such persons.

**Prominent Public Functions:**

1. The head of the state, the head of the government, a minister, a vice minister or a deputy minister, a secretary of the state, a chancellor of the parliament, government or a ministry;
2. A member of the parliament.
3. A member of the Supreme Court, the Constitutional Court or any other supreme judicial authorities whose decisions are not subject to appeal;
4. A mayor of the municipality, a head of the municipal administration;
5. A member of the management body of the supreme institution of state audit or control, or a chair, deputy chair or a member of the board of the central bank;
6. Ambassadors of foreign states, a charge d'affaires ad interim, commander of the armed forces and units, chief of defense staff or senior officer of foreign armed forces;
7. A member of the management or supervisory body of a public undertaking, a public limited company or a private limited company, whose shares or part of shares, carrying more than 1/2 of the total votes at the general meeting of shareholders of such companies, are owned by the state;

8. A member of the management or supervisory body of a municipal undertaking, a public limited company or a private limited company whose shares or part of shares, carrying more than 1/2 of the total votes at the general meeting of shareholders of such companies, that are owned by the state, and which are considered as large enterprises
9. A director, a deputy director or a member of the management or supervisory body of an international intergovernmental organization;
10. A leader, a deputy leader or a member of the management body of a political party.

**Source of funds** – is the origin of the funds involved in a business relationship or occasional transaction. It includes both the activity that generated the funds used in the business relationship, for example the customer's salary, as well as the means through which the customer's funds were transferred.

**Source of wealth** – refers to funds that the customer has acquired during a prolonged period of time and that make up the customer's entire body of wealth (total funds). When determining the source of wealth, the main focus is the acquisition of information on customer's activities that indicate how the customer acquired the wealth.

**Terrorist financing (TF)** - the solicitation, collection or provision of funds with the intention that they may be used to support terrorist acts or organizations. Funds may stem from both legal and illicit sources. More precisely, according to the International Convention for the Suppression of the Financing of Terrorism, a person commits the crime of financing of terrorism "if that person by any means, directly or indirectly, unlawfully and willfully, provides or collects funds with the intention that they should be used or in the knowledge that they are to be used, in full or in part, in order to carry out" an offense.

**CGA** – Curaçao Gaming Authority.

## 1.1 POLICY STATEMENT

It is the policy of the Organization to strictly prohibit and actively prevent money laundering and any activity that facilitates money laundering or the funding of terrorism, proliferation of weapons of mass destruction or criminal activities. The Organization strives to comply with all applicable requirements under the legislation in force in the jurisdictions in which the Organization operates, including Curaçao AML/CFT/PF laws and regulations, to prevent the use of the financial system for the purpose of money laundering, terrorism financing or proliferation of weapons of mass destruction.

The Organization is required to have in place adequate measures to prevent its systems from being used for the purposes of money laundering, financing of terrorism and proliferation of weapons of mass destruction or any other criminal activity.

## 2. PURPOSE OF THE POLICY

It is the policy of the Organization to comply in all respects with the requirements of the Anti-Money Laundering Legislations by ensuring that the Organization has policies and procedures in place to meet these requirements. The main scope of this policy is to establish the essential standards designed to prevent the Organization from being used for Money Laundering, Financing of Terrorism and Proliferation of Weapons of Mass Destruction or any other criminal activity. This AML/CFT/PW policy applies to the Organization and all of its staff, whether on a full or part time basis, and to any subcontractor and its staff who provide services which might be used to conceal or disguise the true origins of criminally derived proceeds with the intention to make unlawful proceeds appear to have derived from legitimate origins or to constitute legitimate assets. The Organization is fully committed to be constantly vigilant to prevent money laundering, combat the financing of terrorism and proliferation of weapons of mass destruction in order to minimize and manage risks such as the reputational risk, legal risk and regulatory risk. It is also committed to its social duty to prevent serious crime and not to allow its services to be abused in furtherance of these crimes. The Organization will endeavor to keep itself updated with developments both at national and international level on any initiatives to prevent money laundering, the financing of terrorism, proliferation of weapons of mass destruction. It commits itself to protect, at all times, the Organization and its operations and safeguards its reputation and all from the threat of money laundering, the funding of terrorism, proliferation of weapons of mass destruction and other criminal activities. The Organization's policies, procedures and internal controls are designed to ensure compliance with all applicable laws, rules, directives and regulations relevant to the Organization's operations and will be reviewed and updated on a regular basis to ensure appropriate policies, procedures and internal controls are in place. Ongoing monitoring and compliance tests will take place to provide assurance to the Board and the regulators that The Organization continues to meet its obligations under AML/CFT/PW legislations.

## 3. MONEY LAUNDERING

Money Laundering is the participation in any transaction that seeks to conceal or disguise the nature, or the origin of funds derived from the illegal activities. Money laundering involves not only the proceeds of drugs trafficking, but funds related to other illegal activities, including fraud, corruption, organized crime, terrorism, and many other crimes. Generally, the money laundering consists of three stages:

**Placement:** introduction of cash originating from illegal / criminal activities into financial or nonfinancial institutions.

**Layering:** separating the proceeds of criminal activities from their source through the use of layers of complex financial transactions. These layers are designed to hamper the audit trail, disguise the origin of funds and provide anonymity.

**Integration:** placing the laundered proceeds back into the economy in such a way that they reenter the financial system as legitimate funds.

Terrorist financing encompasses the means and methods used by terrorist organizations to finance their activities. This money can come from legitimate sources, for example from profits from businesses and charitable organizations. But terrorist groups can also get their financing from illegal activities such as trafficking in weapons, drugs or people, or kidnapping for ransom.

This Policy is developed and periodically updated by the AML/CFT Compliance Officer of the Organization based on the general principles set up by the Board of Directors of the Organization in relation to the prevention of money laundering and terrorist financing.

#### **4. REGULATORY FRAMEWORK**

The Policy applies to the entire Organization and aims to setup key roles and responsibilities as well as to ensure compliance with the following legislation:

##### **National regulations**

- The National Ordinance on Identification of Clients when Rendering Services (N.G. 2017, no. 92);
- The National Ordinance on the Reporting of Unusual Transactions (N.G. 2017, no. 99); • Ministerial Decree with general operation of November 11, 2015, laying down the indicators as mentioned in article 10 of the National Ordinance on the Reporting of Unusual Transactions (Regulation Indicators Unusual Transactions) (N.G. 2015, no. 73); 5 • Sanctions National Ordinance (N.G. 2014, no. 55);
- Kingdom Sanction Act (N.G. 2016, no. 54); • National Decree entering into force of Kingdom Sanction Law (N.G. 2017, no. 2);
- National decree for general measures, of the 10th of July 2015, for the implementation of article 2 of the Sanctions National Ordinance, containing implementation of United Nations' Security Council Resolutions concerning Al-Qaeda c.s., the Taliban of Afghanistan c.s., ISIL c.s. ANF c.s. and persons and organizations to be designated locally (N.G. 2015, no. 29);
- National Decree for general measures, of the 10th of July 2015, for the implementation of article 2 of the Sanctions National Decree containing implementation of the United Nations' Security Council resolutions concerning Libya (Sanctions Ordinance Libya) (N.G. 2015 no. 28);
- National Decree for general measures, of the 10th of July 2015, for the implementation of article 2 of the Sanctions National Ordinance, containing implementation of Resolutions 1695 (2006), 1718 (2006), 2087 (2013) and 2094 (2013) of the United Nations Security Council (Sanctions Decree People's Democratic Republic of Korea 2015) (N.G. 2015 no. 30);
- National Ordinance extension of validity sanction decrees 2018 (N.G. 2018, no. 34);
- Landsverordening op de Kansspelen (National Ordinance on Games of Chance) (LOK);
- Respective regulations issued by CGA;

**International regulations**

As a member of the Caribbean Financial Action Task Force ([www.cfatf-gafic.org](http://www.cfatf-gafic.org)) , which is a Financial Action Task Force ([www.fatf-gafi.org](http://www.fatf-gafi.org)) Style Regional Body, Curaçao is meeting International standards by regularly implementing these standards in its national legislation.

On an international level, the FATF plays a very important role in the combating of money laundering, the financing of terrorism and proliferation of weapons of mass destruction.

The FATF monitors the progress of its members in implementing necessary measures, reviews money laundering and terrorist financing techniques and counter-measures and promotes the adoption and implementation of appropriate measures globally.

In performing these activities, the FATF collaborates with other international bodies involved in combating money laundering and the financing of terrorism. In total 38 countries are direct members of the FATF and through regional organizations over 200 countries are connected to the FATF.

Subsequently the present policy is a combination of the FATF and local AML/CFT rules and regulations. This ensures a solid, internationally accepted basis regarding AML/CFT/CPF. In case local laws and regulations require additional compliance duties, the Organization is free to develop additional procedures to comply with local regulations.

All amendments and/or changes of current version of the Policy must be approved by the Organization's Board of Directors.

**5. RESPONSIBILITIES AND RECIPIENTS OF THE POLICY:**

**Owner of the process:** AML/CFT Compliance Officer

**Responsibilities:**

This AML/CTF/PW policy is binding to all employees, subcontractor and third-party suppliers of the Organization whose job responsibilities are related to establishment and review of the business relationships.

In cases of violations of the Procedure, the detector of the violation immediately informs the head of his structural unit. If differences are found between the processes carried out in the Organization and those determined in the procedure, the Owner of the process should be informed about this.

**Recipients of the Document:**

- Customer support department
- Fraud Prevention department
- Payments department

- AML department
- Subcontractors
- Third-party suppliers

To ensure full compliance with applicable AML/CTF/PW laws and internal policies:

- All employees, subcontractors and third-party suppliers engaged with the Organization shall be required to comply with the provisions of this AML/CTF/PW Policy, as well as all applicable anti-money laundering, counter-terrorism financing, proliferation of weapon and sanctions regulations.
- Contracts with subcontractors or third parties shall include AML compliance clauses, outlining obligations to detect, prevent, and report suspicious activity.
- Third parties must be subject to a risk assessment and due diligence process prior to the commencement of a business relationship.
- Where appropriate, training and awareness materials will be provided to relevant third-party personnel to ensure understanding of AML obligations.
- Organization N.V. reserves the right to audit and monitor third-party compliance with AML obligations and terminate any relationship in the event of non-compliance.

## **6. BOARD OF DIRECTORS**

The Board of Directors is responsible for ensuring that the Organization complies with its obligations under the Law. The Board shall assess and periodically review the effectiveness of the policies, arrangements and procedures put in place to comply with the obligations under the Law, and to take appropriate measures to address any deficiencies.

The main duties and responsibilities of the Board of Directors in relation to the prevention of money laundering, terrorist financing and proliferation of weapon mainly include:

- Determining, recording and approving the general policy principles of the Organization in relation to the prevention of money laundering and terrorist financing and inform the AML/CFT Compliance Officer accordingly.
- Appointment of an AML/CFT Compliance Officer and determining his/her main duties and responsibilities and where is necessary, assistant compliance officers.
- Approval of the AML policy and procedures.
- Communication of the AML policy to all employees of the Organization.
- Ensuring that all requirements of the Law are applied, and that the Organization maintains appropriate, effective and sufficient systems and controls for the prevention of money laundering and terrorist financing.
- Ensuring that the AML/CFT Compliance Officer has full access to all documents and information necessary for the execution of his/her duties and responsibilities.

- Ensuring that all employees of the Organization know the AML/CFT Compliance Officer and report to him/her all suspicious transactions in accordance with the requirements of the AML Laws.
- Establishing a clear and quick reporting chain of suspicious transaction to the AML/CFT Compliance Officer.
- Ensuring that the AML/CFT Compliance Officer has sufficient resources, staff and technology, for the effective execution of his/her duties and responsibilities.
- Assessing and approving the Annual Report.
- Reviewing the report submitted to the Board by the AML/CFT Compliance Officer. Since the overall responsibility for the prevention of money laundering and terrorist financing lies with the Board of Directors, they are also responsible for the assessment and approval of the Annual Report prepared by the AML/CFT Compliance Officer and for taking any necessary actions as deemed appropriate under the circumstances to remedy any weaknesses and/or deficiencies identified in the Report.

## **7. INTERNAL AUDIT**

The Organization has assigned an Internal Auditor in order to continuously test current practices and inform the Organization in case there are any suggestions for improvements. The Audit is performed at least on an annual basis.

Any findings are being submitted to the Board of Directors which decides the necessary measures that need to be taken to ensure the rectification of any weaknesses and/or deficiencies, which have been detected.

## **8. ROLE AND RESPONSIBILITIES OF AML/CFT COMPLIANCE OFFICER**

The AML/CFT Compliance Officer has the necessary authority, resources and expertise to carry out his/her relevant duties and responsibilities and has access to all relevant information. The employees of the Organization are informed of the person carrying out AML role and on ways of contacting him.

Currently, 1 employee has been assigned the role of AML/CFT Compliance Officer.

In case of any changes in the structure of AML Department, this will be communicated to the CGA accordingly.

6.1 Responsibilities of AML/CFT Compliance Officer is to:

- Draft the Organization's procedures and controls for the Prevention of the Money Laundering and Terrorism Financing.
- Develop and improve Customer Acceptance Policy and submit it for approval of the Board of Directors.

- Monitor and evaluate the sound and effective implementation of the Organizations general policy principals and to manage the associated risks in relation to the Prevention of Money Laundering and Terrorist Financing.
- Ensure that KYC and EDD procedures are adhered to.
- Ensure Sanctions Compliance procedures are adhered to.
- Advise employees on issues arising as part of implementation of anti-money laundering program within the Organization.
- Provide necessary materials and trainings on AML/CTF/PW and Sanctions Compliance to the employees of the Organization.
- Immediately inform the Board of Directors of any cases of non- compliance with laws, regulations and directives issued by CGA.
- Recommend to the Board of Directors any amendments necessary to the AML Policy.
- Receive and evaluate information from all personnel regarding suspicious client transactions and activities.
- Report suspicious transactions and activities to FIU.
- Ensure the preparation, maintenance and updating of lists of clients categorization following a risk-based approach.
- Screen existing clients and transactions to ensure that the AML/CTF/PW policies are followed and verify whether any are subject to reporting.
- Detect, record and evaluate, at least on an annual basis, the risks arising from existing and new clients, new financial instruments and services and make any necessary amendments to the systems and procedures of the Organization.
- Review all internal reported unusual transactions for their completeness and accuracy with other sources.
- Keep records of internally and externally reported unusual transactions.
- Execute closer investigation of unusual transactions if necessary.
- Report to Senior Management, at least annually, on compliance issues indicating in particular whether appropriate remedial measures have been taken in the event of any deficiencies identified.
- Prepare the Annual AML Report and submit it to the Board of the Directors.
- Verify adherence to local laws and regulations regarding the detection and deterrence of money laundering and terrorist financing.
- Organize training sessions for the staff on various compliance-related issues.
- Prepare the external report of unusual transactions.

- Make necessary changes to the AML program.
- Remain informed on the local and international developments on money laundering and terrorist financing and to make suggestions to management for improvements and
- Prepare periodic information on the casino's efforts against money laundering and financing of terrorism and financing of proliferation.

## **9. AML ANNUAL REPORTING**

The Annual Report, prepared by the AML/CFT Compliance Officer is a significant tool for assessing the Organizations level of compliance with its obligations as these are laid down in the Law.

The Annual Report will be prepared and submitted for approval to the Board of Directors, within two months from the end of each calendar year (the latest by the end of February) and to the CGA, if requested.

The Annual Report should deal with money laundering and terrorist financing preventive issues pertaining to the year under review and, as a minimum, should cover the following:

- Information for measures taken and/or procedures introduced for compliance with any amendments and/or new provisions of the Law which took place during the year under review.
- Information on the inspections and reviews performed by the AML/CFT Compliance Officer, reporting the material deficiencies and weaknesses identified in the policy, practices, measures, procedures and controls that the Organization applies for the prevention of money laundering and terrorist financing. In this regard, the report outlines the seriousness of the deficiencies and weaknesses, the risk implications and the actions taken and/or recommendations made for rectifying the situation.
- The number of internal suspicion reports submitted by employees of the Organization to the AML/CFT Compliance Officer, and possible comments/observations thereon.
- The number of reports submitted by the AML/CFT Compliance Officer to the supervising authority, with information/details on the main reasons for suspicion and highlights of any particular trends.
- Information, details or observations regarding the communication with the employees on money laundering and terrorist financing preventive issues.
- Information on the policy, measures, practices, procedures and controls applied by the Organization in relation to high-risk clients as well as the number and country of origin of high-risk clients with whom a business relationship is established.
- Information on the procedures applied by the Organization for the ongoing monitoring of client accounts and transactions.

- Information on the training courses/seminars attended by the AML/CFT Compliance Officer and any other educational material received.
- Information on training/education and any educational material provided to staff during the year, reporting, the number of courses/seminars organized, their duration, the number and the position of the employees attending, the names and qualifications of the instructors, and specifying whether the course/seminars were developed in-house or by an external organization or consultants.
- Results of the assessment of the adequacy and effectiveness of staff training.
- Information on the recommended next year's training program.
- Information on the structure and staffing of the department of the AML/CFT Compliance Officer as well as recommendations and timeframe for their implementation, for any additional staff and technical resources which may be needed for reinforcing the measures and procedures against money laundering and terrorist financing.

The Organization will make the following information readily available at CGA's request:

- Records of its Business Risk Assessment
- The name of AML/CFT Compliance Officer responsible for the casino's overall money laundering and terrorist financing policies and procedures and his/her designated job description
- Records of reported unusual transactions
- Records of unusual transactions which required closer investigations
- Records of frozen accounts
- Schedule of the training provided to the casino's personnel regarding money laundering, terrorist financing and proliferation of weapons
- The assessment report on the casino's policies and procedures on money laundering, terrorist financing and financing of proliferation by the internal audit department or an external auditor
- The customer's files including customer risk assessment, CDD, customer acceptance and transaction information.

## **10. MANDATORY RISK PROCEDURES AND THE RISK-BASED APPROACH**

### **General**

The principle behind the Risk-Based Approach of the Organization is that resources should be directed proportionately in accordance with the extent of the AML/FT/PW risks posed, so that the customers posing the highest risks receive the highest attention meeting regulatory needs while effectively combating AML/FT/PW. The application of a Risk-Based Approach should ensure that

measures to prevent or mitigate AML/FT/PW are commensurate with the risks identified and that resources are allocated in the most efficient ways.

The Policy sets the framework of the Organization's Risk-Based Approach that should be implemented.

As regulation needs and risk always changes, the AML/CFT Compliance Officer shall monitor and evaluate, on an on-going basis, the effectiveness of the measures and procedures of the adopted Risk-Based Approach. The AML/CFT Compliance Officer shall also be responsible for the development and implementation thereof, of all the other policies, procedures and controls according to the framework of the adopted Risk-Based Approach. The Board shall be responsible for reviewing the adequate implementation of the adopted Risk-based Approach by the AML/CFT Compliance Officer, at least annually.

**Risk factors that must be taken into account, relating to:**

- Client Category
- Jurisdiction
- Product/Service Type
- Transactions
- Distribution Channels

## **10.1 ADOPTED RISK-BASED APPROACH**

The adopted Risk-Based Approach that is followed by the Organization, and described in the Policy, was built according to the following:

- a) recognizing that the AML/CTF/PW threat varies across clients, countries and financial transactions;
- b) allowing the Organization to differentiate between clients of the Organization in a way that matches the risk of their particular profile and financial transactions;
- c) allowing the Organization to apply its own approach in the formulation of policies, procedures and controls in response to the Organizations' particular circumstances and characteristics;
- d) helping to produce a more cost-effective system;
- e) promoting the prioritization of effort and actions of the Organization in response to the likelihood of AML/CTF/PW occurring through online gaming and betting transactions.

The Risk-Based Approach adopted by the Organization, involves specific measures, indicators, and procedures in assessing the most cost effective and appropriate way to identify and manage the ML/TF risks faced by the Organization. Such measures include:

- 1) identifying and assessing the AML/CTF/PW risks emanating from profile particulars of Clients, amounts and particulars of deposits;
- 2) managing and mitigating the assessed risks by the application of appropriate and effective measures, procedures and controls;
- 3) continuous monitoring and improvements in the effective operation of the policies, procedures and controls;
- 4) application of appropriate measures and the nature and extent of the procedures in line and as a result of different indicators. Such indicators include the following:
- 5)
  - a) geographical spread of the transactions and Clients;
  - b) the industry standard practices of providing online gaming and betting services;
  - c) the volume and size of transactions;
  - d) the country of origin and destination of Clients' funds;
  - e) deviations from the anticipated volume of transactions;
  - f) recording the action(s) taken so the Organization shall be, at all times, in a position to demonstrate to the CGA that the extent of AML/CTF/PW measures and control procedures it applies are proportionate to the risk it faces while providing online gaming and betting services.

## 10.2 IDENTIFIED RISKS

The Risk-Based Approach adopted by the Organization involves the identification, recording and evaluation of the risks that have to be managed. Whereas online gaming and betting services that the Organization provides are rendered predominantly in straightforward manner: to relatively few Clients or Clients with similar characteristics - then the Organization shall apply procedures enabling to focus on those Clients who fall outside the 'norm'.

The following are sources of risks which the Organization faces with respect to AML/CTF/PW and respective risk categories the Organization shall take into consideration when adopting a Risk Based Approach and building Client AML/CTF/PW risk categorization:

Client's nature:

- PEPs ;
- Clients engaged in transactions which involve significant amounts of money
- Clients originating from high-risk countries or countries known for high level of corruption or organized crime or drug trafficking
- Clients reluctant to provide appropriate information
- Clients using VPN or Proxy servers to hide their IP addresses
- Clients using different devices to access the website of the Organization.

### 10.3 BUSINESS RISK ASSESSMENT OVERVIEW

For further details on the specific risk factors, indicators, and their relative scoring methodology, please refer to the Appendix 3 of this Policy. It provides a structured framework for evaluating client, product, geographical, and transactional risks, and supports the implementation of the risk-based approach outlined in this Policy.

### 10.4 TYPES OF CLIENTS REGARDING THEIR RISK PROFILE

The adopted approach is considering that a risk assessment based on the above sources of risk should always be performed at the inception of a Business Relationship with a Client. However, a comprehensive risk profile may only become evident once the Client has begun transacting through an account and completed CDD procedure.

Taking into consideration the above and the fact that the Organization will offer online gaming and the fact that vast majority of its Clients will be applying on a non-face-to-face basis, following the performance of the CDD the Organization shall label the type of Client and the risk profile (High risk, Medium risk, Low risk) according to the following different risk variables and indicators:

|                      |                                                                                                                                                                                                                                                                                                                 |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                      | Indicators related to the Client                                                                                                                                                                                                                                                                                |
| High<br>ML/TF Risk   | PEPs<br>Clients from countries that are selectively sanctioned<br>resident or origin in/from non-reputable jurisdiction according to the FATF list as amended from time to time<br>High Deposits<br>any other Client determined by the Organization itself to be classified as such<br>Or any unverified client |
|                      | Any of the above-mentioned indicators will automatically classify the account as High Risk                                                                                                                                                                                                                      |
| Medium<br>ML/TF Risk | Client that holds all of the below indicators:<br>Verified client<br>Client that does not fall under any of the categories of High Risk or Low Risk<br>any other Client determined by the Organization itself to be classified as such                                                                          |

|                   |                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Low<br>ML/TF Risk | <p>Client that holds all of the below indicators:</p> <p>Resident and origin of an EEA jurisdiction Very low deposits the country of origin and/or destination of Clients' funds are both EEA jurisdiction client using only debit/credit card or wire transfer clients identified Face-To-Face Or any Client who does not fall under the 'Medium Risk' or 'High Risk' categories</p> |
|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

The methodology that is being adopted will require the AML/CFT Compliance Officer to perform basic CDD in cases of Low AML/CTF/PW cases, basic CDD and close monitoring in Medium risk cases, and EDD and close monitoring (on the specific indicator that increased the risk level) in cases of High Risk.

The intensity of monitoring all Clients' accounts and examining transactions shall be based on the level of risk and, as a minimum, shall achieve the ability of identifying all high-risk clients.

## 10.5 DYNAMIC RISK MANAGEMENT AND MONITORING

Risk assessment and management is not an isolated event of a limited duration but rather a continuous process, carried out on a dynamic basis. Clients' activities change, the same happens to the transactions used for money laundering or terrorist financing.

In this respect, it is the duty of the AML/CFT Compliance Officer to undertake regular reviews of the characteristics of existing Clients, new Clients, and the measures, procedures and controls designed to mitigate such risks. These reviews shall be duly documented, as applicable, and form part of the Annual Money Laundering Report.

For the development and implementation of appropriate measures and procedures on a Risk-Based Approach, and for the implementation of the CDD, the AML/CFT Compliance Officer and the Client Support Department shall consult data, information and reports e.g. Clients with origin or residence in countries which inadequately apply FATF, and country assessment reports that are published in following relevant international listings:

- FATF
- The Council of Europe Select Committee of Experts on the Evaluation of Anti-Money Laundering Measures
- The EU Common Foreign & Security Policy (CFSP)
- The UN Security Council Sanctions Committees
- The International Money Laundering Information Network (IMOLIN)
- The International Monetary Fund (IMF)
- Office of Foreign Assets Control

Due to the nature of business of the Organization, additional countries must be banned from the use of the services due to local and foreign gambling and betting regulations.

Additionally, the Organization has implemented controls that monitor players activity and actions, that are unique to gambling and betting industries and are also a part of the fraud-prevention system, such as:

- use of different devices to access services
- frequency of deposits
- payment methods used
- use of a variety of payment methods or sudden switch from one payment method to another
- attempts to use cards that did not pass 3D secure verification
- attempts to use cards with insufficient funds
- use of several bank cards
- attempt to withdraw funds through a payment method that has not been previously used

Such triggers may influence the overall risk assessment of the customer, as well as may lead to a submission of suspicious activity report or account termination

For specific implementation protocols, triggers for dynamic risk reassessment, and operational guidance on client risk categorization, please refer to the Appendix 4 of this Policy “Customer Risk Assessment Procedures – Supplementary Guidance to AML Policy”.

It complements the general principles outlined in this section and is binding for all personnel involved in AML risk evaluation and monitoring.

## **11. SANCTION POLICY**

The purpose of the Sanction Policy is to set the high-level principles and standards of the Organization for the management and prevention of sanctions breaches and to establish an internal control framework that mitigates the risks associated with sanctions violations.

The Organizations compliance with sanctions regulatory framework is vital for:

- Avoidance of an administrative and/or regulatory action against the organization
- Protection of organizations reputation

The recipients of the Policy are:

- AML Compliance Department
- Board of Directors
- Payments Department / Back Office

## 11.1 SANCTIONS AND EMBARGOS

Sanctions and embargos are political trade restrictions put in place against target countries with the aim of maintaining or restoring international peace and security.

Embargoes on exporting or supplying arms and associated equipment, technical assistance, trading and financing.

Financial sanctions on individuals in government, government bodies and associated companies, or terrorist groups and individuals associated with those groups.

Bans on imports of raw materials or goods to sanction countries/jurisdictions.

Restrictions on certain type of activities for certain entities subject to sectorial sanctions.

## 11.2 AUTHORITIES ISSUING SANCTION PROGRAMS

- OFAC (USA)
- EUROPEAN UNION
- UNITED NATIONS

## 11.3 TYPES OF SANCTIONS PROGRAMS

**Specific/List based** - relate to specific lists of named individuals, legal entities, organizations, vessels.

**General** – cover certain countries or jurisdictions and restricts several activities such as export of certain goods, products, dual-used items etc. that can be used for military purposes (e.g. steel, chemicals, arms sales to a particular country).

**Comprehensive** – cover all types of activities including business relationships and/or transactions connected with certain countries/jurisdictions subject to comprehensive sanctions (i.e. North Korea, Crimea).

**Sectoral** – cover certain entities (and their majority subsidiaries) engaged in specific sectors of the Russian economy and restricts certain activities of these entities that involve new “debt” or “equity” or drilling activities.

## 11.4 MEASURES APPLIED BY THE ORGANIZATION FOR SANCTIONS COMPLIANCE

## 11.5 SANCTIONS RISK ASSESSMENT

The Organization shall carry out and document a sanctions risk assessment appropriate to the type of its activities, to identify, measure, understand and manage sanctions risk the Organization is

exposed to. In assessing sanctions risk the organization shall take into account at least following factors that have an impact on sanctions risk:

A) in relation to the activities of the Organization:

- a region where the organization operates and provides services, including the state where the organization's structure – subsidiary, branch, representation – operates and provides services;
- services and products provided by the organization;

B) in relation to the organization's customers, the organization takes into account circumstances affecting risk laid down in the Law on the Prevention of Money Laundering and Terrorism Financing:

- customer risk,
- risk of the state and geographical risk,
- risks associated with services provided to customers and
- service delivery channels, assessing them in the context of sanctions risk.

The Organization shall carry out a sanctions risk assessment in relation to all sanctions and the sanctions risk assessment shall be approved by the Board of the Organization.

Based on the sanctions risk assessment, the Organization shall establish an internal control system for sanctions risk management. Sanctions risk policies shall be approved by the Board of Directors.

Establishing an internal control system for sanctions risk management the Organization takes into account at least following characteristics of elevated sanctions risk:

- the customer, customer's transactions are related to a territory or border area of a territory or state that is a subject of sanctions;
- economic activity of the customer or if the customer is related to a military industry; sale, manufacture, import or export of dual-use goods subject to sectoral sanctions, or specialized foreign agencies (military design bureau, space technology research agencies, etc.).
- the customer's economic or personal activities do not meet their declared economic or personal activities;
- the customer submits the same documents to justify several unrelated transactions;
- the documents supporting transactions submitted by the customer contain indications of fraud, providing evidence of possible evasion of sanctions;

## **11.6 KYC MEASURES ON NEW AND EXISTING CUSTOMERS FOR SANCTIONS COMPLIANCE PURPOSES**

The Organization has implemented relevant KYC and due diligence procedures to ensure that upon onboarding and throughout the business relationship, the relevant parties are being screened against sanction lists. In the event of a match, an alert will be generated for further investigation by the AML Compliance Department.

## **11.7 DUE DILIGENCE ON CUSTOMER TRANSACTIONS FOR SANCTIONS COMPLIANCE PURPOSES**

The Organization has implemented relevant procedures and processes to ensure that transaction parties (meaning, that the screening is performed not only against the Customer, but also against the payments institution) are being automatically screened against sanction lists. In the event of a match, an alert will be generated for further investigation by the AML Compliance Department.

## **11.8 IMPLEMENTATION OF AUTOMATED SANCTION SCREENING TOOL**

The Organization has introduced an IT-based solution to fulfil the screening obligations automatically. All of Organizations customers' key data (such as name, surname, and address) is automatically exported and matched with the sanctions lists. These checks are performed on daily basis. The external service provider is responsible for the actuality of sanctions lists on daily basis and automatically performs regular checks of customers against the updated sanctions lists. If during the matching procedure a customer is marked as a potentially Restricted Party, this is defined as a match. This IT-solution simultaneously generates an alert message including all recorded matches, which is submitted to the AML Compliance Department. The automated IT solution performs:

- Daily automated screening of existing customers and on-going screening of transactions against prevailing sanction lists
- On-going monitoring of sanction programs administrated by the competent authorities in order to promptly implement the necessary measures and controls to ensure compliance with the sanctions programs

## **12. TESTING AND AUDIT OF AUTOMATED IT SOLUTION**

It is the obligation of the AML Compliance Department to test the automated IT solution in order to ensure that the results received during screening are accurate and that the sanction lists are updated in a timely manner. The testing should be performed not less than every 6 months as well as at the point of introduction of new sanctions.

## **13. FREEZING AND UNFREEZING ACCOUNTS SUBJECT TO SANCTIONS**

Where required by applicable law, the Organization will freeze assets in accounts of parties subject to specific sanctions or where the freezing is otherwise indicated. The Sanctions Policy also requires freezing of accounts pending review to determine if an asset freeze is required or a violation of law has occurred.

The Organization must freeze accounts of parties subject to specific sanctions as follows:

- Organization must freeze accounts of parties where required under Curaçao and E.U. laws;
- Organization must freeze accounts for parties sanctioned under U.S. laws where U.S. jurisdiction applies.

Frozen accounts may be unfrozen only by

- (a) authorization from the jurisdiction which required the freezing, or
- (b) an official removal of the specific sanctions leading to the asset freeze or blocking.

Organization should not participate in transactions involving parties who are subject to specific sanctions implemented by EU, UN and “OFAC”, unless these transactions are allowed under the relevant sanctions, as confirmed in advance by the AML Compliance Department.

#### **14. CLIENT ACCEPTANCE POLICY (CAP)**

The CAP will follow the principles and guidelines described in the Policy, and will define the criteria for accepting new Clients. This policy also defines the Client categorization criteria which shall be followed by the Organization and especially by the employees which shall be involved in the Client account opening process.

The AML/CFT Compliance Officer shall be responsible for applying all the provisions of the CAP. In this respect, the Client Support Department shall also be assisting the AML/CFT Compliance Officer with the implementation of the CAP, as applicable.

The AML/CFT Compliance Officer shall review and evaluate the adequate implementation of the CAP and its relevant provisions, at least annually.

##### **General Principles of the CAP**

The Organization shall classify Clients into three various risk categories and based on the Risk Based Approach described above.

- where the Client is a prospective Client, an account must be fully operational only after the relevant CDD and measures and procedures have been conducted, according to the principles and procedures set in the Policy.
- it shall be prohibited for persons engaged in the Organization to open or maintain anonymous or numbered accounts or accounts in names other than those stated in the Client’s official identity documents. No account shall be opened in anonymous or fictitious names(s).
- No account shall be made fully operational unless the Client’s CDD is approved by the AML/CFT Compliance Officer.

##### **Customer Accepting Policy (New Clients) (based on their respective risk)**

The Organization shall accept Clients who are categorized as Low Risk Clients as long as the

Client passed a CDD and as long the general principles under the current Policies are followed. The following list predetermines the type of Clients who are not acceptable for establishing a Business Relationship with the Organization:

- Clients who fail or refuse to submit, the required data and information for the verification of their identity, without adequate justification.
- Clients who ask to open or maintain anonymous or numbered accounts or accounts in names other than the client's name stated in official identity documents.
- Client who asks to transfer its initial deposit in cash.
- Legal entities.
- Account opened in the name of a third person.
- The documents submitted appear to be faulty at the examination stage.
- The client comes from one of the non-cooperative jurisdictions.
- The client has negative information/reports on him or is under investigation.
- The client is on the list of people involved in terrorist financing or known to be involved in activity connected to money-laundering.
- Sanctioned individuals.

## **15. CLIENT DUE DILIGENCE, IDENTIFICATION AND VERIFICATION PROCEDURES**

### **APPLYING CDD AND IDENTIFICATION PROCEDURES**

The Organization shall duly apply Client identification procedures and CDD measures in the following cases:

- when establishing a Business Relationship;
- when there is a suspicion of ML/TF, regardless of the amount of the transaction;
- when there are doubts about the veracity or adequacy of previously Client identification data;
- when there are significant amounts deposited in the Players account;
- when players engage in financial transactions equal to or above Naf. 4,000;
- carrying out occasional transactions above the monetary equivalent of Naf. 4,000; - any other event when the AML/CFT Compliance Officer finds it necessary.

In case a casino carries out an occasional transaction above the monetary equivalent of Naf. 4,000, it is still obliged to apply CDD measures. Casinos are also subject to this obligation when they execute a series of linked transactions which, though individually below the applicable threshold, would cumulatively meet or exceed the Naf. 4,000 thresholds.

In this respect, it is the duty of the AML/CFT Compliance Officer to apply all the relevant procedures mentioned in this Policy.

Furthermore, the Customer Support Department shall also be responsible to collect and file the relevant Client identification documents, according to the record keeping procedures described in the Policy.

Further, the AML/CFT Compliance Officer shall be responsible to maintain at all times and use during the application of CDD and identification procedures with respect to required documents and data from potential Clients, as per the requirements of the Law.

The AML/CFT Compliance Officer shall be responsible to review the adequate implementation of all the policies and procedures mentioned in the Policy, at least annually.

The Organizations commences the Business Relationship after it has duly performed at least the following actions:

- Identified the Customer and, within an allowed time limit, verified its identity by collecting identification documents.
- Determined the purpose and intended nature of the Business Relationship.
- Assessed the ML/CTF/PW risk of the Customer and allocated the Customer to an appropriate risk category in accordance with Procedure on Customers' risk assessment.
- applied appropriate CDD or EDD measures.
- Screened the relevant persons against the relevant financial sanctions list.

In case, where the Organization cannot comply with customer due diligence requirements, such as:

- to determine whether the Customer operates on their own behalf or is controlled;
- obtain the information about the purpose and intended nature of the Customer's Business Relationship;
- verify the identity of the Customer according to the documents, data or information obtained from a reliable and independent source;
- conduct the ongoing monitoring of the Customer's Business Relationship, transactions performed during the course of Business Relationship; - comply with the other requirement to apply the CDD or EDD measures.

it does not establish a business relationship and terminates the business relationship, and considers, if necessary, reporting the case to the FIU Curaçao.

## 15.1 CUSTOMER IDENTIFICATION

The initial identification of the Customer is performed through the review of the initial registration of the players' account.

The registration collects the following information:

- Account number (generated automatically)
- Password
- Registration Date (generated automatically)
- Security Question
- Answer to Security Question (double input required)
- Phone number (must be verified)
- Email Address (must be verified)
- Surname
- First Name
- Date of Birth
- Type of Document
- Document Number
- Document Issue Date
- Country
- Permanent Registered Address
- Nationality
- Identity number

The following data allows the AML Department to perform their initial screening on the potential client.

## 15.2 VERIFICATION OF DOCUMENTS

When verifying the identity of the natural person the AML responsible employee must:

- review the documents provided for verification of the customer to ensure that no fraud signs have been noticed;
- ensure that document provided for identity verification is valid and contains the person's photograph;

- the Responsible employee must verify the data, documents, and information received from the Customer during the CDD using the documents, data or information obtained from a reliable and independent source.

## **16. STANDARD KYC AND CUSTOMER DUE DILIGENCE PROCEDURES**

This section sets out the minimum and standard identification and due diligence measures that should be applied to customers.

The risk classification that will be attributed to the customer following the risk assessment and scoring, will determine the further due diligence measures that should be applied for each of these customers.

The true identity of natural persons should be ascertained by obtaining the following information:

- True name and/or names used as these are stated on:
- the official valid identity card (front and back) or the official valid passport, if the person in question is the national of a country within European Union; or
- the official valid passport, if the person in question is the national of country outside the European Union, which bears a photograph of the person
- full permanent address, including the postal code
- Telephone number
- E-mail address
- Date and place of birth
- Specimen signature (when obtaining the personal identification document)
- Information on public positions which the person holds or has held in the last twelve months or previously, as well as whether he/she is an immediate family member or close associate of a person who holds or has held in the last twelve months or previously a public position in order to determine whether the person is a PEP (should be obtained independently, through the screening database).

In addition to name verification, it is important that the permanent residential address of the customer is also verified by using one of the following means:

- Obtaining a recent (up to 3 months) utility bill issued on the name of the customer (e.g. electricity, water, gas, waste) or copy of municipal tax bill or a bank statement from a reputable Financial Institution or a lease contract/ agreement.
- Telephone bills of a landline only or internet bills (where a landline is required) could also be accepted.

In order to protect against forged or counterfeit documents, the prospective customers should be required to produce a copy of the original document (not online statements).

Note: the utility bills provided, should be reviewed, in order to ascertain that there has indeed been consumption of the service that the utility bill corresponds to, as a way to determine that the information declared by the customer is true. Evidence of consumption will be a strong indication that the address declared by the customer, is indeed the true current residential address.

The document evidencing the proof of residence and the copies of the passport/identity card pages containing all relevant information (at least passport's/ID's number, issuing and expiry date and country as well as the customer's date of birth and a clear photograph of the documents owner and signature) should be kept in the customer's file.

The documents related to name verification and listed in this section should not be accepted in the following cases:

- when it is difficult to read the information in the identification documents due to poor quality;
- when it is difficult to see the photo of the identification document holder due to poor quality;
- when some information and/or part of the document is covered or for any other reason cannot be seen;
- when only a certain part of the identification document is received;
- when the identification document is received in other language than English and cannot be read.

The documents evidencing the proof of residence and listed in this section should not be accepted in the following cases:

- when the received document is older than 3 months;
- when it is difficult to read the information in the identification documents due to poor quality;
- when some information and/or part of the document is covered or for any other reason cannot be seen;
- when the document is received in other language than English and cannot be read;
- when the name on the proof of address does not match the name in the identification document.

In addition, further to the information to be provided by the person him/herself, a search should be made through the dedicated software and on the internet in order to obtain information on public positions which the prospective customer holds or held for at least the last twelve months or previously as well as whether he/she is an immediate family member or a close associate of such individual, in order to verify if the customer is a PEP.

## **16.1 RELIANCE ON THIRD PARTIES**

The Organization may rely on third parties (such as SumSub) to perform elements of Customer Due Diligence (CDD) in accordance with applicable laws and regulations. Such reliance shall be permitted only where:

- The third party is subject to equivalent AML/CFT obligations and is regulated, supervised, or monitored for compliance;
- A written agreement is in place outlining the third party's responsibilities and ensuring access to relevant CDD data and supporting documentation without delay upon request;
- The AML/CFT Compliance Officer has verified the competence and regulatory status of the third party before any reliance is established;
- The Organization retains ultimate responsibility for ensuring that the CDD obligations are met in full.

Reliance on third parties shall not extend to high-risk clients or in jurisdictions classified as high risk under applicable FATF or EU guidelines, unless additional safeguards are implemented and approved by the AML/CFT Compliance Officer.

## **17. ENHANCED IDENTIFICATION AND DUE DILIGENCE PROCEDURES FOR HIGH RISK CUSTOMERS**

The Organization is required to take additional and enhanced measures in cases which by their nature, present a high-risk of money laundering and terrorist financing.

Apart from the Players accounts that have been classified by the Organization as High-Risk, through its' risk assessment, the Laws additionally specify the below categories of customers which should be classified as high-risk and where enhanced due diligence measures should be applied:

- Complex and unusually large transactions or unusual types of transactions
- Accounts of PEP's
- Transactions with a natural person or legal entity established in a third country of high risk. The minimum enhanced due diligence measures that should be applied for all High-Risk customers of the Organization are:
  - (i) Perform review and update of records of the customer at least once a year or at a shorter interval if necessary
  - (ii) Taking more enhanced measures and supporting documentation to establish and verify the source of wealth
  - (iii) Perform systematic and thorough monitoring of the transactional behavior.
  - (iv) Obtaining additional information on the customer, like occupation, previous address and information available through public databases, internet, etc.

- (v) Obtaining additional information on the intended nature of the business relationship
- (vi) Obtaining information on the source of funds or source of wealth of the player. Examples of source of funds include personal savings, employment, pension releases, share sales and dividends, property sales, gambling winnings, inheritances and gifts and compensation from legal rulings.
- (vii) Obtaining information on the reasons for intended or performed transactions.
- (viii) Obtaining the approval of senior management to commence or continue the business relationship.
- (ix) Conducting enhanced monitoring of the business relationship.
- (x) Requiring the first payment to be carried out through an account in the customer's name with a bank subject to similar CDD standards.

### **Politically exposed persons (PEPS)**

The establishment of a business relationship with Politically Exposed Persons may expose the Organization to increased risks, and it is considered one of the most important money laundering issues worldwide. The Organization should be extra cautious when dealing with PEPs and as such they should be classified as High-Risk and enhanced due diligence measures should be applied. The Compliance department and other responsible employees should strictly comply with the provisions of the present Policy, regarding PEPs.

It should be stressed that the Organization should be extra cautious when dealing with PEPs coming from High-Risk third countries facing widespread corruption problems and economic destabilization and that their standards of combating money laundering and terrorist financing are not equivalent to internationally accepted standards.

For the purposes of the PEP's definition, "prominent public function" means any of the following public functions:

- (a) Head of state, head of government, minister, deputy or assistant minister,
- (b) Member of parliament or similar legislative body,
- (c) Member of a governing body of a political party,
- (d) Member of supreme court, a constitutional court or other high-level
- (e) Judicial body whose decisions are not subject to further appeals, except in exceptional circumstances,
- (f) Member of court of auditors and of the board of directors of Central Banks,
- (g) Ambassador, charge d'affaires and high-ranking officer of the armed and security forces,
- (h) Member of an administrative, management or supervisory body of a state-owned enterprises,

- (i) Director, deputy director, director general of a Ministry and member of the board or equivalent function in an international organization,
  - k) Mayor. It is provided that none of the above-mentioned public functions shall be understood as covering middle-ranking or more junior officials.
  - (i) "Family members" shall include the following persons:
    - (a) The spouse, or a person considered to be equivalent to a spouse of a Politically Exposed Person;
    - (b) The children and their spouses or persons considered. to be equivalent to a spouse of a Politically Exposed Person,
    - (c) The parents of a Politically Exposed Person.
  - (ii) "Close Associate" of a Politically Exposed Person" means a natural person:
    - (a) Who is known to have a joint beneficial ownership of a legal entity or legal arrangement or any other close business relation with a Politically Exposed Person,
    - (b) Who has sole beneficial ownership of a legal entity or legal arrangement which is known to have been set up for the de facto benefit of a Politically Exposed Person.
- It is provided that when a PEP has ceased to have a prominent public function in the Republic or in a Member State or in a third country or in an international organization, the Organization considers the business relationship as High-Risk, for a period of at least 12 additional months. The Organization assesses each case and maintains the PEP classification for as long as deemed necessary beyond the lapse of the 12 months, including for the whole future duration of the business relationship.
- In the case of individual customers, where the applicant falls under the definition of a PEP, then the account should be classified a High-Risk - PEP.

In order to determine whether a prospective customer is a PEP, the Organization shall assess the below sources of information:

- (i) Information provided by the person itself.
- (ii) The Screening data base; it is stressed, however, that the classification of a person as a PEP by Screening Data Base does not necessarily mean that the person is indeed a PEP. On the other hand, if a customer is not classified as a PEP by the Screening data base but information collected from other sources as per (i) above and (iii) or (iv) below qualify him/her as a PEP, then that person should be still classified as a PEP.
- (iii) Internet search.
- (iv) Any other reliable publicly available information.

Evidence for the search and the results from the above sources should be placed in the customer's file. The Organization assesses each case and maintains the PEP classification for as long as deemed necessary beyond the lapse of the 12 months, including for the whole future duration of the business relationship if deemed appropriate.

If, upon the establishment of a business relationship, based on the above sources, a PEP is identified, and the business relationship is classified as PEP then the below additional enhanced due diligence measures should be followed:

- (i) The decision for establishing a business relationship with a PEP or of continuing an existing business relationship where a PEP has been identified in the course of the business relationship, should be taken by the Board of Directors. The request for such an approval should be accompanied with a short report on the customer's profile and the PEP's profile prepared by the responsible employee, in order to obtain an informed decision from the Board of Directors.
- (ii) Before establishing a business relationship with a PEP, adequate information documentation should be obtained in order to ascertain not only the PEP's identity but also to assess their business reputation and/or integrity and/or professionalism (e.g. references from reliable third parties or internet searches that do not reveal concerns with reputation and/or integrity) if considered necessary.

(iii) Adequate enhanced due diligence measures should be followed in order to establish the source of wealth and source of funds of the PEP that is involved in the business relationship in order to ensure that there are no funds originating from corruption or other criminal activity involved. The Organization should focus on constructing the business / economic profile by obtaining the information/documentation as per the provisions of the present Policy. The source of wealth should be established based on the information provided through the communication with a potential PEP, which should be verified by documents.

The regulatory framework emphasizes the importance of assessing particularly the sources of wealth of PEPs and requires the Organization on a risk sensitive basis, to make every effort in order to verify the accuracy of the information provided by the PEP as to its wealth and the sources of this wealth against:

Publicly available information sources such as asset and income disclosures which some countries expect certain public officials to file;

- Publicly available property registers and/or land registers.
- Organization registers.
- Internet searches including social media.

- (iv) The profile of the expected business activity should form the basis for the future monitoring of the relationship. The profile should be regularly reviewed and updated with new data and information. Particular caution should be given where the customer is involved in businesses which appear to be most vulnerable to corruption.

All above information/documentation should be placed in the customer's file as evidence.

If, upon the establishment of a business relationship, it is indicated on electronic databases that the applicant/ related individual is a PEP, however the Organization has sufficient evidence to conclude that the individual in question has ceased to hold the public prominent position or in any other way does no longer fall under the definition of PEPs provided above, and should thus not be classified as High Risk - PEP, then this should be clearly evidenced in the customer's file. The customers file should include a note, adequately explaining the reason why it is the

Organization's position that the individual does no longer fall under the PEP definition - in contrary to what it is potentially stated in electronic databases - and make reference to the online or other sources that justify this decision. Evidence/ copies of these sources (e.g. articles, websites, newspaper extracts, evidence provided by reliable third parties and other) should be placed in the file. The above should also apply to, cases where electronic databases do not classify an individual as PEP, however the Organization has adequate evidence to conclude that the individual falls under the PEP definition and should thus be classified as PEP. Again, sufficient explanation should be added in the short note prepared for PEPs, as provided above in this section of the Policy, explicit reference should be made to the sources that the Organization relied on in order to reach this conclusion, and sufficiently document everything in the file. The same approach should be also applied upon the review/ updating of the customer's file.

The above measures also apply for already established business relationships, where any of the natural persons involved becomes a PEP at any point throughout the business relationship. Such change in the customer's categorization should also take place if screening system is not updated but this information is identified at any given time (e.g. during the review of any customer', where the natural person itself may inform the Organization, etc.).

Business relationships with PEPs should be subject to enhanced and on-going monitoring. The Organization should perform on-going monitoring on both the transactions and the risk profile of the customer:

- (i) The review of the business relationship should be performed at least on an annual basis. The continuation of the business relationship should be approved by the Board of Directors. The thorough review of the transactional activity, as well as of the profile of the customer and the PEPs involved should be carried out by the AML/CFT Compliance Officer and the results of the review should be summarized on a short report. If, following the review, the AML/CFT Compliance Officer is satisfied that the business relationship should continue, the short report should accompany the request for continuation of the business relationship to the Board of Directors.
- (ii) The report should include, as a minimum:
  - Basic details such as date of establishing the relationship, whether the relationship is dormant, etc.
  - A comment on the actual turnover of the players account and whether it is in line with the expected turnover of the account (the conclusions on the expected turnover, should be formed on the documented source of funds and source of wealth that has been confirmed by documents).
  - A reference to connected/affiliated customers of the Organization.
  - An express statement whether there is any suspicion for irregular activity of the client.
  - Clear recommendation to the Board of Directors for the continuation of the relationship or closure.

- (iii) During the ongoing monitoring of the transactions, the Organization should be cautious in order to identify and pay particular attention to transactions that seem unusual/ out of the normal. Such transactions should be assessed based on the information maintained about the customer and the established business profile, and consider whether, in the light of the unusual transaction, the information maintained should be re- assessed and updated.
- (iv) If during the above review, or ongoing monitoring of the business relationship and transactions any suspicions are raised, the provisions of the relevant section of the present Policy should be followed.

All documents concerning the renewal and the review should be placed together in the file.

## **18. CUSTOMERS RELATED TO OR TRANSACTING WITH THIRD COUNTRIES OF HIGH RISK**

The Organization classifies as High-Risk and applies enhanced due diligence measures, on customers physical persons who are nationals or residents of High-Risk countries.

The Law defines as a High-Risk third country, a country indicated by the European Commission which presents strategic deficiencies in its national system for combating money laundering and terrorist financing which are considered as major threats to the financial system of the EU. Additionally, countries and geographic areas is one of the risk factors that the Organization, should consider when identifying and assessing risks of money laundering and terrorist financing. Taking into consideration the "Geographic Risk Factors" for the assessment and classification of a third country as High-Risk, as well as a number of lists and statements of European and international organizations, the Organization has developed a Country Risk Categorization Methodology (hereinafter the "Methodology") on the classification of a third country as High risk, and how related customers and transactions shall be treated.

Based on the developed Methodology, the Organization's list of High-Risk countries, includes inter alia jurisdictions which are:

- (i) Subject to Sanctions/ Embargoes,
- (ii) Non- cooperative for tax purposes (EU list),
- (iii) FATF countries that bear deficiencies in their system of money laundering and terrorist financing,
- (iv) Under High Level of corruption, transparency, bribery etc.

It is the AML Compliance Department's responsibility to maintain and update the list of High-risk countries, resulting from the Methodology and to communicate it to the Board of Directors and any other responsible employees when updated and amended.

The responsible employees should refer to the Methodology, as a guidance on how each category of High-Risk affects the customers and their transactions related to the country category.

For such customers and transactions, it is important to apply the enhanced due diligence measures especially regarding the establishment of the source of wealth, as per the provisions of the present Policy and the Organization's Risk Assessment Policy. In addition:

(i) Customers with transfers to and from High-Risk countries should be automatically classified as High-Risk. However, a margin of deviation from this rule may apply, on a risk-based approach, based on qualitative criteria and the nature of the transaction. For example, low risk and normal risk customers who may carry out a single transaction or rare payments of small amount to one of these countries, may be acceptable without reclassification of the customer to High-Risk.

(ii) Transactions with persons from the afore-mentioned countries with no apparent economic or visible lawful purpose should be examined with the aim of ascertaining their financial, purpose. If, as a result, it is considered that the Organization cannot satisfy itself as to the legitimacy of the transaction, this should form a ground for suspicion and the relevant provisions of this Policy should be followed.

## **19. SCREENING DATABASE**

The Screening database comprises names of natural and legal persons, countries, organizations, vessels etc., which may, inter alia, be:

- Subject to sanctions
- Suspects for money laundering and terrorist financing activities.
- Politically Exposed Persons.

Apart from the above, it provides information of general nature on the persons included in the data base such as positions held currently and, in the past, possible negative information regarding accusations against them of any nature such as for tax evasion, for legal litigations, for relationship with PEPs or criminals, etc.

It must be noted that the Screening database check must be performed, and any discarded hits (false positives) should be assessed, explained, and included in the customer's file.

In case of true matches, these must be escalated to AML Department.

The database should be used screens the names of all active customers daily.

### **19.1 INTERNET SEARCH / MEDIA CHECK**

Internet / media searches should always be performed on new applications and upon the review (either regular or ad hoc) of identification records or annual account review, for all clients and their relevant persons.

The internet search serves the purpose of identifying adverse media, obtaining as much information as possible in constructing the customer's profile, identifying whether the customer is a PEP or immediate family member or close associate of a PEP as well as of cross-checking the information provided by the customer.

In evidencing the search, the officer preparing the customer's file should add and sign the following confirmation on the conciliatory page: "Internet search has been made". Search results should be assessed and copies to be kept in the customer files. It is reminded that where there are negative articles or public allegations on the customer or its officials, all the public information identified should be disclosed and outlined clearly in the Customers file and an assessment made as to the

actions needed by the Organization (e.g. reclassification to High-Risk, close monitoring, termination, etc.). The assessment in such cases must be discussed for final decision with the AML/CFT Compliance Officer.

Confirming that an "Internet search has been made" and failing to disclose easily available negative information for further assessment is a direct breach of the provisions of this Policy and may lead to the Organization not fulfilling effectively its AML obligations.

## **20. ONGOING MONITORING PROCESS**

The constant monitoring of the Players' accounts and transactions is an imperative element in the effective controlling of the risk of ML/TF.

In this respect, the AML/CFT Compliance Officer shall be responsible for maintaining as well as developing the ongoing monitoring process of the Organization and use the appropriate IT systems in order to achieve highest monitoring abilities while keeping a cost-effective process.

The AML/CFT Compliance Officer shall review the Organizations' procedures with respect to the ongoing monitoring process, at least annually.

The procedures and intensity of monitoring Clients' accounts and examining transactions on the Client's level of risk shall include the identification transactions which, as of their nature, may be associated with ML/TF, unusual or suspicious transactions that are inconsistent with the profile of the Client for the purposes of further investigation.

In case of any unusual or suspicious transactions, the head of the Client Support Department shall be responsible to communicate with the AML/CFT Compliance Officer.

Further to the investigation of unusual or suspicious transactions by the AML/CFT Compliance Officer, the results of the investigations are recorded in a separate memo and kept in the file of the Clients concerned the ascertainment of the source and origin of the funds credited to accounts. Established minimum triggers, that would require an ongoing monitoring and request of additional documents:

- Cumulative deposits equal or over Naf. 4,000 in a month
- Sudden increase in deposits
- High loss amount
- Deposits coming from different payment systems
- Request for withdrawals through an alternative payment system, different from the deposit method

It should be noted that these triggers are only samples of possible scenarios and each case should be treated on an individual basis, taking into consideration players transaction history, activity, previously obtained documentation and risk categorization.

The Organization maintains relevant controls to track Players deposits and withdrawals, as well as have all the required technical requirements in order to review Players' transaction activity starting from the account opening. The data can be segregated in periods or types of transactions.

## 20.1 REVIEW AND UPDATING OF CDD

It is a requirement that the customers identification records should be examined on a regular basis so that it is ensured that they remain completely updated. In this respect, the procedures described below should be followed.

## 20.2 REGULAR REVIEW AND UPDATING

The frequency of review and updating depends on the risk categorization of each customer and should be as follows:

- (i) **Low risk customers:** Not less frequently than once every 3 years.
- (ii) **Normal risk customers:** Not less frequently than once every 1 years.
- (iii) **High risk customers:** Not less frequently than every 6 months.

During the review procedure, the customer should be requested to confirm that the identification information held by the Organization is still accurate and valid or advise changes that have taken place. In case that any change has taken place, the customer should be asked to present the relative supporting documentation / evidence.

It is pointed out that during the review process, new documents evidencing the permanent residential address of all natural persons should be obtained.

The Responsible employee is required to send the letter with the requirements for the update of information and records, reminders and the warning letter where needed and follow-up completion of the review procedure.

Completion of the review procedure should be approved by the AML/CFT Compliance Officer in the same way as for the establishment of a business relationship.

The continuation of the business relationship with High-Risk customers should be approved by the AML Department and in some cases, by the Board of Directors (e.g. PEPs).

## **21. CRYPTO USAGE POLICY**

The Organization is committed to ensuring safe, secure, and compliant operations concerning cryptocurrency payments within its online gambling services. The Crypto Usage Policy defines the approach the Organization employs in handling cryptocurrency-related risks, particularly in the areas of verification, transaction monitoring, AML compliance, data security, and fraud prevention. This policy applies to all cryptocurrency transactions processed by the Organization and extends to all personnel involved in the handling, monitoring, and processing of these transactions. The Organization considers usage of cryptocurrency as a payment method posing higher risk than traditional payment methods and implements a more stringent customer verification process to ensure that all users engaging in cryptocurrency transactions are accurately identified.

Additional measures to be applied in respect of the clients, who use cryptocurrency as a payment method:

- 1) The threshold triggering CDD procedure shall be Naf 500 of total deposits/withdrawals.
- 2) Any withdrawals shall be made to the same wallet, which has been used for placing deposits, otherwise the control over the wallet shall be established in terms of the CDD procedure
- 3) Enhanced transaction monitoring shall be applied and an additional list of indicators of suspicious activity relating to the use of cryptocurrency must be considered. When dealing with the Client who uses cryptocurrency as a payment method, besides being vigilant to the traits of suspicious activities related to fiat currencies, the employees must also consider indicators specific to the use of cryptocurrencies.
- 4) Red flag indicators should always be considered in context. The mere presence of a red flag indicator is not necessarily a basis for a suspicion of ML/CFT/PF, but could prompt further monitoring and examination.

Ultimately, a client may be able to provide an explanation to justify the red flag indicator, business or economic purposes of a transaction.

The Compliance Officer shall ensure that verification measures are consistently applied and adjusted as necessary to account for the evolving nature of cryptocurrency risk. The policy shall be periodically reviewed to maintain alignment with regulatory standards and industry best practices. The CO shall oversee the continuous improvement of fraud prevention measures, considering the dynamic risks associated with cryptocurrency and adapting controls as necessary

### **21.1 TRANSACTION MONITORING FOR CRYPTOCURRENCY TRANSACTION**

The Organization uses monitoring systems to review cryptocurrency transactions, ensuring the detection of anomalies or patterns associated with potential money laundering or fraudulent activity. Each transaction undergoes screening based on transaction limits, frequency, and known cryptocurrency red flags, including rapid, high-value deposits and withdrawals, and usage of

anonymity-enhanced cryptocurrency (AEC)<sup>1</sup>, such as Monero (XMR), Zcash (ZEC), Dash (formerly Darkcoin) and other comparable assets or mixing services.

Automated alerts are generated for suspicious activity, which is escalated to the Compliance Officer for further review and potential reporting to the Financial Intelligence Unit Curaçao (FIU).

The escalation of suspicious activity shall be conducted in accordance with the Internal and External Reporting Procedures.

## **21.2 ANTI-FRAUD MEASURES**

The Organization implements fraud detection systems to identify and prevent fraudulent activity associated with cryptocurrency transactions. This includes IP tracking, device monitoring, and behavior analytics. Manual reviews are conducted on flagged transactions, and suspicious accounts are promptly frozen pending investigation. The Organization shall close accounts in cases where fraud is confirmed, with all actions documented in compliance with regulatory reporting requirements.

All relevant staff receive mandatory training on the specific risks, controls, and procedures associated with cryptocurrency transactions. Training sessions cover the identification of red flags, proper transaction monitoring protocols and AML procedures tailored to cryptocurrency usage.

## **22. TERMINATION OF THE BUSINESS RELATIONSHIP**

The Organization should proceed with the termination of the relationship with an existing customer who:

- (i) Had such changes in its status after the establishment of the relationship which turned it to be one of the prohibited types of customers as per the Customer Acceptance Policy.
- (ii) Has a behavior in its transactions and activities which makes it a customer of excessive high-risk.
- (iii) Refuses or fails to provide updated information requested by the Organization.
- (iv) Has attempted to deceive the Organization.
- (v) Breached any of the provisions of the Organization's Terms and Conditions that the Organization deems of significance.
- (vi) Has been convicted for any serious predicate offence, for which a Court Order or enquiry from an authority (e.g. FIU Curaçao, CGA)
- (vii) May expose the Organization to high AML or reputational risk.

Before proceeding with the termination of a business relationship, the Organization should make sure that the files of the customer are KYC compliant and that the records are up to date. In this respect:

- When a customer requests to proceed with the termination, or where the Organization wishes to proceed with the termination of the business relationship with a customer, the

Organization should be satisfied that the data and profile information of the customer are up to date. If not, the Organization should carry out any necessary actions - depending on the case - to ensure that the customer's status and records become updated, and that there are no concerns obstructing the Organization from proceeding with the termination.

- The Organization shall not immediately proceed with the termination in cases where a customer's review and updating of records has not been completed. When review (either annual or ad-hoc) and updating of records is requested by the Organization, and the customer does not provide all the necessary information for its completion this should constitute a ground of suspicion and it should be considered, whether it requires reporting to the FIU Curaçao. Such cases should be treated, depending on the individual circumstances of each case. For example, if the Organization can establish and be satisfied that, based on the circumstances and the customer's behavior/attitude, not providing the required documentation does not raise any suspicions, then the Organization may proceed with the termination. Evidence of such justification should be placed in the customers' file.

## **23. SUSPICIOUS TRANSACTIONS**

### **23.1 REPORTING SUSPICIOUS TRANSACTIONS**

Whenever there is an attempt of executing transactions that raise reasonable suspicion of being related to ML/TF, the AML/CFT Compliance Officer, reports the case to the FIU Curaçao through the dedicated GoAML Portal ([https://portal.fiucuracao.cw/goAMLWeb\\_PRD/Home](https://portal.fiucuracao.cw/goAMLWeb_PRD/Home)) in accordance with the current Policy.

### **23.2 SUSPICIOUS TRANSACTIONS**

The definition of a suspicious transaction as well as the types of transactions indicating ML/TF is very broad. A suspicious transaction will often be inconsistent with the normal Business Relationship patterns of the specific account. The Organization shall ensure that it maintains adequate information and knows enough about its Clients' activities to recognise on time that a transaction or a series of transactions is unusual or suspicious.

Examples of what might constitute suspicious transactions/activities related to ML/TF are listed in Appendix 1 of the Policy. The relevant list is not exhaustive, nor it includes all types of transactions that may be used. Nevertheless, it can assist and serve as guidance to the Organization and its employees (especially the AML Officer and the Client Support Department) in recognizing the main methods used for ML/TF. The detection by the Organization of any such 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 and the circumstances surrounding the particular activity.

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

- monitor on a continuous basis any changes in the Players' transaction patterns
- monitor on a continuous basis if a Player is engaged in any of the practices mentioned in Appendix 1 of this Policy.

Furthermore, the AML/CFT Compliance Officer shall perform the following activities:

- receive and investigate information from the Organizations' employees, on suspicious transactions which raises reasonable suspicion of ML/TF. This information is reported on the Internal Suspicion Report. The said reports are archived by the AML/CFT Compliance Officer
- if, as a result of the evaluation, the AML/CFT Compliance Officer decides to disclose this information to the FIU, then a report is submitted to the FIU
- if as a result of the evaluation described above, the AML/CFT Compliance Officer decides not to disclose the relevant information to the FIU, then he/she fully explains the reasons for his decision on the Internal Evaluation Report

### **23.3 AML/CFT COMPLIANCE OFFICERS' REPORT TO THE UNIT**

All the reports of the AML/CFT Compliance Officer will be send or submitted directly to the FIU Curaçao.

After the submission of a suspicious report according to the Policy, the Organization may subsequently wish to terminate its relationship with the Client concerned for risk avoidance reasons. In such an event, the Organization exercises particular caution in order 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 impediment to the investigations conducted.

After submitting the suspicious report, the Organization adheres to any instructions given by the FIU and, in particular, as to whether or not to continue or suspend a particular transaction or to maintain the particular account active.

The FIU may instruct the Organization to refrain from executing or delay the execution of a Client's transaction without such action constituting a violation of any contractual or other obligation of the Organization and its employees.

Furthermore, after the submission of a suspicious report according with the current Policy, the Clients' accounts concerned as well as any other connected accounts are placed under the close monitoring of the AML/CFT Compliance Officer.

The Organization and its senior management and employees shall not disclose any details or information in connection with a report filed to the FIU or a request for information made by the FIU. It is not permitted to disclose information to the customer nor to third parties. Drastic action should only be taken when there is no other way out, since any unjustified action may alert the

player. In such circumstances, it would be more advisable to increase on-going monitoring and submit additional reports to the FIU on any other suspected instances of ML/TF.

## **23.4 SUBMISSION OF INFORMATION TO THE FIU**

The Organization shall ensure that in the case of a suspicious transaction investigation by the FIU, the AML/CFT Compliance Officer will be able to provide without delay the following information:

- A. the identity of the account holders
- B. data of the volume of funds or level of transactions flowing through the account
- C. accounts detected in similar behavior
- D. in relation to 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
  - 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

## **24. RECORD-KEEPING PROCEDURES**

### **24.1 PURPOSE OF RECORD KEEPING**

The Organization shall maintain records, including documentation and information, for use in an investigation into, or an analysis of, the possibility of ML/FT. These records can be requested by the Curaçao CGA or the FIU Curaçao or by other relevant competent authorities as required. The records maintained by the Organization are extremely important to competent authorities responsible for analysis, investigation, law enforcement and prosecution since they may constitute evidence of the audit trail and of money flows. It is therefore crucial that subject persons adhere to the legal obligations applicable in this area.

In case the Organization will establish a documents/data retention policy, the AML/CFT Compliance Officer shall ensure that the said policy shall take into consideration the requirements of the Law.

The AML/CFT Compliance Officer shall review the adherence of the Organization to the above, at least annually.

## 24.2 RECORDS TO BE RETAINED

The Client Support Department of the Organization shall maintain records of all documents related to the verification process performed on a client in relation to all Business Relationships formed:

- the Client identification documents obtained during the CDD, as applicable
- monitoring reports obtained during and after the establishment of Business Relationship

The Organization should also retain the following records required as evidence of compliance with the Law and for statistical purposes:

- internal suspicious reports made to the AML/CFT Compliance Officer
- reports made by the subject person to the FIU
- a record of the reasons for not forwarding an internal report to the FIU
- a record of AML/CFT Compliance Officer training provided, including: the date on which the training was delivered; the nature of the training; the names of employees receiving the training; the results of any assessment undertaken by employees; a copy of any hand-outs or slides;
- other important records, including: any reports by the AML/CFT Compliance Officer to senior management/ Board of Directors made for the purposes of complying with the obligations under the Law.

## 24.3 PERIOD OF RETENTION OF RECORDS

The Organization shall maintain the records for a period of at least five (5) years. The date of commencement of this time period depends on the type of records to be retained.

With respect to CDD and/or EDD documentation, the time period of five (5) years commences from the date on which the Business Relationship is terminated.

It is provided that the documents/data mentioned above which may be relevant to ongoing investigations shall be kept by the Organization until the FIU confirms that the investigation has been completed and the case has been closed.

## 24.4 FORM OF RECORDS

The Organization maintains records in any one of the following forms: physical file, scanned form, computerized or electronic form.

Subject persons should use a standardized approach to record keeping and must ensure that the approach used enables the quick retrieval of records for the purposes laid out in Section 23.5 below.

## **24.5 RETRIEVAL OF RECORDS**

Subject persons are required to maintain efficient record-keeping procedures that enable them to retrieve information in a timely manner when so requested by the relevant authorities acting in accordance with the Law.

To this effect, the Organization shall establish effective systems which are commensurate with the size and nature of its business and that enable it to respond efficiently, adequately, promptly and comprehensively to such enquires made to them by Curaçao CGA, the FIU Curaçao or other relevant competent authorities in accordance with Law. The provision of this information is of particular importance in the context of procedures leading to measures such as freezing or seizing of assets, including terrorist assets.

When requests for information are made by the Curaçao CGA or the FIU Curaçao, the Organization should ensure that it is able to reply to these enquiries in a timely manner but not later than five (5) working days from when the demand is made, unless the subject person makes representations justifying why the requested information cannot be submitted within the said time.

## **25. CERTIFICATION & LANGUAGE OF DOCUMENTS**

The documents/data obtained, shall be in their original form or in a copy form. A translation shall be attached in the case that the documents above are in a language other than Dutch or English.

Each time the Organization shall proceed with the acceptance of a new Client, the Client Support Department shall be responsible for ensuring compliance with the provisions of points above.

## **26. EMPLOYEES' OBLIGATIONS, EDUCATION AND TRAINING ON AML/CTF/PW**

The Organizations' employees can be personally liable for failure to report information or suspicion, regarding money laundering or terrorist financing.

The employees cooperate and report, without delay, anything that comes to their attention in relation to transactions for which there is a slight suspicion that are related to money laundering or terrorist financing.

The employees are aware of their obligations of not tipping off customers, where there are any suspicions regarding money laundering or when there is an ongoing investigation.

The organization shall establish and adhere to proper policies and procedures in screening their employees for criminal records. The Organization shall develop training programs and provide training to all personnel who handle transactions that may be qualified as unusual based on the indicators outlined in the Ministerial Decree regarding the Indicators for Unusual Transactions (N.G. 2015 no. 73). Training includes setting out rules of conduct governing employee's behavior

and their ongoing education to create awareness of the casino's policies against money laundering and terrorist financing. Most areas of the institution should receive training, and the target audience should include most employees. But each segment should be trained on topics and issues that are relevant to them. Training must at least address the following topics:

- a) *New employees.* A general training of the nature and process of money laundering and terrorist financing, and the need to report any unusual transactions to the appropriate designated officer must be provided to all new employees who will handle customers or their transactions, irrespective of their level of seniority. They shall be made aware of the existing internal policies, procedures and regulations concerning money laundering, terrorist financing, proliferation of weapons and the reporting requirements. They must also be trained on the money laundering methods and trends in the gambling sector. They must receive an explanation on customer due diligence and objective and subjective indicators for reporting unusual transactions.
- c) *Audit staff.* Those charged with overseeing, monitoring and testing money laundering controls should also be trained about changes in regulation, money laundering methods and enforcement, and their impact on the organization.
- d) *AML Compliance staff.* People authorized to perform functions related to the provision and implementation of the AML policy will need specialized training to be able to stay on top of new trends or changes that impact the organization and the way it manages risk. This will require attending conferences or AML-specific presentations to go into greater detail.
- e) *Supervisors and Managers.* A higher level of instruction covering all aspects of money laundering, terrorist financing policies, procedures and regulations must be provided to those with the responsibility to supervise or manage the staff.
- f) *Senior management and board of directors.* Money laundering issues and dangers should be regularly and thoroughly communicated to the board. This to keep board members aware of the reputational risk that money laundering poses to the institution. Refreshment training must be arranged at regular intervals to ensure that staff members are kept informed of current and new developments regarding money laundering and terrorist financing techniques, methods and trends. To demonstrate compliance with aforementioned staff training guidelines, the casino shall maintain records that include:

- Details on the content of the training programs.
- The names of the staff members who have received the training.
- The date on which the training was provided.
- The results of any testing carried out to measure staff understanding of money laundering and terrorist financing requirements; and
- An ongoing training plan.

The Organization will organize internal and external training for its employees and AML/CFT compliance officer. The AML/CFT Compliance Officer will additionally provide training to the employees of the Organization, when needed. The main purpose of the training is to ensure that relevant employees become aware of:

- the AML Law of Curaçao
- the European Union laws and directives
- the Organizations' Anti-Money Laundering Policy and relevant Procedures
- the statutory obligations of the Organization to report suspicious transactions
- the employees own personal obligation to refrain from activity that would result in ML/TF
- the importance of the Clients' due diligence and identification measures requirements for ML/TF prevention purposes.

The training program will have a different structure for new employees and existing employees. 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 Organization will keep documented records, regarding the trainings attended, dates and the names of the employees that have received the training.

## **27. CONSEQUENCES OF NON-COMPLIANCE**

All employees and departments of the Organization are required to comply fully with the provisions of this AML/CFT and Sanctions Compliance Policy. Any failure to adhere to the requirements of this Policy may result in serious consequences for both the individual and the Organization.

### **27.1 DISCIPLINARY MEASURES**

Violation of this Policy, whether through willful misconduct, negligence, or failure to report suspicious activity, may lead to disciplinary action. Such actions may include but are not limited to:

- Verbal or written warnings.
- Suspension or reassignment of duties.
- Termination of employment or contract.

Disciplinary decisions will be made in accordance with the Organization's internal procedures and applicable labor regulations.

### **27.2 LEGAL AND REGULATORY CONSEQUENCES**

Where breaches of this Policy are deemed to constitute a violation of applicable anti-money laundering, counter-terrorist financing, or sanctions regulations, the Organization may:

- Refer the matter to the Financial Intelligence Unit (FIU) Curaçao or other competent regulatory bodies.

- Cooperate fully with legal and regulatory investigations.
- Be subject to penalties, sanctions, or enforcement actions under laws of Curaçao.

## 28. RESPONSIBILITY AND AWARENESS

All employees are individually responsible for understanding and complying with this Policy. Managers and department heads are required to promote a culture of compliance and ensure that team members are trained and aware of their obligations under this Policy.

## 29. REVIEW AND UPDATE OF THE POLICY

The adequacy of internal control measures intended for the prevention of money-laundering and terrorist financing shall be regularly revised in order to ensure that the measures implemented remain up-to-date and are proportionate to risks arising for the Organization. The AML Policy must be reviewed at least annually as well as in the event of any changes in the applicable regulations and/or in cases when provision of new services are being considered.

### 29.1 POLICY VERSIONING AND REPLACEMENT

This version of the Anti-Money Laundering (AML), Counter-Terrorist Financing (CFT), and Sanctions Compliance Policy replaces all previously issued versions of this policy. It reflects updates to align with current regulatory requirements, risk-based practices, and internal process improvements.

The following table outlines prior versions of this policy and the nature of revisions made:

| Version | Effective Date | Approved by                       |
|---------|----------------|-----------------------------------|
| 1.0     | 05.30.2025     | Morganite Corporate Services B.V. |

A current version of this AML Policy is available to all employees via the Organization's internal compliance portal. External stakeholders, customers/players, third-party suppliers may access the policy online at:

- 1) <https://www.voltacasino.com>
- 2) <https://vostokcasino.com>

**Reviewed and approved on 05.30.2025**



By: Morganite Corporate Services B.V.  
Title: Managing Director

## **APPENDIX 1**

### **EXAMPLES OF SUSPICIOUS TRANSACTIONS/ACTIVITIES RELATED TO MONEY LAUNDERING AND TERRORIST FINANCING**

- The transactions or the size of the transactions requested by the Client do not comply with his usual practice and activity.
- Large volume of transactions.
- The Business Relationship involves only one transaction, or it has a short duration.
- Any transaction the nature, size or frequency appear to be unusual.
- Instructions of payment to a third person.
- Transfer of funds to and from countries or geographical areas which do not apply, or they apply inadequately FATF's recommendations on Money Laundering and Terrorist Financing.
- A Client is reluctant to provide complete information when establishes a Business Relationship.
- A Client provides unusual or suspicious identification documents that cannot be readily verified.
- A Client's home/mobile telephone is disconnected.
- 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, documents furnished to confirm name, address and date of birth etc).
- Attempts to deposit funds through one payment system, but arranging the withdrawal of funds through another
- Receiving alerts from PSPs that the credit/debit card is lost/stolen/frozen

**Reviewed and approved on 05.30.2025**



By: Morganite Corporate Services B.V.  
Title: Managing Director

## **APPENDIX 2**

### **PROHIBITED COUNTRIES LIST**

Cuba, Iran, North Korea, Syria, Ukraine (Crimea, Donetsk, Luhansk), Russian Federation, Burma, Côte d'Ivoire, Congo, Eritrea, Iraq, Lebanon, Liberia, Libya, Somalia, Afghanistan, Burma (Myanmar), Central African Republic, Congo, Ethiopia, Sudan, Venezuela, Yemen, Zimbabwe, Australia, Austria, Belgium, Belize, Bulgaria, Colombia, Croatia, Curaçao, Denmark, Estonia, Finland, France, Georgia, Germany, Italy, Netherlands, Panama, Portugal, Romania, Spain, Sri Lanka, United Kingdom, United States, Aruba, Bonaire, Saba, Statia, St. Martin

**Reviewed and approved on 05.30.2025**

A handwritten signature in black ink is written over a horizontal line. To the right of the signature is a circular logo for Morganite Corporate Services B.V. The logo contains the company name and a stylized 'M' symbol.

By: Morganite Corporate Services B.V.  
Title: Managing Director

## APPENDIX 3

### BUSINESS RISK ASSESSMENT

This Business Risk Assessment is developed by Agenics N.V. (the Company). The Company is a limited liability company incorporated under the laws of Curaçao and having its registered office at Abraham de Veerstraat 1, Willemstad, Curaçao, registered with the Commercial Register of the Curaçao Chamber of Commerce & Industry under number 149347

#### **1. The methodology adapted**

Following the adopted regulations, the Company has developed its own methodology and a set of measures for the prevention of money laundering crimes. The Company recognizes that by operating in the iGaming industry, the Company is exposed to an increased risk of money laundering and terrorist financing. How the casino's products and services could be used to launder money, finance terrorism, and finance proliferation and the extent of the risk that this will happen:

#### **Money Laundering:**

**Deposits and Withdrawals:** Criminals can deposit large sums of illicit money into an online casino account, engage in minimal gambling, and then withdraw the remaining balance. By doing so, the funds appear as legitimate gambling winnings, effectively “cleaning” the money.

**Multiple Accounts:** Money launderers may create multiple accounts under different identities, depositing small amounts in each to avoid detection. These accounts can then be used to launder large sums through low-risk bets and subsequent withdrawals.

**Cross-Platform Transfers:** Some online casinos allow users to transfer funds between accounts or even between different gaming platforms. These transfers can be exploited to obscure the trail of illicit money, making it harder for authorities to trace its origin.

#### **Terrorism Financing:**

**Small Transactions:** Terrorist financiers may use online casinos to make numerous small transactions that collectively fund operations without raising red flags. These micro-transactions are less likely to be detected by conventional anti-money laundering (AML) systems.

**Anonymity and Cryptocurrencies:** Many online casinos accept cryptocurrencies, which offer a higher degree of anonymity. Terrorist organizations may exploit this feature to move funds with minimal oversight, making it difficult to trace the source and destination of the money.

**International Transactions:** Online casinos that operate across borders provide a platform for transferring funds internationally, which can be used to finance terrorism in different countries. The decentralized nature of online transactions complicates the monitoring process.

**Proliferation Financing:**

**Anonymous Funding:** Online casinos that offer anonymous or semi-anonymous accounts can be used by entities involved in the financing of weapons of mass destruction (WMDs) to move funds without attracting attention. These funds can be laundered through the casino and then used for proliferation activities.

**Shell Companies:** Entities involved in proliferation may use shell companies to engage with online casinos, disguising the true nature of their transactions. The complexity and anonymity offered by these online platforms can obscure the real purpose behind the funds.

**High-Risk Transactions:** Proliferation financiers might use online casinos to purchase high value items or services, which can then be resold or used in the proliferation process. The online environment makes it easier to conduct such transactions without rigorous scrutiny.

**Extent of the Risk**

**High Anonymity:** Online casinos offer a high level of anonymity, especially when transactions are conducted through cryptocurrencies. This anonymity makes it challenging to track the source of funds and increases the risk of money laundering, terrorism financing, and proliferation financing.

**Volume of Transactions:** Online casinos handle a large volume of transactions daily, making it difficult to monitor each one effectively. This volume provides cover for illicit activities, allowing criminals and terrorists to blend in with legitimate users.

**Global Reach:** The global nature of online casinos means that funds can be moved across borders with ease. This global reach complicates the efforts of regulators and law enforcement to monitor and control illicit financial activities.

**Emerging Technologies:** The adoption of emerging technologies such as blockchain and decentralized finance (DeFi) within online casinos adds layers of complexity to financial transactions, making it even more challenging to detect and prevent illicit activities.

In the following sections, we will describe the different risk groups that an iGaming operator may be exposed to. We will consider:

- Customer risk;
- Geographical risk;
- Product, service, and transaction risk;
- Distribution channels risk.

## 2. Customer risk

Customer risk is the risk of ML/TF that arises from maintaining relations with a given person. The assessment of the risk posed by a natural person is generally based on the person's economic activity and/or source of wealth.

Categories of customers whose activities may indicate a higher risk include:

- Customers who have multiple sources of income;
- Customers with irregular income streams;
- PEPs;
- High spenders (money can be derived from illegal activities);
- Disproportionate spenders (inconsistent with the casino's information about the customer's known source of income/assets);
- Casual customers like locals/tourists, especially when spending patterns change; Improper use of third parties, criminals use third parties to gamble to break up large amounts of cash, to buy chips, or to cash out on behalf of others to avoid CDD measures;
- Multiple casino player rating accounts hinder a casino from tracking its gambling activities;
- Unknown customers (redeeming large amounts of chips);
- Junkets (junket operators monitor player activity and issues and collect credit).

The Company will set a value that represents the upper value of a typical player's transactions. A player having a single source of regular income will pose a lesser risk of ML/TF than a player who has multiple sources of income or irregular income streams.

## 3. Geographical risk

The following countries will be considered as having a high risk of money laundering:

3.1 Countries on the FATF list of Jurisdictions under Increased Monitoring - Bulgaria, Burkina Faso, Cameroon, the Democratic Republic of the Congo, Croatia, Haiti, Jamaica, Kenya, Mali, Mozambique, Namibia, Nigeria, Philippines, Senegal, South Africa, South Sudan, Syria,

Tanzania, Türkiye, Vietnam, Yemen;

3.2 Countries on the FATF list of High - High-risk jurisdictions subject to a Call for Action - Democratic Republic of Korea, Iran, Myanmar;

3.3 Countries on the CFATF Public Statement;

3.4 Countries identified as Jurisdictions of Concern or Primary Concern in the U.S. Department of State's annual International Narcotics Control Strategy Report (INCSR);

3.5 Countries on the European Commission's list of third countries having strategic deficiencies in their AML/CFT regime;

3.6 Countries sanctioned by the OFAC;

3.7 Countries identified by credible sources as providing funding or support for terrorist activities or having terrorist organizations operating within them;

3.8 Countries on the Corruption Perception Index compiled by Transparency International. All other countries are considered as a low-risk country.

#### **4. Product, service, and transaction risk.**

The use by customers and the acceptance by the Company of specific payment methods, which are considered to present a higher risk of ML/FT, should also be treated as high-risk factors. These include:

- Proceeds of crime. The risk that money transferred is derived from illegal activities such as check fraud, credit/debit card fraud, narcotics trafficking, and theft from an employer;
- Cash. Land-based casinos (or physical establishments of online casinos) are used to exchange large amounts of illicit proceeds in small denominations for larger ones;
- Anonymous payment methods such as pre-paid cards and virtual assets;
- Use of casino accounts. This should only be done for gambling purposes and not to deposit and withdraw without gambling or minimal play;
- Types of specific games (e.g. roulette, craps → even bets);
- Peer-to-peer gaming;
- The use by customers of accounts held or cards issued in the name of third parties; The transfer of funds from one gaming account to another;
- Types of financial services (credit/marker, currency exchange, check cashing); Multiple casino accounts or wallets (internet operator may own and control multiple websites);
- Changes to financial institution accounts to fund casino accounts;
- Identity fraud. Details of financial institution accounts stolen and used on websites. Also, stolen identities are used to successfully open financial institution accounts, and such accounts are used on websites;
- Using cash to fund a pre-paid card poses similar risks as cash;
- Games involving multiple operators (Poker on platforms shared by multiple operators);
- Electronic wallets (e-wallets). Not all e-wallets are licensed in reputable countries, and several e-wallets accept cash as deposits. Also, e-wallets only accept money from financial institution accounts; the financial institution issued statements may only record the payment to the e-wallet, not the transaction to the Internet casino. This may be useful for dishonest customers who wish to disguise their gambling.

The Company addresses these risks through its AML policy and implements measures to mitigate the impact of such risks.

## 5. Distribution channels risk

The channels through which the Company establishes a business relationship or through which transactions are carried out may also have an impact on the risk profile of a business relationship or a transaction:

- Channels that favor anonymity increase the risk of ML/FT if no measures are taken to address the risk;
- While situations, where interaction with the customer takes place on a nonface-to-face basis no longer led to the relationship being considered as automatically high risk, interacting in this manner, is still to be considered a high-risk factor for risk assessment purposes unless the casino adopts technological measures and controls to address the heightened risk of identity fraud or impersonation present in these situations;
- Where there is the involvement of a third party in the interactions between the customer and the casino, there is also an increase in risk. This is especially the case where these third parties are not themselves subject to any form of AML/CFT obligations.

## 6. The outcome of the Business Risk Assessment (BRA)

Taking into consideration the information specified in this BRA, it has been concluded that the Company is aware of the risks that may arise during its activities and has also implemented the necessary procedures that will allow identifying situations where the Organization's activities can be used for ML/TF, prevent and solve them, receiving a minimum amount of damage when they occur.

## 7. Information sources used.

- Regulations for the combating of Money Laundering, the Financing of Terrorism, and the Proliferation of weapons of mass destruction of CGA;
- The National Ordinance on Identification of Clients when Rendering Services;
- The National Ordinance on the Reporting of Unusual Transactions;
- Ministerial Decree with general operation of November 11, 2015, laying down the indicators, as mentioned in article 10 of the National Ordinance on the Reporting of Unusual Transactions;
- Sanctions National Ordinance;
- Kingdom Sanction Act;
- National Decree entering into force of Kingdom Sanction Law.

**Reviewed and approved on 05.30.2025**



By: Morganite Corporate Services B.V. (Managing Director)

## **APPENDIX 4**

### **CUSTOMER RISK ASSESSMENT PROCEDURES SUPPLEMENTARY GUIDANCE TO AML/CFT/CFP POLICY**

#### **PURPOSE**

This annex provides supplementary procedures to the AML/CFT/CFP and Sanctions Compliance Policy. It outlines practical steps, tools, and triggers used by Agenics N.V. in the operational application of risk assessment and client categorization.

This document does not repeat the risk factors or due diligence categories detailed in the main AML Policy but focuses on specific implementation protocols, monitoring practices, and escalation workflows. *(Refer to Sections 6, 8, 9, and 10 of the AML Policy).*

#### **1. DYNAMIC RISK EVALUATION TRIGGERS**

In addition to the periodic reviews defined in the AML Policy, the following client's behavior or patterns shall trigger an immediate re-assessment of the client's risk profile:

- Use of multiple payment methods in a short time span;
- Use of VPNs or anonymizers after account verification;
- Large changes in transaction volume compared to historical patterns; • Discrepancies between declared and detected geographical locations;
- Attempts to bypass limits (e.g., splitting deposits).

These triggers should automatically generate a compliance alert for review by the AML Department.

#### **2. INTERNAL RISK SCORING SYSTEM**

The organization uses an internal, automated scoring system to assign risk levels based on a weighted combination of indicators (e.g., deposit size, device behavior, jurisdiction, and source of funds).

The scoring algorithm shall be:

- Reviewed quarterly by the AML/CFT Compliance Officer for calibration;
- Updated after regulatory or policy changes;
- Tested using historical client data to ensure effectiveness.

#### **3. RISK ASSESSMENT DOCUMENTATION**

Each client file must include:

- Latest risk score and rationale;
- Evidence for any changes in risk categorization;
- CDD/EDD documentation and source of funds/wealth verification, if applicable;
- Notes from periodic reviews or manual re-assessments.

Files must be auditable and timestamped with reviewer identity.

#### **4. ESCALATION AND REVIEW WORKFLOW**

(Complementing Policy Section 10)

For clients whose behavior triggers Enhanced Due Diligence (EDD):

- Initial review by Compliance Analyst;
- Secondary verification by Senior Compliance Officer;
- Mandatory reporting to AML/CFT Compliance Officer for high-risk or suspicious cases.

#### **5. HIGH-RISK CLIENT MONITORING FREQUENCY**

Clients labelled as High Risk shall undergo:

- Quarterly file reviews;
- Monthly transaction pattern checks;
- Annual full re-verification, including updated documents and reassessed source of wealth.

#### **6. RECORDKEEPING FOR REJECTED/TERMINATED CLIENTS**

A separate log must be maintained for all clients whose business relationship is:

- Denied at onboarding;
- Terminated after risk reassessment. Each log entry must include:
- Reason for rejection or termination;
- Risk profile at the time of decision;
- Any linked internal SAR or external report to the FIU.

**Reviewed and approved on 05.30.2025**

A handwritten signature in black ink is written over a circular logo. The logo contains the text 'MORGANITE' and 'CORPORATE SERVICES B.V.' around a central emblem.

By: Morganite Corporate Services B.V.

Title: Managing Director

## APPENDIX 5

### CUSTOMER RISK ASSESSMENT FORM

| CUSTOMER RISK ASSESSMENT FORM            |                                                                                                                                                                                                          |       |                          |
|------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|--------------------------|
| <b>Player's Full Name:</b>               |                                                                                                                                                                                                          |       |                          |
| <b>Player's Account Login number:</b>    |                                                                                                                                                                                                          |       |                          |
| RISK CATEGORY                            | Potential risks                                                                                                                                                                                          | Score |                          |
| <b>Geographical Risks</b>                | 1. Client is the citizen or resident in high-risk country                                                                                                                                                | 51    | <input type="checkbox"/> |
|                                          | 2. Client is the citizen or resident in medium risk country                                                                                                                                              | 15    | <input type="checkbox"/> |
|                                          | 3. Client is the citizen or resident in low-risk country                                                                                                                                                 | 5     | <input type="checkbox"/> |
|                                          | 4. The country of payment institution used to make deposits / withdrawals is different from client's residential country                                                                                 | 10    | <input type="checkbox"/> |
|                                          |                                                                                                                                                                                                          |       |                          |
| <b>Customer Risks</b>                    | 1. Client is a Sanctioned Individual                                                                                                                                                                     | 101   | <input type="checkbox"/> |
|                                          | 2. Client is a PEP, a Family Member of a PEP, a Close Associate of a PEP                                                                                                                                 | 46    | <input type="checkbox"/> |
|                                          | 3. There is publicly available adverse media about the client                                                                                                                                            | 10    | <input type="checkbox"/> |
|                                          | 4. Client's data became invalid/expired and there are difficulties to obtain up-to-date information                                                                                                      | 20    | <input type="checkbox"/> |
|                                          | 5. Client's Source of funds or source of wealth includes funds from high-risk activity (e.g. cash intensive business / trade in arms, precious metals, stones / oil, gas/ minerals mining/ art, antiques | 46    | <input type="checkbox"/> |
|                                          | 6. Complications / client unwillingness to provide required documents/ information / explanations                                                                                                        | 10    | <input type="checkbox"/> |
|                                          | 7. Client creates multiple accounts                                                                                                                                                                      | 30    | <input type="checkbox"/> |
|                                          | 8. Client's deposits are equal or more than €10 000                                                                                                                                                      | 20    | <input type="checkbox"/> |
|                                          | 9. Client's deposits are equal or more than €50 000                                                                                                                                                      | 46    | <input type="checkbox"/> |
|                                          | 10. Deposits of a client from high-risk country are equal or more than €5 000                                                                                                                            | 10    | <input type="checkbox"/> |
|                                          | 11. Please describe the risk increasing factor and indicate points                                                                                                                                       |       | <input type="checkbox"/> |
|                                          |                                                                                                                                                                                                          |       |                          |
| <b>Product/Service/Transaction Risks</b> | 1. Client uses 3 or more payment methods within a short period of time                                                                                                                                   | 20    | <input type="checkbox"/> |
|                                          | 2. Client uses 3 or more credit or debit cards within a short period of time                                                                                                                             | 20    | <input type="checkbox"/> |
|                                          | 3. The origin of funds of the Client is unclear                                                                                                                                                          | 46    | <input type="checkbox"/> |
|                                          | 4. The Client used third party payment instruments                                                                                                                                                       | 46    | <input type="checkbox"/> |
|                                          | 5. The Client attempts to withdraw without (with minimal) gaming activity                                                                                                                                | 46    | <input type="checkbox"/> |
|                                          | 6. The Client asks to withdraw to a different payment method without reasonable explanation                                                                                                              | 46    | <input type="checkbox"/> |
|                                          | 7. Deposits of a Client who uses crypto payment method, reach 20 000 euro                                                                                                                                | 46    | <input type="checkbox"/> |
|                                          | 8. The Client uses pre-paid cards for placing deposits and the deposit amount reached 500 euro                                                                                                           | 20    | <input type="checkbox"/> |
|                                          | 9. The Client only plays the games, where even bets strategy is possible, such as craps, roulette, etc.                                                                                                  | 20    | <input type="checkbox"/> |

|                                                                                                                            |  |                                                                                                                                     |  |           |  |                   |  |                                        |  |                          |  |
|----------------------------------------------------------------------------------------------------------------------------|--|-------------------------------------------------------------------------------------------------------------------------------------|--|-----------|--|-------------------|--|----------------------------------------|--|--------------------------|--|
|                                                                                                                            |  |                                                                                                                                     |  |           |  |                   |  |                                        |  |                          |  |
| Interface / Distribution Channel Risks                                                                                     |  | 1. Client provides fake, fraud or expired data / documents                                                                          |  |           |  |                   |  | 46                                     |  | <input type="checkbox"/> |  |
|                                                                                                                            |  | 2. Unidentified third parties involved in a business relationship with the client                                                   |  |           |  |                   |  | 46                                     |  | <input type="checkbox"/> |  |
|                                                                                                                            |  |                                                                                                                                     |  |           |  |                   |  |                                        |  |                          |  |
|                                                                                                                            |  | Based on the decision of the Employee, a High ML/FT risk level can be automatically applied to the client for additional attention! |  |           |  |                   |  | 46                                     |  | <input type="checkbox"/> |  |
|                                                                                                                            |  |                                                                                                                                     |  |           |  |                   |  | Total number of points accrued:        |  | 5                        |  |
| The ML /TF risk level shall be assigned to the client according to the number of points accumulated and as specified below |  |                                                                                                                                     |  |           |  |                   |  | The risk level assigned to the client: |  | Low                      |  |
|                                                                                                                            |  |                                                                                                                                     |  |           |  |                   |  |                                        |  |                          |  |
| Low Risk                                                                                                                   |  | Medium Risk                                                                                                                         |  | High Risk |  | Unacceptable Risk |  | Date of Assessment:                    |  |                          |  |
|                                                                                                                            |  |                                                                                                                                     |  |           |  |                   |  |                                        |  |                          |  |
| 0-20                                                                                                                       |  | 21-50                                                                                                                               |  | 51-100    |  | 100+              |  |                                        |  |                          |  |

**Reviewed and approved on 05.30.2025**



By: Morganite Corporate Services B.V.  
Title: Managing Director