



ANTI-MONEY LAUNDERING (AML) & KNOW YOUR CUSTOMER (KYC) POLICY

**DAMREV (Pty) Ltd "DAMREV",
Registration Number 2023/162999/07**

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VERSION HISTORY.

Version	Release Date	Notes
1.0	24 June 2024	Original Published Version

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1. INTRODUCTION.

DAMREV Proprietary Limited (referred to as “**DAMREV**” in this document) Anti-Money Laundering and Know Your Customer Policy (hereinafter – the “**AML/KYC Policy**”) is designed to prevent and mitigate possible risks of DAMREV being involved in any kind of illegal activity.

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

For Law Enforcement requests, please direct your official document to our compliance team by emailing compliance@damrev.com.

2. SCOPE OF THE POLICY.

This AML/KYC Policy applies to all users of DAMREV’s services, including customers, agents, suppliers, and any other third parties. The policy covers all activities conducted by or through DAMREV’s platform and includes but is not limited to the following areas:

- 2.1. User registration and verification;
- 2.2. Transaction monitoring;
- 2.3. Reporting suspicious activities;
- 2.4. Record-keeping and data protection;
- 2.5. Staff training and awareness.

3. VERIFICATION PROCEDURES.

One of the international standards for preventing illegal activity is customer due diligence (“**CDD**”). According to CDD, DAMREV establishes its own verification procedures within the standards of anti-money laundering and “**Know Your**

Customer” frameworks, including enhanced due diligence for customers presenting a higher risk, such as Politically Exposed Persons (PEPs).

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

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

DAMREV reserves the right to verify User’s identity on an ongoing basis, especially when their identification information has been changed or their activity seems to be suspicious (unusual for the particular User). In addition, DAMREV reserves the right to request up-to-date documents from the Users, even though they have passed identity verification in the past.

User’s identification information will be collected, stored, shared, and protected strictly in accordance with DAMREV’s Privacy Policy and related regulations.

Once the User’s identity has been verified, DAMREV is able to remove itself from potential legal liability in a situation where its Services are used to conduct illegal activity.

DAMREV is prohibited from transacting with individuals, companies, and countries that are on prescribed sanctions lists. DAMREV will therefore screen against United Nations, European Union, UK Treasury, and US Office of Foreign Assets Control (OFAC) sanctions lists in all jurisdictions in which we operate.

4. COMPLIANCE OFFICER.

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

- 4.1. Collecting Users' identification information;
- 4.2. Establishing and updating internal policies and procedures for the completion, review, submission, and retention of all reports and records required under the applicable laws and regulations;
- 4.3. Monitoring transactions and investigating any significant deviations from normal activity;
- 4.4. Implementing a records management system for appropriate storage and retrieval of documents, files, forms, and logs;
- 4.5. Updating risk assessment regularly;
- 4.6. Providing law enforcement with information as required under the applicable laws and regulations.

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

5. MONITORING TRANSACTIONS.

The Users are known not only by verifying their identity (who they are) but, more importantly, by analyzing their transactional patterns (what they do). Therefore, DAMREV relies on data analysis as a risk-assessment and suspicion detection tool. DAMREV performs a variety of compliance-related tasks, including capturing data, filtering, record-keeping, investigation management, and reporting. System functionalities include:

- 5.1. Daily check of Users against recognized "**black lists**" (e.g., OFAC), aggregating transfers by multiple data points, placing Users on watch

and service denial lists, opening cases for investigation where needed, sending internal communications, and filling out statutory reports, if applicable;

5.2. Case and document management.

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

- 5.3. Ensure that transactions of suspicious nature are reported to the proper law enforcement through the Compliance Officer;
- 5.4. Request the User to provide any additional information and documents in case of suspicious transactions;
- 5.5. Suspend or terminate User's Account when DAMREV has reasonable suspicion that such User engaged in illegal activity.

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

6. RISK ASSESSMENT.

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

DAMREV's risk assessment process includes:

- 6.1. Regular evaluation of the risks associated with its business activities and customer base;
- 6.2. Implementing appropriate risk-mitigation measures based on the level of risk identified;

- 6.3. Regularly updating and reviewing risk assessments to reflect changes in the business environment and emerging threats.

7. TRAINING AND AWARENESS

DAMREV is committed to ensuring that all employees, particularly those involved in AML/KYC processes, are adequately trained to recognize and report suspicious activities. Training programs will be conducted regularly and will cover:

- 7.1. Relevant AML/KYC laws and regulations;
- 7.2. Internal policies and procedures related to AML/KYC;
- 7.3. Identification and reporting of suspicious transactions;
- 7.4. Roles and responsibilities of employees in preventing money laundering and terrorist financing.

8. RECORD KEEPING.

DAMREV will maintain all records related to AML/KYC processes, including identification information, transaction records, and reports of suspicious activities, for a minimum period of five years or as required by applicable law. These records will be stored securely and will be accessible only to authorized personnel.

9. REPORTING.

DAMREV will report any suspicious activities to the relevant authorities in accordance with applicable laws and regulations. The Compliance Officer will be responsible for ensuring that all reports are accurate, timely, and comply with legal requirements.

10. POLICY REVIEW.

This AML/KYC Policy will be reviewed regularly and updated as necessary to ensure its effectiveness and compliance with applicable laws and regulations. Any changes to the policy will be communicated to all relevant stakeholders.