

ICONOMI Ltd. & PAYGATEWAY Ltd.
ANTI-MONEY LAUNDERING POLICY
for
ICONOMI PLATFORM

June 2019
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1. SCOPE

- 1.1. The ICONOMI Anti-Money Laundering (“*AML*”) Policy for the ICONOMI Platform (“*Platform*”) is designed to prevent money laundering by setting up adequate systems and controls to mitigate the risk of the platform being used to facilitate financial crime.
- 1.2. Unless otherwise determined hereunder, all capitalised terms herein shall have the same meaning as ascribed to them in the General Terms and Conditions for Iconomi End Users, as amended from time to time.

2. SYSTEMS AND CONTROLS

- 2.1. The systems and controls mentioned in article 1.1. are as follows:
 - (a) Ascertainment of customer identity is the first stage in the Anti-Money Laundering procedure. Client screening and monitoring depends on the classification of the client and statutory requirements and goes from the usual client screening to in-depth due diligence.
 - (b) All deposits to and withdrawals from the Platform are duly monitored. In case users meet the conditions under point 2.4 of General Terms and Conditions for Iconomi End Users, there is a possibility for users to bring fiat currencies to or from the Platform. Otherwise only deposits and withdrawals of certain cryptocurrencies are possible, therefore each user’s transaction on a particular blockchain is permanently stored in the blockchain’s ledger and fully traceable. We do not assume any liability for the origin of currencies being deposited on the platform.
 - (c) Any unusual activity that results in suspicion of money laundering is scrutinized in-house.
 - (d) Whenever there is suspicion about intended money laundering, all possible measures are carried out to block all activity on the relevant user account.
 - (e) All transaction data and information obtained for the purpose of identification and transactions are permanently stored.

3. MINIMAL STANDARDS AND SET OF MEASURES

3.1. This AML policy sets out the minimal standards that must be complied with and includes a comprehensive set of measures for detecting and preventing money laundering activities, such as:

- (a) Tracking the IP addresses of users and geo-locating users to disable users from Restricted Areas to use ICONOMI's service.
- (b) All user actions on the Platform are tracked, including all their transactions, such as funding their user accounts, withdrawing from their user accounts, and buying in Crypto Funds.
- (c) Most control of the user accounts is gained through ICONOMI's verification process, carried out by ICONOMI or by an established and trusted processors (namely Jumio and IDnow), during which certain verification thresholds are put in place in order for users to gain access to different verification tiers. All documents provided must either be in the English language or in a certified translation into English and must be in Latin script. ICONOMI reserves the right to allow certain other languages for verification documents and also reserves the right to demand a certified translation of such documents.

3.2. Currently, the following verification tiers are implemented on the Platform:

- (a) Tier 0 – Users must verify their email address, which is needed to log in to the Platform. Users verified to Tier 0 cannot carry out any actions.

Note: People with nationalities of United States of America and its territories (American Samoa, Guam, Northern Mariana Islands, Puerto Rico, U.S. Virgin Islands), Saint Vincent and the Grenadines, Canada, Afghanistan, Bosnia and Herzegovina, Ethiopia, Guyana, Iraq, Iran, Lao PDR, Pakistan, Sri Lanka, Syria, Uganda, Vanuatu, Yemen, Trinidad and Tobago, Tunisia, Democratic People's Republic of Korea (DPRK) are not able to proceed further.*

- (b) Tier 1 – Users must verify their personal information through a verification process carried out by a trusted processor via a copy of their personal ID and a picture of their face, to establish that all the user data are true and correct and that the user's status complies with the General Terms and Conditions for Iconomi end users and other Platform policies. Users must also provide their phone number, which is used to verify their account via an SMS sent to their phone number to prove that they actually own the phone number provided. Users verified to Tier 1 have daily, monthly, and annual deposit and withdrawal limits determined in line with ICONOMI's risk assessment and published on ICONOMI's Website.
- (c) Tier 2 – Certain additional information and data are requested from the users for the verification process. Users must verify their personal information through a video verification process carried out by a trusted

third party. Users verified to Tier 2 have higher daily, monthly, and annual deposit and withdrawal limits determined in line with ICONOMI's risk assessment and published on ICONOMI's Website.

Note: Only users from countries supported by IDnow excluding users from Restricted Areas can start IDnow verification to access Tier 2 (currently they support 50 countries; additional supported countries will be added in the future).

- (d) Tier 3 – Users can be verified individually to gain access to Tier 3 with custom withdrawal limits. Contact for Tier 3 verification is carried out through ICONOMI customer support, where the user is required to fill in the information in relation to source of funds and source of wealth, and provide documents that prove user's descriptions if so deemed necessary.

You can find transparent and detailed list of personal data that ICONOMI collects together with basis for collecting and processing it in [ICONOMI Privacy Policy](#) chapter 4 (Personal Data Collected).

- 3.3. The withdrawal and deposit limits published on ICONOMI's Website are calculated in the default currency of the user (EUR or USD) based on the following principles:
 - (a) deposited or withdrawn amounts in the form of digital assets are calculated based on the exchange rate at the time of the deposit or withdrawal,
 - (b) deposited or withdrawn amounts in the form of EUR or USD are calculated based on the average monthly exchange rate,
 - (c) all time periods given in Article 3.2 are trailing time periods.
- 3.4. Sanctions policy: ICONOMI is prohibited from transacting with individuals, companies, and countries that are on prescribed sanctions lists. ICONOMI 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 ICONOMI operates and will adjust its policies and actions accordingly.
- 3.5. No matter which tier a user is verified to, ICONOMI reserves all rights and has full discretion to block or freeze their user account without prior notice and/or request additional documents and information about the user or user's transactions. This may be done in cases related to, among other reasons, (i) user or transaction associated with one or more high-risk third countries, (ii) politically exposed persons or users or transactions associated with other member states of European Economic Area or third countries, (iii) other cases in which the risk of money laundering or terrorist financing is considered high or cases where the transaction may be considered suspicious.
- 3.6. ICONOMI uses a proprietary software solution with which it performs checks of past transactions of the deposited cryptocurrencies and tokens (assets). If a part or entire deposited assets are found to be stolen or flagged as part of any other past criminal activities by the aforementioned software, ICONOMI will return the deposit in

question and also reserves the right to block or freeze the user account. We also reserve the right to inform the competent authorities about such activities.

- 3.7. ICONOMI reserves the right to assess, review and check the authenticity of the documents provided by the user and the correctness of the provided information in all possible ways. Additionally, ICONOMI reserves the right to ask the user for, among other, information and documents as well as the source of funds whenever an individual user deposits more than the equivalent of \$10,000 in a period of 12 months or more than \$30,000 since opening an account. After checking and assessing the provided documents and information, ICONOMI reserves the right to ask the user for additional documents and information if it regards the provided documents and information as insufficient, incorrect or inadequate in any way.

* The Platform, the Website, or the Crypto Funds are not offered for use to natural and legal persons having their habitual residence or their seat of incorporation in the following countries: United States of America and its territories (American Samoa, Guam, Northern Mariana Islands, Puerto Rico, U.S. Virgin Islands), Saint Vincent and the Grenadines, Canada, Afghanistan, Bosnia and Herzegovina, Ethiopia, Guyana, Iraq, Iran, Lao PDR, Pakistan, Sri Lanka, Syria, Uganda, Vanuatu, Yemen, Trinidad and Tobago, Tunisia, Democratic People's Republic of Korea (DPRK) (“**Restricted Areas**”).

Natural and legal persons with their habitual residence or seat of incorporation in one of the Restricted Areas shall not use the Platform, the Website, or the Crypto Funds. None of the activities of ICONOMI, the Platform, the Website, or the Crypto Funds take place in the Restricted Areas.