

Decode Global LLC (Decode) AML/CTF POLICY

Decode Global LLC herein referred to as Decode is committed to the highest standards of Anti-Money Laundering (AML) compliance and Anti-Terrorist Financing and requires the management and employees to follow the named standards.

Money laundering is the illegal process of making large amounts of money generated by criminal activity, such as drug trafficking or terrorist funding, appear to have come from a legitimate source. The money from the criminal activity is considered dirty, and the process "launders" it to make it look clean.

The process of money laundering can be divided into three sequential stages:

- **The First Stage of Money Laundering (Placement).**
This happens when "dirty" funds are placed into the legal financial systems. Here the funds are converted into financial instruments, such as bank accounts and money transfers. They can also be physically deposited into banks and non-bank institutions (e.g., currency exchangers). To avoid suspicion by the company, the launderer may as well make several deposits instead of depositing the whole sum.
- **The Second Stage of Money Laundering (Layering).**
This occurs when funds are transferred or moved to other accounts and other financial instruments. The process is to disguise the origin and disrupt the indication of the entity that made the multiple financial transactions. Moving funds around and changing in their form makes it complicated to trace the money being laundered.
- **The Third Stage of Money Laundering (Integration).**
This occurs when the funds return into circulation as legitimate to purchase goods and services.

AML Policy

Decode, is licensed and provides financial services, and adheres strictly to Anti-Money Laundering principles and actively prevents any actions that aim or facilitate the process of legalising illegally gained funds. AML policy means preventing the use of the company's services by criminals, with the aim of money laundering, terrorist financing or other criminal activity.

For this purpose, a strict policy on the detection, prevention and warning of the corresponding bodies of any suspicious activities was introduced by the company. Decode has systems in place for identifying every company's client and conducting a detailed history of all operations was introduced.

As part of the company policy to prevent money laundering, Decode neither accepts nor pays cash under any circumstances. The company reserves the right to suspend any client's operation, which can be regarded as illegal or, may be related to money laundering in the opinion of the staff.

Decode's AML and KYC procedures

- Know your customer policy and due diligence

- Monitoring of client activity
- Record keeping

Know Your Customer and Due Diligence

Because of the company's commitment to the AML and KYC policies, each client of the company has to undergo a strict verification procedure. Before Decode accepts an application from potential clients, steps are ensured that satisfactory evidence is taken or such other measures that will produce satisfactory evidence of the identity of any customer or counterparty are taken. The company will apply additional scrutiny to clients, who are residents of other countries, identified by credible sources as countries having inadequate AML standards or representing a high risk for crime and corruption and to beneficial owners who reside in and whose funds are sourced from named countries.

Individual clients

During the process of registration, each client provides personal information, specifically: full name; date of birth; origin; complete address, including phone number and country of residence. The clients can upload the specified documents when completing an application:

- A high-resolution copy of the first page of local or international passport, where the photo and the signature are clearly seen, or a copy of a driver's license with the exact requirements. The indicated documents must be valid at least six months from the filing date.
- A high-resolution copy of a receipt of utility services payment or bank statement, containing the full client's name and the actual place of residence. These documents should not be older than three months from the date of filing.

Corporate clients

In case the applicant company is listed on a recognised or approved stock exchange or when there is independent evidence to show that the applicant is a wholly owned subsidiary or a subsidiary under the control of such a company, no further steps to verify identity will usually be required. If the company is a private limited, the following documents are required as part of the AML and KYC procedures:

- A high-resolution copy of the certificate of incorporation/certificate;
- An extract from the Commercial Register, or equivalent document, evidencing the registration of corporate acts and amendments;
- Names and addresses of all officers, directors and beneficial owners of the corporate entity;
- A high-resolution copy of Memorandum and Articles of Association or equivalent documents duly recorded with the competent registry;
- Evidence of the company's registered address and the list of shareholders and directors;
- Description and nature of business (including the date of commencement of the business, products or services provided; and the location of principal business).

This procedure is performed to establish the client's identity and help Decode understand the clients and their financial dealings to provide the best services of online trading.

Monitoring of client activity

In addition to gathering information from the clients, Decode continues to monitor the activity of every client to identify and prevent any suspicious transactions. A suspicious transaction is a transaction that is inconsistent with the client's legitimate business or the usual client's transaction history known from client activity monitoring. Decode has implemented the monitoring of the named transactions (both automatic and, if needed, manual) to prevent using the company's services by criminals.