



## ANTI - MONEY LAUNDERING POLICY

This Anti-Money Laundering Policy is prepared and issued by Nakito SA operating the brand name FirstECN, (hereinafter referred to as the Company, FirstECN) in compliance with the relevant legal anti-money laundering and terrorist financing regulations.

With the Anti-Money Laundering Policy, we aim to outline the procedures and measures in place for detecting, preventing, and disseminating information about money laundering activities.

The applicable Anti Money Laundering framework targets criminal activities, including market manipulation, trade in illegal goods, human trafficking, corruption of public funds, and tax evasion, as well as the methods used to conceal these crimes and the source of the money derived from them.

This Policy also covers the procedures for prevention, detection, reporting, and the training of responsible officers and personnel. These procedures and controls are determined using a risk-based approach, considering the money laundering and terrorist financing risks associated with each potential client or business relationship. In line with this, it is further outlines the applicable Know Your Client (KYC) protocols for identifying and verifying a client's identity when opening an account, as well as for the necessary periodic updates conducted over time.

This Anti Money Laundering Policy is subject to changes to ensure our ongoing compliance with the applicable legal framework.

### Definitions and Interpretation:

“Money Laundering” shall be understood as the process of concealing or disguising the existence, source, movement, destination, or illegal application of illicitly derived funds or property for the purposes of making those funds appear legitimate.

“Anti-Money Laundering (AML)” refers to procedures, regulations, and laws for the prevention of attempts to disguise illegally obtained funds. The money laundering offense may be committed



by any person knowing that any monetary instrument or property represents, involves, or relates to, the proceeds of any unlawful activity, transacts or attempts to transact said monetary instruments or property. And any person knowing that any monetary instrument or property involves the proceeds of any unlawful activity, performs or fails to perform any act as a result of which he facilitates the offense of money laundering referred to above. Additionally, the money laundering offense is committed by any person knowing that any monetary instrument or property is required under the applicable framework to be disclosed and filed with the MISA Department of Anti-Money Laundering (DAML), fails to do so.

“Covered Transaction” is a single, series, or combination of transactions involving a total amount in excess of ten thousand USD (USD 10,000.00) or an equivalent amount in foreign currency based on the prevailing exchange rate within five (5) consecutive banking days except those between a covered institution and a person who, at the time of the transaction was a properly identified clients and the amount is commensurate with the business of financial capacity of the client, or those with an underlying legal or trade obligation, purpose, origin or economic justification.

“Unlawful Activity” refers to any act omission or series or combination thereof involving or having relation to the following:

- a) Kidnapping, Terrorism and Hijacking
- b) Drugs selling, dealing and distributing
- c) Corrupt Practises and Corruption
- d) Plunder, Robbery and extortion
- e) Illegal gambling
- f) Piracy on the road, sea, and ocean
- g) Qualified theft
- h) Swindling, financial scams and fraudulent practices
- i) Smuggling
- j) Any other criminal activities



## 1. The Anti-Money Laundering Procedures:

FirstECN actively prevents any activity that promotes money laundering. These Provisions require that the Company management and other staff follow specific standards that prevent the use of their products and services for money laundering, following the applicable framework as amended from time to time.

Money laundering means actions intended to conceal or mask the criminal origin of the income and exchange for money or other assets that are 'clean'. Anti-money laundering procedures mean that the Company requests that its customers present respective documents confirming their identity and from where the money credited to the trading account opened with the Company to invest in specific products and services has come. FirstECN takes all reasonable precautions aiming to ensure that the trading accounts open are not used for the purpose of holding assets obtained as the result of or for facilitating the commission of any criminal activity or for any purpose contrary to applicable laws and regulations.

In this respect, we maintain and apply in-practice procedures to identify and avoid any potential money laundering transactions and to ensure compliance with the requirements of the applicable legal framework. Among others the Company ensures that its staff is sufficiently trained and aware of anti-money laundering.

FirstECN is vigilant in ensuring the prevention of their involvement or misuse in money laundering activities and does not knowingly accept assets or enter business relationships where there is reasonable cause to believe that such assets may have been acquired illegally or that they represent the proceeds of criminal activity.

Before opening or maintaining any trading accounts we verify the identity of all of our clients and thus we do not open or maintain any trading accounts unless we are satisfied with this requirement. In line with this, the Company established procedures to obtain appropriate evidence of client identity and will maintain adequate records in this respect.



The ultimate responsibility for the effectiveness of the Company's AML/CFT framework is liaise with the board of directors while the senior manager is responsible for the development of sound risk management programs and for keeping the Board adequately informed about these programs and their effectiveness.

We periodically review our policies and procedures to ensure consistency with the business model, and products and services available.

The Company acknowledge the importance of technology in the anti-money laundering landscape and aims to provide attention to the integration of new and developing technologies in this respect.

## 2. Client Due Diligence:

The Company follows a Client due diligence ("CDD") process for new and potential clients for the purposes of gathering information/documentation to identify and mitigate risks of money laundering, financing terrorism, and other illicit activities. The conduct of CDD applies before and during the establishment of a business relationship. Before accepting a new client, KYC and due diligence procedures are followed, by examining factors such as clients' identity and background, public or high-profile position (i.e. PEPs), linked accounts, business activities (current and past), and other risk indicators.

FirstECN may apply enhanced due diligence (EDD) where is justified by the associated risk or parameters set (for high-risk clients or transactions or business relationships)..

FirstECN collects, document and regularly update information in relation to the client's identity, address, source of funds, occupation, and expected business or transactional activity accompanied by documents verifying this information. Information collected will be verified by the collection of identification documentation, and via independent and reliable sources to confirm the veracity of the identifying information obtained.



Without limiting the generality of the above, the Company may, when establishing a business relationship obtains information on the purpose and nature of the business relationship and the source of funds, source of wealth where applicable, the client’s identity (name, address, contact information and source of funds and maintain appropriate risk management systems to determine if a potential client, or beneficial owner is, is likely to be, is found to be or becomes a Politically Exposed Person (“PEP”). In this respect, the Company applies due diligence measures on a risk-sensitive basis.

In line with the above the FirstECN applies reasonable measures to verify and adequately document the identity of the client or account holder at the outset of a business relationship.

CDD must be regularly renewed to ensure it remains up-to-date.

### 3. Client Identification of Physical and Legal Persons:

FirstECN verifies the true identity all of its clients (physical persons and legal persons). With regard to corporate clients the Company verifies their legal existence and obtains information on their organisational structure as well as the authority and identification of all persons purporting to act on their behalf. The Company does not maintain or/and prohibits the opening of anonymous trading accounts or/and under fictitious names. Please see below a table depicting a non-exhaustive list of the relevant documentation.information that the Company will request to establish and verify the true identity of its clients:

Physical Persons	Legal Persons
Full name	Name of the corporate entity, identifier, or registration number;
Date of birth	Principal place of business and registered office;
An up-to-date ID/Passport number and nationality	Contact telephone numbers;

<p>Genuine photograph depicted in an official document such as a passport, national ID card or driver's license</p>	<p>Information/Documentation on the beneficial owner;</p>
<p>Residential address of the client (corroborated by a valid utility bill, telephone bill or bank statement)</p>	<p>In case of involvement, the identity of the beneficial owner (full name, a photograph of official documents, residential address, and the relationship between the beneficial owner and client)</p>
<p>Confirmation of the business relationships with the client (purpose of the planned transactions and the source of funds)</p>	<p>Name of the corporate entity, identifier, or registration number;</p>
<p>Confirmation of whether the client is included in PEP lists, sanctions and/or other watchlists</p>	<p>A certified copy of the Certificate of Incorporation;</p>
<p>The Company may collect additional documents or request the completion of further verification procedures in order to satisfy its obligations, including those relating to the source of wealth and source of funds (e.g. bank statements, tax returns, or pay slips).</p>	<p>Satisfactory evidence of the identity of all account signatories, details of their relationship with the company and if they are not employees, an explanation of the relationship. All signatories must be verified in accordance with the identification and verification of identity requirements of natural persons;</p>
	<p>Identity information on the natural persons with significant control of the corporate entity. However, if the company is publicly listed on a recognized stock exchange and not subject to effective control by a small group of</p>

	individuals, identification and verification of the identity of shareholders is not required;
	Confirmation before a business relationship is established, by way of company search and/or other commercial enquiries that the applicant company has not been, or is not in the process of being dissolved, struck off the companies register, wound-up or terminated;
	Description and nature of business;
	Purpose of the account and source of funds;
	By-laws and any other relevant corporate documents filed with the Companies' Registry;
	Satisfactory evidence of identity must be established for at least two directors, one of whom should, if applicable, be an executive director where different from account signatories; and
	Such other official documentary and other information as is reasonably capable of establishing the structural information of the corporate entity.

*\* Apart from the above, it is at the Company's discretion to request you to provide additional information accompanied by the relevant documentation.*

It is noted that the Company keeps appropriate records regarding the true identity of its clients based on official documents provided and collected from independent sources.



#### 4. Risk Assessment:

The Company follows a risk-based approach (RBA) to ensure that measures to prevent or mitigate money laundering and terrorist financing are proportionate to the identified risks. This approach includes client acceptance and ongoing monitoring policies and procedures that help identify clients who may pose higher money laundering and terrorist financing risks.

The Company adopts reasonable criteria for assessing risks in accordance with the applicable framework and conducts periodic reviews to determine if any adjustments to its risk ratings are necessary.

#### 5. Record Keeping:

FirstECN maintains records of client transactions, securely storing them for five (5) years from the transaction date. For closed accounts, records of client identification, account files, and business correspondence are preserved and securely stored for at least five (5) years from the completion date of the relevant business or transaction, or from the termination of the business relationship. The Company ensures that client information and transaction records are available to authorities upon request.

#### 6. Suspicious or Covered Transactions:

The Company will promptly report suspicious or covered transactions related to clients' trading accounts within the timeframe specified by law or the Supervising Authority. Special attention will be given to complex, unusual, or large business transactions, unusual transaction patterns, and insignificant but periodic transactions that lack an apparent economic or lawful purpose.

The Company will implement and follow procedures to monitor client and account activity, adequately identifying indicators related to transactions and patterns, sources of funds and wealth, and geographical risks. This will be done in accordance with FATF recommendations and international standards on combating money laundering, terrorism financing, and proliferation.