

1. Hereby, Electrapay LLC acknowledges that fraud, money laundering, financing of terrorism, and other financial offenses are not only detrimental to individual users but also to social/public interests such as national security, public order, and the personal and financial security of citizens. Without a joint, organized, and mutually coordinated effort by international organizations, state bodies, entities operating in the field, and individual citizens, addressing these types of offenses is ineffective.

Past experience demonstrates that the most effective method for combating financial offenses is early detection and prevention. This method has become an internationally accepted practice and standard in recent years.

Therefore, Electrapay LLC is committed to planning and conducting its services in such a manner that it complies with the international standards of prevention of money laundering and financing of terrorism on the one hand and, on the other hand, avoids artificially delaying services to clients as much as possible. Hereby, we want to emphasize that our main objective is to prevent the use of Electrapay LLC's products and software for money laundering, financing of terrorism, fraud, or other similar offenses.

Applying these approaches, the company has set up a management structure, operational structure, team, and procedures that will effectively prevent money laundering and financing of terrorism. In this regard, the company's efforts are focused on preventing new challenges that the AML compliance policy may encounter in the ever-changing financial environment, as well as developing, implementing, and improving the pertinent technologies, software, and procedures required for such prevention.

The company's AML/CFT compliance team consists of experienced and knowledgeable individuals. The company's employees undergo training on a regular basis in order to become more familiar with the latest best practices and methods for combating financial crime and putting them into practice. The team's decisions regarding anti-money laundering, preventing the financing of terrorism, and related issues are final and conclusive with regard to all customer transactions.

The company's internal procedures put in place to prevent money laundering and the financing of terrorism consist of:

2. Identification of the individuals

Prior to obtaining the services, registration on Electrapay LLC's website is required. The first step in the registration process is to accurately determine the identity of the applicant. Electrapay LLC relies on the following information in determining the identity of individuals:

- Name/Surname
- Date of birth
- Personal number (if any)
- ID and/or citizenship document number, date of issuance, issuing country, issuing body, and validity period
- Sex

- Citizenship
- Place of birth - country (and city, if the information is available)
- Registration address
- Place of actual residence.

3. Identification of legal entities

When it comes to the registration of legal entities, the registration data of the legal entity itself, along with the identification data of the person authorized to manage and represent it, as well as the founders (including beneficial owner(s)), must be submitted. Client legal entities provide Electrapay LLC with the following identification information:

- Name
- Date of registration
- Legal address
- ID number (if any)
- Registration number (if any);
- Legal from
- Actual address of business operation

As stated previously, the client legal entity, unregistered organizational entity, management and representative authority person(s), and founders (including the beneficial owner(s)) must be established within the framework of the client legal entity, unregistered organizational entity. These individuals are identified based on the following identification information:

- Name/Surname
- Date of birth
- Personal number (if any)
- ID and/or citizenship document number, date of issuance, issuing country, issuing body, and validity period
- Sex
- Citizenship
- Place of birth - country (and city, if the information is available)
- Registration address
- Place of actual residence.

In addition, in case the client is a branch of a legal entity, the client's head enterprise (organization) and its management and representative authority(s) must be provided.

4. High and low-risk factors

The Financial Action Task Force (FATF) is an independent intergovernmental organization whose purpose is to promote policies against money laundering, terrorism, and the financing of the proliferation of weapons of mass destruction. To that purpose, it has put out recommendations that are recognized as international standards for combating money laundering and the financing of terrorism. The standard imposes specific requirements on the judiciary, financial intelligence

agencies or law enforcement agencies, the private sector, and the entities in charge of overseeing them.

FATF recommendations are based on high and low-risk factors. In accordance with the FATF recommendations, in order to identify high-risk factors, attention should be paid to peculiar circumstances between the parties to the business relationship, as well as when the business structure or the company itself is too complex and unusual.

5. Identification of politically active persons

According to internationally accepted standards, a politically active person is one who holds a public/state position or engages in significant political, public, and/or state activities. Due to their influence, which may contribute to money laundering, terrorism financing, and corruption, the company implements advanced consumer identification measures with politically active individuals. Before establishing business relations with politically active persons, their family members, or relatives, the company takes reasonable measures to determine the source of property and funds and to enhance the continuous monitoring of the business relationship.

6. Identification of clients from high-risk countries and organizations

According to the Law of Georgia and Electrapay LLC's internal policy, the company terminates or refuses to conduct business with a client whose identification process cannot be completed or whose name appears on a list of terrorists or terrorist supporters.

In addition, the company outright does not serve citizens/legal entities of high-risk jurisdictions and sanctioned countries, namely the Russian Federation and the Republic of Belarus.

The company determines whether or not to establish business relations with citizens and legal entities of other sanctioned countries based on a study of all the circumstances and facts that give it confidence that business relations will not be used for money laundering or financing of terrorism. In addition, during the business relationship, the company takes reasonable measures to identify the source of assets and funds and to conduct enhanced, ongoing monitoring of the relationship.

7. Know Your Customer (KYC)

Electrapay LLC collects information about customers by requesting that they complete a Know Your Customer (KYC) questionnaire. Filling out the KYC questionnaire is mandatory for users. Until the user completes the questionnaire in its entirety, they are unable to access Electrapay LLC's full range of services.