AML/KYC Policy

INTRODUCTION

MyBro Anti-Money Laundering and Know Your Customer Policy (hereinafter - the "AML/KYC Policy") is designated to prevent and mitigate possible risks of MyBro being involved in any kind of illegal activity.

Both international and local regulations require MyBro 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.

AML/KYC Policy covers the following matters:

1. Verification procedures.
2. Sanctions and PEP lists screening.
3. Compliance Officer.
4. Monitoring Transactions.
5. Risk Assessment.

1. VERIFICATION PROCEDURES

One of the international standards for preventing illegal activity is Customer Due Diligence ("CDD"). According to CDD, MyBro establishes its own verification procedures within the standards of anti-money laundering and "Know Your Customer" frameworks.

1.1. IDENTITY VERIFICATION

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

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

MyBro reserves the right to verify User's identity on an on-going basis, especially when their identification information has been changed or their activity seemed to be suspicious (unusual for the particular User). In addition, MyBro 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 the MyBro's Privacy Policy and related regulations.

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

1.2. CARD VERIFICATION

The Users who are intended to use payment cards in connection with the MyBro's Services have to pass card verification in accordance with instructions available on the MyBro's Site.

2. SANCTIONS AND PEP LISTS SCREENING.

MyBro screens applicants against recognised Sanctions and Politically Exposed Persons (PEPs) lists. Individuals and legal entities are screened against mentioned lists:

- on the onboarding stage when the user is submitting the application;
- on each anti-fraud and AML alerts manually by Compliance Officers;
- monthly by running automatically with a script to re-check all the DB of customers.

For the screening process, MyBro uses ComplyAdvantage via Sumsub.

3. COMPLIANCE OFFICER

The Compliance Officer is the person, duly authorized by MyBro, 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 MyBro's anti-money laundering and counter-terrorist financing policies, including but not limited to:

a. Collecting Users' identification information.

b. 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.

c. Monitoring transactions and investigating any significant deviations from normal activity.

d. Implementing a records management system for appropriate storage and retrieval of documents, files, forms and logs.

e. Updating risk assessment regularly.

f. 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 prevention of money laundering, terrorist financing and other illegal activity.

4. 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, MyBro relies on data analysis as a risk-assessment and suspicion detection tool. MyBro performs a variety of compliance-related tasks, including capturing data, filtering, record-keeping, investigation management, and reporting. System functionalities include:

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;

2) Case and document management.

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

- ensure that transactions of suspicious nature are reported to the proper law enforcement through the Compliance Officer;
- request the User to provide any additional information and documents in case of suspicious transactions;
- suspend or terminate User's Account when MyBro has reasonable suspicion that such User is 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*.

5. RISK ASSESSMENT

MyBro, 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, MyBro 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.