**Anti-Money Laundering And Countering The Financing Of Terrorism (AML/CTF) policy**

**1. INTRODUCTION**

**1.1.** The purpose of this AML/CTF Policy is to provide SmartSwap with internal guidelines for preventing its software from being used for money laundering and terrorist financing in accordance with local laws and AML/CTF regulations.

**2. PRINCIPLES OF CUSTOMER DUE DILIGENCE**

**2.1.** SmartSwap applies customer due diligence measures to clients, business relationships, and transactions, and monitors business relationships on an ongoing basis.

Customer due diligence measures include:

a) Identification of the client on the basis of documents, data, or information obtained from a reliable and independent source, or from any other source on which SmartSwap has reasonable grounds to rely and which can be used for identifying and verifying the client's identity.

b) Obtaining information about the purpose and intended nature of the business relationship and establishing information about the client or beneficial owner, so that SmartSwap can identify:

- complex or unusually large transactions;

- unusual transaction patterns that have no apparent economic or visible legitimate purpose;

- any other activity that by its nature may be related to money laundering, terrorist financing, or other criminal behavior.

**2.2.** Timeframes for conducting customer due diligence measures

SmartSwap conducts comprehensive checks before or during the establishment of business relationships with clients or the execution of occasional transactions.

SmartSwap may conduct a comprehensive check on a client after the establishment of a business relationship if:

a) It is necessary to avoid disrupting normal business operations.

b) There are no reasonably substantiated suspicions of money laundering or terrorist financing.

SmartSwap may apply simplified customer due diligence measures to certain business relationships or transactions if SmartSwap determines that the business relationship or transaction poses a low risk of money laundering and terrorist financing.

In case of suspicion of money laundering and terrorist financing, SmartSwap may refuse service or initiate an internal investigation into the account.

**2.3.** Application of customer due diligence measures

SmartSwap applies comprehensive checks when:

a) Establishing a business relationship with a customer.

b) Doubting the accuracy or adequacy of the documents, data, or information obtained for the purpose of client identification or verification.

c) There are reasonable suspicions of money laundering, terrorist financing, or other criminal behavior.

However, SmartSwap applies customer due diligence measures to existing clients at appropriate times based on the client's risk.

**2.4.** Application of Enhanced Due Diligence Measures

SmartSwap applies enhanced comprehensive customer due diligence and enhanced ongoing monitoring in addition to standard due diligence in situations that pose a higher risk of money laundering, terrorist financing, or other criminal behavior, or in relation to business relationships with individuals from countries that do not implement or fully implement the recommendations of the Financial Action Task Force and other applicable legislation.

SmartSwap takes into account specific risk factors to determine whether enhanced due diligence measures should be applied.

These measures may include:

a) Establishing the source of funds associated with the intended business relationship or occasional transaction;

b) Searching for additional independent reliable sources to verify the information provided by SmartSwap;

c) Taking additional steps to understand the client's background, ownership rights, and financial position, as well as other participants in the transaction.

d) Taking further steps to ensure that the transaction aligns with its intended purpose and fits its anticipated nature;

e) Intensifying the monitoring of business relationships, including more rigorous transaction monitoring.

**3. ONGOING MONITORING**

**3.1.** SmartSwap continuously monitors its clients and their transactions.

Ongoing monitoring of business relationships entails:

a) Thorough analysis of transactions conducted within the business relationship to ensure that these transactions align with SmartSwap's knowledge of the client, risk profile, and the client's source of funds.

b) Keeping documents, data, or information obtained for the purpose of conducting comprehensive client checks up to date.

**4. EMPLOYEE TRAINING**

**4.1.** SmartSwap adheres to the principles of ensuring the competence and readiness of its employees in the prevention of money laundering and terrorist financing (AML/CTF). We commit to providing our employees with appropriate training and updating their knowledge and skills in AML/CTF in accordance with applicable laws and standards. This is an important part of our commitment to compliance and ensuring the security of our clients and business.

**5. TERMINATION OBLIGATIONS**

**5.1.** If SmartSwap is unable to apply customer due diligence measures in accordance with this AML/CTF Policy for any client:

a) It will not establish business relationships with such users or clients;

b) It will terminate any existing business relationships with such users or clients.

**6. APPLICABLE SANCTIONS OBLIGATIONS**

**6.1.** SmartSwap applies applicable international sanctions and pays particular attention to all its clients, their activities, and any indications that could trigger the application of international sanctions to a client.

**7. CHANGES TO THIS POLICY**

**7.1.** SmartSwap has the right to make changes to this AML/CTF Policy. If the current version is amended, the date of the last update of the new AML/TF Policy becomes effective upon its publication, unless otherwise provided in the new AML/CTF Policy.