
AML and KYC POLICY

This Policy is meant to provide the information that OrionNXT company ("Company") strictly complies with all applicable laws and regulations of anti-money laundering (AML) and know you customer (KYC), and countering the financing of terrorism (CFT) policies. Thereby the Company carries out group of actions aimed at revealing criminally-obtained funds and their legalization countermeasures in correspondence with the international requirements.

Date of the latest update: 05.04.2022

The Company encourages at all times high standards of business and personal conduct. For this purpose, the Company sets the appropriate anti- money laundering framework to detect any risk of failure by the Company to comply with its obligations and puts in place adequate measures and procedures designed to minimise such risks pursuant to the international anti-money laundering applicable regulations.

With this policy, the Company wishes to provide an outline of the established rules for the application of 'Know Your Customer' (KYC) principles and the conduct of due diligence checks on prospective clients and transactions, the company's regulatory requirements for the establishment of a business relationship and the responsibility for the reporting of suspicious transactions to the relevant competent authorities should a money laundering activity is identified.

Money Laundering: Money laundering is a process by which criminals attempt to conceal the true origin and ownership of the proceeds of their criminal activities. Money laundering enables criminals to maintain control over their illicit proceeds and ultimately to provide legitimate cover for the illegal source of the illicit proceeds. This means that proceeds from criminal activities is converted into assets that gives it an appearance of legitimate money.

There is no specific method of laundering money. Despite the variety of methods employed, the laundering process is accomplished in three basic stages which may comprise transactions by the launderers that could alert a financial institution to criminal activity:

Placement: is the physical deposit of criminal proceeds derived from illegal activity i.e. entering the collected cash into the financial circuits (payment in cash, exchange of bills, manual exchange, travelers' checks, casino checks, etc.).

Layering: is the separation of criminal proceeds from their source by creating complex layers of financial transactions designed to disguise the audit trail and provide anonymity i.e. transfer between accounts, drawing of checks, foreign transactions etc.

Integration: is the provision of apparent legitimacy to the proceeds of crime. If the layering process has succeeded, integration places the laundered proceeds back into the economy in such a way that they appear as normal (business) funds or other assets i.e. investing funds in lawful investments (stores, leisure activities, real estate, but also companies of all types, etc.

The Company has established and maintains procedures and systems sufficient to ensure compliance with the following requirements:

- To ensure compliance with applicable anti-money laundering laws, regulations and directives issued by the competent authorities.
- To apply customer due diligence (CDD) measures, also known as "Know Your Customer" (KYC) measures, using a risk-based approach, in respect of all customers, business relationships and transactions;
- To conduct ongoing monitoring of business relationships, including paying special attention to complex, unusual or large transactions with no apparent economic/lawful purpose, and relationships and transactions with persons in high-risk jurisdictions;
- To stop acting and terminate any existing business relationship whenever unable to apply CDD or ongoing monitoring;
- To maintain records, including records of all prescribed CDD measures and all transactions and related correspondence, for at least 5 years after the termination of the contractual relationship with the customer;
- To set a complete education and training program that enables the Company's employees to recognise and deal with transactions and other activities which may be related to money laundering;
- To report suspicious transactions or activities to competent authorities.

For the establishment of and during the business relationship with the Company, the following CDD measures may apply:

- Identification of the customer and verification of the customer's identity on the basis of documents, data or information obtained from a reliable and independent source such as passport/government identity document, proof of residential address i.e. utility bill or bank statement;
- Identification of the beneficial owner and implementation of reasonable measures to verify that person's identity so that the Company is satisfied that it knows who the beneficial owner is, including, as regards legal persons, trusts, companies, foundations and similar legal arrangements, taking reasonable measures to understand the ownership and control structure of the customer;
- Assessment and, as appropriate, the collection of information on the purpose and intended nature of the business relationship;
- Conduct of ongoing monitoring of the business relationship including scrutiny of transactions undertaken throughout the course of that relationship to ensure that the transactions being conducted are consistent with the Company's knowledge of the customer, the business and risk profile, including where necessary the source of funds and ensuring that the documents, data or information held are kept up-to-date.

The information on this policy is given in a summary form and in no way should be considered as a legal binding document or part of the Company's Terms and Conditions and other binding policies. This policy has been designed to give an insight to the Company's customers as to the implemented rules by the company for the prevention of money laundering and it has been listed only for information purposes. For any further queries and clarifications in relation to the Company's Anti- Money Laundering policy and procedures please address to contact@orionnxt.com