

# **Know Your Customer (KYC) and Anti-Money Laundering (AML) Policy and Procedures**

It is the policy of Variance Hodling Kft. registered seat: 2071 Páty, Torbágyi út 18/c, Hungary, Company Registered Number: 13 09 203124, Tax No: 26248383213 Service Provider of the [www.inlock.io](http://www.inlock.io) platform, hereinafter referred to as the “Service Provider” to prohibit and prevent money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities by complying with all applicable legal requirements of EU.

Money laundering is generally defined as engaging in acts designed to conceal or disguise the true origins of criminally derived proceeds so that the proceeds appear to have derived from legitimate origins or constitute legitimate assets. Terrorist financing may not involve proceeds of criminal conduct but is rather an attempt to conceal either the origin of the funds or their intended use.

Although the motivation differs between traditional money launderers and terrorist financiers, the actual methods used to fund terrorist operations can be the same as or similar to methods used by other criminals to launder funds. Funding for terrorist attacks does not always require large sums of money and the associated transactions may not be complex.

Our AML policies, procedures and internal controls are designed to ensure compliance with all applicable regulations, rules and laws and will be reviewed and updated on a regular basis to ensure appropriate policies, procedures and internal controls are in place to account for both changes in regulations and changes in our business.

The Service Provider operates in compliance with ‘anti-money laundering (“AML”) and ‘know your customer’ (“KYC”) rules and regulations in the jurisdictions it operates in or sells products or services to and has developed the given KYC and AML Policy to protect itself from involvement in money laundering or suspicious activity as follows:

- The Service Provider is performing an enterprise-wide risk assessment to determine the risk profile of the Company.
- The Service Provider has established KYC and AML policies and procedures that have been reviewed and approved by the Service Provider’s Board of Directors (the “Board”).
- The Service Provider is implementing internal controls throughout its operations designed to reduce risks of money laundering, including designating a person responsible for AML compliance.

## **KYC and AML data POLICIES AND PROCEDURES**

### **1.1 Individuals**

- Full Name (with First name and Last name separation)
- Nationality
- Residential Address (country, city, zip code, street, house number)
- Telephone No.
  
- Email address
- Date of birth,
- Place of birth
- Nationality,
- Mothers name
- Name of birth

Following copied evidences would be necessary for Proof of ID and Proof of Residence:

- Passport or ID or driver license (front and back)
- Utility or telephone bills;
- Bank statement
- Other type of proof of residence document

All the documents shall be written by Latin characters. INLOCK staff will check and review any uploaded documents within 48 hours.

### **1.2. Corporate registration**

- Corporate Name
- Corporate Address
- Government-issued business registration number or tax identification number
- Copy of a recent trade register extract or similar document
- Authorized Representative, compare Individual of KYC process
- Sworn statements or Affidavits
- Owners Individual KYC process

All the documents shall be written by Latin characters. The statements and trade registration shall be in English or Hungarian language or a certified translation is required. INLOCK staff will check and review any uploaded documents within 48 hours.

## **I. Service usage eligibility**

Without properly uploaded, reviewed and accepted photo/scan from ID and residential documents, customer cannot be eligible to use INLOCK services.

Even after KYC approval the Service Provider can do additional checks and ask for further documents.

Service Provider shall not accept service usage (individuals or entities) who are not at least eighteen (18) years of age or purchasers from the following jurisdictions (the "Prohibited Purchasers"):

- Following countries' residents cannot use any INLOCK service based on EU 2015/849 regulation regarding "identifying high-risk third countries with strategic deficiency:

Algeria, Bosnia and Herzegovina, Guyana, Iraq, Iran, Lao PDR, Syria Arab Republic, Uganda, Vanuatu, Yemen, Ethiopia, Sri Lanka, Trinidad and Tobago, Tunisia, Pakistan, North-Korea

## **II. Dispositions of AML Flags**

- Global Sanctions List - If the flag is a match on the Global Sanctions List, the Service Provider shall deny the purchaser and let them know of the disposition of the review.
- PEPs - If the flag is a match on PEPs, the Service Provider council shall review the AML report and may request proof of identification or additional verification from the prospective purchaser.
- After receiving any additional verification information, the Service Provider shall provide the prospective purchaser with notice of disposition.
- Adverse Media - If the flag is a match on Adverse Media, the Service Provider's council shall review the adverse media and make a determination on whether to allow the prospective purchaser.

## **III. Appointment of an AML Compliance Person - Designation and Duties**

The Service Provider is in the process of designating a compliance person to be its Anti-Money Laundering Program Compliance Person (AML Compliance Person), with full responsibility for the Service Provider's AML program. The duties of the AML Compliance Person will include monitoring the Service Provider's compliance with AML obligations, overseeing communication and training for employees.

The AML Compliance Person will also ensure that the Service Provider keeps and maintains all of the required AML records and will ensure that suspicious activity reports are filed. The AML Compliance Person is vested with full responsibility and authority to enforce the Service Provider's AML program.