



## KNOW YOUR CUSTOMER (KYC) POLICY

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This Know Your Customer (“**KYC**”) Policy (the “**Policy**”) outlines the principles, procedures, and internal controls implemented by **Capitalvo** (the “**Company**”) to ensure compliance with applicable laws and regulations relating to financial crime prevention, including money laundering, terrorist financing, fraud, and other unlawful activities.

The Policy forms part of the Company’s broader compliance framework and is binding upon all clients, employees, and business partners.

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### 1. Introduction

The Company is committed to maintaining the highest standards of integrity, transparency, and regulatory compliance. This Policy establishes procedures to:

- Verify and authenticate client identities.
  - Understand the nature and purpose of client relationships.
  - Monitor transactions for suspicious, unusual, or high-risk activity.
  - Safeguard client interests while protecting the integrity of the financial system.
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### 2. Purpose

The objectives of this Policy are to:

- Ensure proper identification and verification of clients.
  - Establish a risk-based approach to client due diligence.
  - Detect, report, and prevent suspicious activities.
  - Comply with applicable laws, regulations, and regulatory authority guidelines.
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### 3. Customer Identification and Verification

#### 3.1 Identification Requirements

Clients must provide valid, current, and verifiable identification documentation, which may include:

- Government-issued photo identification (e.g., passport, national ID, driver’s license).
- Proof of residential address (e.g., recent utility bill, bank statement).
- Proof of payment method (e.g., card ownership, bank details).

### 3.2 Risk-Based Approach

The Company applies a risk-based methodology to due diligence, with the level of scrutiny proportional to factors such as client profile, jurisdiction, transaction value, and activity type.

### 3.3 Enhanced Due Diligence (EDD)

Clients deemed higher risk are subject to Enhanced Due Diligence, which may include:

- Additional documentation (e.g., business licenses, corporate documents).
- Financial statements and declarations of source of wealth/funds.
- References from regulated financial institutions.

The Company will notify clients in writing of any additional requirements under EDD procedures.

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## 4. Client Registration and Initial Screening

- Account activation is contingent upon successful completion of the KYC process.
  - Failure to provide required information or documents will result in delayed, suspended, or denied account access.
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## 5. Ongoing Monitoring

The Company continuously monitors client transactions and account activities to detect anomalies, inconsistencies, or suspicious behaviors. Any transaction that deviates from established client profiles may be subject to further investigation or reporting to relevant authorities.

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## 6. Risk Assessment

The Company maintains an ongoing risk assessment framework, which evaluates:

- **Jurisdictional Risk:** Country of residence and associated AML/CFT risk levels.
- **Business/Activity Risk:** Type of client business or trading activity.
- **Transaction Risk:** Patterns, frequency, and size of client transactions.
- **Reputational Risk:** Adverse media, sanctions lists, and law enforcement records.

Clients are categorized into risk levels (low, medium, high), and enhanced measures are applied accordingly. Risk assessments are periodically updated.

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## 7. Record Keeping

- All KYC documentation, verification records, and transaction data are securely retained in accordance with applicable data protection and financial regulations.
- Records are maintained for no less than the statutory retention period (typically 5–7 years, depending on jurisdiction).
- Secure disposal or anonymization is applied upon expiration of retention obligations.

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## 8. Data Protection and Confidentiality

- Client data is processed strictly in line with applicable data protection regulations (e.g., GDPR or equivalent).
- Data is shared only with regulatory authorities, law enforcement, or approved service providers when legally required or operationally necessary.
- Confidentiality and security of data are safeguarded through technical and organizational measures.

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## 9. Staff Training and Awareness

The Company provides mandatory, ongoing training to employees to ensure awareness of KYC obligations, typologies of financial crime, and evolving regulatory requirements.

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## 10. Client Communication

- Clients are informed of their KYC obligations during onboarding and throughout their relationship with the Company.
- The Company provides transparent communication channels for clients to address compliance-related inquiries.

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## 11. Client Rights and Responsibilities

Clients acknowledge and agree to the following:

- To provide accurate, complete, and up-to-date information.
- To cooperate fully with KYC requirements, including submission of additional documents when requested.

- To accept that failure to comply may result in account suspension, transaction blocking, or termination of the business relationship.
  - To exercise their rights of access, correction, and, where applicable, erasure of personal data in accordance with data protection laws.
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## **12. Regulatory Updates and Policy Review**

- This Policy is subject to regular review and amendment to reflect changes in law, regulatory guidance, or emerging financial crime risks.  
Clients will be notified of material changes that may affect their rights or obligations.
  - Internal compliance audits are conducted periodically to ensure the effectiveness of this Policy.
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## **13. Conclusion**

Through the implementation of this Policy, the Company reaffirms its commitment to safeguarding the financial system, protecting client interests, and maintaining strict adherence to global and local KYC obligations.

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