

APPROVED BY THE
General Director of the
Asteri Capital
Limited Liability Company
July 25, 2023

// _____ // Edgars Daizis

**ANTI-MONEY LAUNDERING AND COUNTERING THE FINANCING
OF TERRORISM POLICY
ASTERI CAPITAL
LIMITED LIABILITY COMPANY**

Subject of regulation:	defines a set of measures aimed at establishing control and organizing monitoring of ensuring compliance with the legislation of the Kyrgyz Republic on countering the financing of terrorist activities and the legalization (laundering) of criminal proceeds
Subjects of regulation:	all employees of the Company involved in work with the Company's clients
Agreed with:	by Legal department
Changes and additions made:	-
Review Frequency:	As needed

TABLE OF CONTENTS

I. INTRODUCTION (GENERAL PROVISIONS).....	3
II. TERMS AND DEFINITIONS	3
III. CUSTOMER DUE VERIFICATION (Know Your Customer)	7
IV. PROCEDURE FOR DETERMINING THE LEVEL OF RISK OF THE CLIENT	13
V. OPERATIONS (TRANSACTIONS) SUBJECT TO CONTROL AND REPORT	16
VI. PROCEDURE FOR SUBMISSION OF INFORMATION AND DOCUMENTS TO THE FINANCIAL INTELLIGENCE BODY	18
VII. APPLICATION OF TARGETED FINANCIAL SANCTIONS	18
VIII. PROCEDURE FOR ORGANIZING A SYSTEM FOR THE IMPLEMENTATION OF THE AML POLICY IN A BROKERAGE COMPANY	19
IX. PROCEDURE FOR TRAINING THE EMPLOYEES OF THE BROKERAGE COMPANY ON AML/CFT	21
X. PROCEDURE FOR ORGANIZING THE WORK ON REFUSAL OF ACCEPTANCE FOR SERVICE AND FULFILLMENT OF THE CLIENT'S INSTRUCTIONS ON THE PERFORMANCE OF OPERATIONS (TRANSACTIONS) BY A BROKERAGE COMPANY)	22
XI. PROCEDURE FOR PUBLICATION OF THE LIST OF PERSONS, GROUPS, ORGANIZATIONS IN RELATION TO WHICH THERE IS INFORMATION ABOUT THEIR PARTICIPATION IN LEGALIZATION (LAUNDERING) OF CRIME PROCEEDS	23
XII. LIABILITY FOR NON-COMPLIANCE WITH AML/CFT	23
XIII. FINAL PROVISIONS	24

I.INTRODUCTION (GENERAL PROVISIONS)

1. The AML policy of Asteri Capital LLC on combating the Anti-Money Laundering and Countering the Financing of Terrorism (hereinafter referred to as the AML policy) establishes a set of measures aimed at establishing control and organizing monitoring to ensure compliance with the requirements of the legislation of the Kyrgyz Republic on the Anti-Money Laundering and Countering the Financing of Terrorism in Asteri Capital LLC (hereinafter referred to as the Brokerage Company).
2. The AML policy has been developed in accordance with:
 - 2.1. The Law of the Kyrgyz Republic “Anti-Money Laundering and Countering the Financing of Terrorism dated August 6, 2018 No. 87;
 - 2.2. Decree of the Government of the Kyrgyz Republic No. 606 dated December 25, 2018. “On measures to implement the Law of the Kyrgyz Republic “Anti-Money Laundering and Countering the Financing of Terrorism”.
3. The AML policy has been developed taking into account the volume and nature of the operations of the Brokerage Company in the financial market of the Kyrgyz Republic in order to the Anti-Money Laundering and Countering the Financing of Terrorism (hereinafter referred to as AML/CFT), and is designed to facilitate the organization and implementation by the employees of the Brokerage Company of activities and procedures to detect, record and prevent:
 - 3.1. operations (transactions) with funds and other property related to the Anti-Money Laundering and Countering the Financing of Terrorism;
 - 3.2. operations (transactions) of an unusual nature, arousing suspicion;
 - 3.3. operations (transactions) with a high level of risk in terms of AML/CFT;
 - 3.4. participation of employees of the Brokerage Company in the financing of terrorist activities and the legalization (laundering) of criminal proceeds and assistance in;
 - 3.5. making adequate decisions when establishing business relations with clients (as well as counterparties);
 - 3.6. conducting a prudent personnel policy, ensuring a conscientious and responsible attitude of the employees of the Brokerage Company to their functions and official duties, preventing personnel corruption and their involvement in illegal activities related to the financing of terrorist activities and the legalization (laundering) of criminal proceeds.
4. The main goal of implementing the AML policy is to develop a system of measures that allow to identify and prevent the use of the mechanisms of the Brokerage Company to finance terrorist activities and legalization (laundering) of criminal proceeds, when carrying out transactions (transactions) with cash and derivative financial instruments.
5. The main objective of internal control under AML/CFT is the timely identification and recording of signs of transactions with cash and derivative financial instruments, indicating the possible preparation and / or implementation of an operation to finance terrorist activities and legalization (laundering) of criminal proceeds.

II.TERMS AND DEFINITIONS

1. For the purposes of The AML policy, the following concepts are used:

ARM - specialized software that allows you to automatically generate and send messages about transactions (transactions) to the financial intelligence body (SFIS).

Beneficial owner - an individual (individuals) who ultimately (through the chain of ownership and control) directly or indirectly (through third parties) owns the ownership or controls the client or the individual on whose behalf or in whose interests the operation (transaction) is performed.

Close relatives (parents, adoptive parents, adopted, full and half brothers and sisters, grandfather, grandmother, grandchildren, in respect of which the national public official bears financial costs, in terms of covering the costs of living, education, health care and other necessary expenses).

Verification - the procedure for verifying the identification data of the client and (or) the beneficial owner.

High-risk countries - states and territories (formations) that do not apply or apply insufficiently international standards on combating money laundering, terrorism financing and financing the proliferation of weapons of mass destruction, as well as offshore zones.

Identification of transactions subject to control and reporting - the stage of organizing the internal control of the Brokerage Company for the purposes of AML/CFT, which includes the identification of transactions subject to control and reporting to the financial intelligence body in accordance with the requirements of the regulatory legal acts of the Kyrgyz Republic.

Business relations - relations between a client and a financial institution or a client and a non-financial category of persons that have arisen on the basis of an agreement (oral or written) on the provision of services for the implementation of an operation (transaction).

Freezing of an operation (transaction) and (or) funds - prohibition of carrying out an operation (transaction) with funds and/or financial instruments or transfer, transformation, alienation and transfer of any financial assets.

Identification - the procedure for establishing identification data about the client and (or) the beneficial owner.

Client - an individual or legal entity (organization), a foreign trust or legal entity, accepted for service or serviced by a financial institution or non-financial category of persons, or with which a financial institution or non-financial category of persons establishes or has established business relations.

Legalization (laundering) of criminal proceeds - giving a legal form to the possession, use or disposal of criminal proceeds by performing any actions (operations or transactions) for the transformation (conversion) or transfer of property, if it is known that the property is the proceeds of crime, in order to conceal or concealing the criminal source of the origin of property or assisting a person participating in the commission of a crime in order to evade responsibility for acts; or concealment or concealment of the true nature of the source, location, method of disposition and movement of property, as well as rights to property or its ownership, if it is known that the property is the proceeds of crime; or concealment or continuous retention of property by a person who did not participate in the commission of a crime, if the person knows that the property was obtained as a result of the commission of a crime; or the acquisition, possession or use of property if, at the time of receipt, the person knew that the property was the proceeds of crime.

Compliance Officer - an official of the Brokerage Company, appointed for the purpose of organizing internal control under AML/CFT, having access to all information related to identification, verification, identification, recording and transmission of data to the financial intelligence body. Compliance officer, for

the purpose of prompt performance of his functions, has the right to delegate authority to employees under his command.

Operations (transactions) - any operations (transactions) with funds and/or financial instruments performed to establish, change or terminate civil rights and obligations with funds and/or financial instruments.

Financial intelligence body - the State Financial Intelligence Service under the Government of the Kyrgyz Republic.

Compliance officer (hereinafter referred to as CO) – within the framework of The AML policy, the responsible person of the Brokerage Company, who is responsible for implementing the AML policy for the purposes of AML/CFT and submitting reports to the SFIS.

Suspicious operation (transaction) - an operation (transaction) that falls under the following signs:

- if there is a suspicion or sufficient grounds to suspect that the funds are proceeds from crime, including from predicate crimes, or are related to the legalization (laundering) of criminal proceeds;
- if there is a suspicion or reasonable grounds to suspect that the funds are related to funding:
 - terrorists and extremists;
 - terrorist and extremist organizations (groups);
 - terrorist and extremist activities.

A suspicious transaction (transaction) is determined by a AML/CFT official within the framework of AML/CFT legislation for transactions made with cash or other property of the client and the beneficial owner.

Criminal proceeds - income (funds) received or extracted directly or indirectly as a result of committing a crime in the territory of the Kyrgyz Republic or a foreign state;

Predicate crime (main crime) - any crime provided for in the criminal legislation of the Kyrgyz Republic or a foreign state, as a result of which income (funds) is received, which is the object (subject) of legalization (laundering) of criminal proceeds;

Public Officials - one of the following individuals:

- a foreign public official - a person who performs or has performed significant state or political functions (public functions) in a foreign state (heads of state or government, senior officials in the government, courts, armed forces, state bodies, enterprises or institutions, prominent political figures, including prominent figures of political parties);
- a national public official - a person who holds or has held a political and special public position in the Kyrgyz Republic, provided for by the Register of state and municipal positions approved by the President of the Kyrgyz Republic, as well as the top management of state corporations, prominent political figures, including prominent political figures; parties;
- public official of an international organization - the highest official of an international organization who is or has been entrusted with important functions by an international organization (heads, deputy heads and members of the board of an international organization or persons holding equivalent positions in an international organization).

Suspension - a temporary ban on conducting an operation (transaction) with funds and/or financial instruments.

One-time operation (transaction) - an operation (transaction) carried out once in the absence of permanent business relations (contractual relations) between the client and the Brokerage Company.

Unfreezing - lifting the ban on conducting an operation (transaction) with funds and / or financial instruments or transfer, transformation, alienation and movement of any funds.

Risk-based approach - the use of enhanced measures in the presence of a high level of risk or simplified measures in the presence of a low level of risk in accordance with established risk management procedures (identification, assessment, monitoring, control, risk reduction).

Sanctions list - a general list of individuals and legal entities, groups and organizations in respect of which there is information about their participation in terrorist or extremist activities and the proliferation of weapons of mass destruction, a list of persons, groups and organizations in respect of which there is information about their participation in the legalization (laundering) of criminal proceeds.

The sanctions list includes:

- consolidated sanctions list of the Kyrgyz Republic;
- Consolidated sanctions list of the UN Security Council.

The procedure for the formation and publication of the sanctions list is provided for in the Regulation "On the lists of individuals and legal entities, groups and organizations in respect of which there is information about their participation in terrorist and extremist activities, proliferation of weapons of mass destruction and legalization (laundering) of criminal proceeds", approved Decree of the Government of the Kyrgyz Republic dated December 25, 2018 No. 606.

Funds - is one of the following assets:

- cash and any financial assets;
- property of any kind (tangible or intangible, movable or immovable) regardless of the method of acquisition;
- legal documents or instruments in any form, including electronic or digital, granting the right or interest in the above property or assets;
- Cash and (or) other property received / issued in accordance with Islamic principles of financing, cash and settlement checks, postal orders, shares, securities, bonds, dividends and income received from such funds or assets, or produced by them.

Structural subdivision – management, department, branch and other separate divisions of the Brokerage Company.

Accounts - Brokerage accounts, as defined in the legislation of the Kyrgyz Republic on the securities market, or a similar business relationship between a financial institution and a client or between a non-financial category of persons and a client.

FATCA (eng. - Foreign Account Tax Compliance Act) - is the Foreign Account Tax Compliance Act (hereinafter referred to as the FATCA Law), which is directed against tax evasion by residents of the United States of America. FATCA requires foreign financial institutions to report to the IRS on the movement of US taxpayer funds.

FATF - is an intergovernmental organization (group) for the development and implementation of international standards to combat money laundering and terrorist financing.

Financing of terrorist activities - the provision of funds, the provision of financial services or the collection of funds by any methods or means, directly or indirectly, with the intent or knowledge that the funds are intended or will be used in whole or in part to finance a terrorist and (or) a terrorist organization or to finance organization of the preparation or implementation of terrorist activities in the territory of the Kyrgyz Republic or abroad, or to finance travel of persons traveling to a state that is not the state of their residence or citizenship, for the purposes of planning, preparing, committing or participating in the commission of terrorist acts, or for terrorist training, or for such training.

Targeted financial sanctions - freezing of any operations (transactions) and (or) funds of individuals and legal entities, groups and organizations in respect of which there is information about their participation in terrorist or extremist activities and proliferation of weapons of mass destruction, and (or) restriction of the provision of such individuals, groups and organizations access (directly or indirectly) to any funds or financial services.

Electronic money transfer - an operation to transfer funds (cash, non-cash, electronic money) from the sender to the recipient of the money transfer, carried out using payment systems.

Legal formations - trust funds and other similar legal relations for the management and disposal of property, created in accordance with the legislation of a foreign state.

III. CUSTOMER DUE VERIFICATION (Know Your Customer)

1. Customer Due Diligence Cases.

1.1. The Management Board of the Brokerage Company approves internal regulatory documents that define in detail the procedure for conducting due diligence of clients.

1.2. The brokerage company conducts customer due diligence (as part of its Know Your Customer policy) in any of the following cases:

- when establishing business relations;
- when performing a one-time operation (transaction) or several interconnected one-time operations (transactions) for the purchase and sale (exchange) of cash in national and / or foreign currencies for an amount equal to or exceeding 1,000,000 soms or an equivalent in foreign currency;
- when performing a one-time operation (transaction) or several interconnected one-time operations (transactions) for the purchase and sale (exchange) of cash national and / or foreign currency in the amount of 70,000 soms to 1,000,000 soms or the equivalent in foreign currency, the identification of the client is carried out on the basis of an identity document, checking the client for the presence or absence in the Sanctions Lists, and recording the completed operation (transaction);
- when making a one-time electronic money transfer for an amount not exceeding 70,000 soms or its equivalent in foreign currency, the requirements of Chapter 3.3 must be observed. of The AML policy;
- if there is a suspicion of financing terrorist activities and legalization (laundering) of criminal proceeds, regardless of the status of the client (permanent or one-time) or any exceptions, or regardless of the threshold amount of the operation (transaction);
- when revealing the facts of unreliability or insufficiency of previously obtained information about the client.

1.3. Customer due diligence measures:

- Customer due diligence measures are applied to new and existing customers, taking into account previous customer due diligence and the risk level of the customer.
- Due diligence measures include procedures for conducting identification, verification of the client, its beneficial owner.
- Due diligence of clients is carried out by filling out appropriate questionnaires.
- The specialist of the Brokerage Company serving the client is obliged to identify the client of the Brokerage Company before the Brokerage Company enters into a contractual relationship with the client (regular or one-time client) and provides him with Brokerage Services. If an authorized person acts on behalf or on behalf of the client, the Brokerage Company is obliged to identify this person, also by filling out the relevant client questionnaire. Identification of the client is carried out by filling out the questionnaire of the client - an individual or the questionnaire of the client - a legal entity of the appropriate form.
- Within a period not exceeding five working days after the opening of the Brokerage Account, an employee of the Brokerage Company must verify the information specified:
 - in the application of an individual using at least one of the following methods:
 - confirmation of information from official documents. The identity documents listed in paragraph 3.6 can be used as a confirmation document. The AML policy;
 - making contact with the client by phone, letter or e-mail to confirm the information provided by the client. At the same time, a disconnected phone, returned letters or non-working e-mail addresses should cause the continuation of verification of the information received;
 - confirmation of the legality of the client's documents, for example, through embassies, representative offices of the Kyrgyz Republic, a notary;
 - by another method at the discretion of the Brokerage Company;
 - in the application of the legal entity, using at least one of the following methods:
 - obtaining information from a state body in order to verify the declared documents, whether the legal entity has been closed, liquidated or is in the process of liquidation;
 - making contact with the client by phone to confirm the information after opening an account;
 - by another method at the discretion of the Brokerage Company.

1.4. The brokerage company verifies the client if there is doubt about the reliability of the information obtained during the identification process, and also if:

- there is a significant transaction (for example, for an amount exceeding the average balance or turnover on the client's account) and / or a transaction that is not typical for the activity of this client;
- there are significant changes in the procedure for conducting work on the client's account;
- The brokerage company realizes that it does not have enough information about the client.

In this case, the Brokerage Company should undertake additional inquiries or verification of information, which may include the following:

- personal recommendations (for example, from a regular client of the Brokerage Company);
- recommendations from the Brokerage Company that previously served this client;
- certificate of employment, official confirmation of the position held (where applicable).

1.5. The brokerage company accepts copies of identification documents from Clients and checks them by comparing them with originals or notarized and legalized copies, or accepts such copies for identification in order to avoid opening accounts for fictitious persons. An employee of the Brokerage Company shall

identify the Client and the beneficial owner in such a way as to prevent the provision of invalid or forged identification documents to the Brokerage Company to the extent possible. Also, in order to identify the client, establish and identify the beneficial owner, the Brokerage Company conducts a survey.

1.6. An employee of the Brokerage Company accepting an identification document must check the validity of the document. It is forbidden to accept an expired document.

1.7. If an employee of the Brokerage Company has reasonable suspicions that the documents are valid, then the information provided must also be verified using open public registers and databases.

1.8. Identification of the client and its beneficial owner.

1.9. The brokerage company is obliged to verify the identification data of the client, his authorized person (if any), his beneficial owners.

1.10. The beneficial owner questionnaire is completed in relation to the beneficial owner of new and existing customers.

1.11. The Beneficial Owner Questionnaire is not completed for the following entities:

- public authorities of the Kyrgyz Republic;
- local self-government bodies of the Kyrgyz Republic;
- well-known international organizations, of which the Kyrgyz Republic is a member, the list of which is compiled and published by the Ministry of Foreign Affairs of the Kyrgyz Republic.

1.12. If there are no beneficial owners who directly or indirectly (through third parties) own more than 25% of the shares (shares) or there are doubts about the size of the share (shares) of the beneficial owner or the beneficial owner has not been identified as a result of establishing the beneficial owner of the client-legal entity, then they may be recognized as an individual (individuals) who (s) has (s) the ability to control the actions of a client-legal entity due to positions occupied in the structure of a legal entity (responsible for making strategic decisions, exercising executive control, making decisions on financial issues). In this case, the questionnaire of the beneficial owner is filled out for this person. In this case, the identification data of known beneficial owners should be recorded.

- If the beneficial owner of the client is several individuals, each having a share (shares) of more than 25%, then the questionnaire is filled out for each beneficial owner.
- If the owner of a share (share) of more than 25% is a legal entity, it is necessary to find out and indicate the specific individual who, ultimately, directly or indirectly (through third parties) owns (has a predominant participation of more than 25% in the capital) of the legal entity or has the ability to control the actions of this legal entity. In this case, it is necessary to attach to the questionnaire of the beneficial owner a scheme of the ownership (management) structure of the client-legal entity, which provides for intermediate legal entities, up to the final owners-individuals, directly or indirectly (through third parties) owning more than 25% of the shares (shares), and the degree of relationship between the founding legal entities and the beneficial owner.
- The brokerage company re-identifies the Client and the beneficial owner if it has information or suspicions about changes in the data proving the identity of the Client or the Client's Representative, or that the identification was made on the basis of invalid documents.

1.13. Verification of the beneficial owner.

- The brokerage company is obliged to take reasonable measures to verify the beneficial owner using documents, or copies thereof, certified by a notary, and (or) information obtained from reliable sources, allowing to establish the beneficial owner.
- The brokerage company is obliged to verify the beneficial owner before or during the establishment of business relations with the client or the client's one-time operations (transactions), depending on the level of risk of the client.

- When conducting an operation (transaction) carried out without the presence of the parties or with securities, the Brokerage Company completes the verification of the beneficial owner within 5 calendar days after the establishment of business relations with the client.

1.14. Legal entity customer identification.

- The Client must provide a complete package of required documents for opening an account and/or carrying out an operation by the Brokerage Company on paper or in the form of an electronic document.
- When opening a Brokerage Account and carrying out transactions on the account of a client - a legal entity, the Brokerage Company must verify the authority and authenticity of persons (on the basis of an identity document) who have the right to dispose of the funds on the client's account.
- When studying documents, in particular, constituent documents of a legal entity and documents confirming its state registration, for a more thorough study of their client, employees should pay special attention to the legalization of documents, as well as study:
 - all constituent documents of the legal entity - the client, including all registered changes and additions to them, as well as other necessary documents confirming the state registration of the client as a legal entity;
 - the composition of the founders (participants) of the legal entity, to determine the persons who have the opportunity to influence the decision-making by the bodies of the legal entity;
 - the structure of the management bodies of the legal entity and their powers.
- In the event that a third party opens a Brokerage Account in the name of a client, the Brokerage Company must obtain from the third party information and documents that allow identifying and studying the client in whose name the account is opened and the third party opening the account.
- In order for a third party to open an account under a Brokerage Account agreement in the name of the client, a power of attorney issued in accordance with the requirements of the legislation of the Kyrgyz Republic for the right to open and (or) dispose of an account must also be submitted. Submission of a power of attorney is not required for a representative of a legal entity authorized to open accounts in accordance with the legislation of the Kyrgyz Republic, or the constituent documents of this legal entity.
- When opening an account, it is necessary to check for the presence / absence of the name (full name) of the client in the list of individuals and legal entities, groups and organizations in respect of which there is information about their participation in terrorist or extremist activities and the proliferation of weapons of mass destruction, determined by the SFIS, as well as on other lists.
- The Brokerage Company does not have the right to open and maintain anonymous accounts, bearer accounts (deposits) and carry out any operations without identifying the Correspondent Brokerage Company, clients and establishing the beneficial owner in accordance with the requirements of the legislation of the Kyrgyz Republic.
- When establishing relations with a client-legal entity (resident, non-resident) for conducting operations (transactions) from remote access without direct contact with the client, the Brokerage Company must request from the client, in addition to information in accordance with The AML policy, also documents confirming the client's economic activity in the Kyrgyz Republic or in the country of the resident where the registration was made (contracts, contracts, customs declarations, tax declarations, etc.).
- In order to conduct operations (transactions), the Brokerage Company must provide in the Brokerage Account Agreement the client's obligations to comply with the legislation on combating the financing of terrorist activities and the legalization (laundering) of criminal proceeds, as well as

to provide supporting documents on the transactions performed at the request of the Brokerage Company.

- When studying documents, in particular, the constituent documents of a legal entity and documents confirming its state registration, the Brokerage Company, in order to more thoroughly study its client, should pay special attention to the legalization of documents, as well as study:

- all constituent documents of the client-legal entity, including all registered changes and additions to them, as well as other necessary documents confirming the state registration of the client as a legal entity;
- the composition of the founders (participants) of the legal entity, identifying the persons who have the opportunity to influence the decision-making by the bodies of the legal entity;
- the structure of the legal entity's management bodies and their powers.

2. The following documents are accepted to verify the identity of individuals:

2.1. for citizens of the Kyrgyz Republic:

- passport of a citizen of the Kyrgyz Republic (ID card);
- a general passport (foreign passport) of a citizen of the Kyrgyz Republic, if their general passport contains a mark of a diplomatic mission or a consular office of the Kyrgyz Republic on consular registration or permanent residence and a valid residence permit of the host country, as well as marital status;
- birth certificate (for opening an account in favor of minors under 14 years of age, as well as for opening an account by a minor aged 14 to 16);
- identity card of an officer, ensign or military ID of a conscript;
- driver's license (only in case of replenishment by third parties of the client's Brokerage account, as well as by the clients themselves who have an account with the Brokerage Company).

2.2. for foreign citizens:

- passport of a foreign citizen;
- residence permit in the Kyrgyz Republic or a relevant document of the country of residence, if it is provided for in the legislation of the non-resident client.

2.3. for stateless persons:

- a residence permit in the Kyrgyz Republic;

2.4. for refugees:

- certificate of registration of an application for recognition of a person as a refugee;
- refugee certificate.

3. Client verification.

3.1. The brokerage company is obliged to verify the client by verifying the accuracy of the information provided in the questionnaire of the client - an individual or the questionnaire of the client - a legal entity, using information and documents obtained from reliable sources, within a period not exceeding five business days after opening the Brokerage Account.

3.2. The brokerage company is obliged to verify the client before or during the establishment of business relations with the client or the client's one-time operations (transactions), depending on the level of risk of the client.

3.3. When conducting an operation (transaction) carried out without the presence of the parties or with securities, the Brokerage Company completes the verification of the client within 5 (five) calendar days after the establishment of business relations, if the risks are low. In these cases, the Brokerage Company must apply internal risk management procedures, including measures to limit the number, types and (or)

amounts of transactions (transactions), as well as to monitor large and complex transactions (transactions), until the completion of client verification.

3.4. When verifying a client, the Brokerage Company must use original documents that are valid on the date of their presentation, or their copies certified by a notary. If only part of the document is relevant to the client's verification, an extract from it certified by a notary may be submitted. In case of submission of a copy of documents, the Brokerage Company must require the submission of original documents for review and verification.

3.5. If the documents are drawn up in whole or in part in a foreign language, the Brokerage Company must request from the client a translation of the document into the state or official language, certified by a translation agency. Documents emanating from state bodies of foreign states, confirming the status of non-resident legal entities, are accepted by the Brokerage Company in case of their legalization (apostille) in accordance with the Instruction on the procedure and conditions for affixing an apostille, approved by Decree of the Government of the Kyrgyz Republic dated November 18, 2010 No 283. These documents may be submitted without their legalization (apostille) in cases stipulated by international treaties that have entered into force in the manner prescribed by law, to which the Kyrgyz Republic is a party.

3.6. When verifying a client, a brokerage company can also use additional (auxiliary) information obtained from reliable sources. The brokerage company applies to the authorized state bodies to obtain information about the status of the client - a legal entity (operating, liquidated or in the process of liquidation).

3.7. If a trustee acts on behalf of the client, the Brokerage Company is obliged to verify it, as well as to check the relevant documents confirming the authority of such a person. In addition to identifying the client, it is essential to study the economic or professional activities of the client, as well as his income and sources of assets. The brokerage company studies the economic activities of its clients, guided by the following principles and carrying out the following actions and activities:

- receives information from the Client before the start of cooperation in order to:
 - to know the main directions of economic activity of the Clients;
 - identify transactions typical for the client, according to the information received.
- when carrying out operations on the Client's account, it is necessary to request documents on the basis of which the operation is carried out, subject to verification for compliance with the signs of a suspicious transaction and operation;
- The Brokerage Company supervises operations carried out on the Client's accounts, generates and updates data on the Client's business activities, considers the issue of further cooperation with the Client, if such cooperation may damage the reputation of the Brokerage Company.

Copies of identification documents of the Client and the beneficial owner and the information necessary for identification must be kept by the Brokerage Company in the Client's file for at least 6 years. The specified period is calculated from the date of termination of relations with the client.

4. Purpose of payment and work with clients for AML/CFT purposes.

4.1. When conducting transactions on the Brokerage Account, the client must indicate the purpose of the payment and provide the Brokerage Company with payment documents drawn up in accordance with the requirements established by the regulatory legal acts of the Kyrgyz Republic. If the Brokerage Company has doubts about the economic feasibility and / or legality of the operation, the Brokerage Company has the right to require the client to provide documents confirming the legality and economic feasibility of the operation. Such documents can be invoices issued to the client, contracts concluded by the client, payment documents (for example, invoices, invoices), etc.

- 4.2. If the client refuses to provide the required documents, the Brokerage Company has the right to refuse to conduct a transaction on the account. This condition must be stipulated in the Brokerage Account Agreement between the Brokerage Company and the client.
- 4.3. An employee of the Brokerage Company serving a client monitors transactions on clients' accounts. The brokerage company must have an understanding of the normal and reasonable activity on the accounts of its clients in order to identify transactions that are not characteristic of the activity of this client.
- 4.4. An employee of the brokerage company of the servicing client should pay attention to irrational, from an economic or commercial point of view, transactions (transactions) of the client, transactions with large amounts of cash (for example, exceeding the average turnover on transactions and operations of this client) and other transactions that do not correspond to normal practice client.
- 4.5. In order to recognize unusual or suspicious accounts, the Brokerage Company establishes key indicators of such accounts, taking into account general information about the client, for example, information about the country of origin and source of funds, type of transaction and other risk factors.
- 4.6. In relation to unusual or suspicious transactions, the Brokerage Company must determine whether the client is acting on behalf of another person and then take steps to obtain data to identify this other person's beneficial owner.
- 4.7. When determining the beneficial owner in relation to legal entities, particular attention should be given to shareholders, signatories or other persons who have a significant share in the capital, or in any other way exercise control over the client. If the owner is another legal entity, the Brokerage Company needs to identify the owners or persons exercising control over this legal entity.
- 4.8. If necessary, the Brokerage Company may use sources of information legally available to it.
- 4.9. The conclusions made by the Brokerage Company in relation to suspicious transactions must be documented and kept for at least five years from the date of the transaction.

IV.PROCEDURE FOR DETERMINING THE LEVEL OF RISK OF THE CLIENT

1. The process of identifying and studying clients and beneficial owners also includes determining the level of risk of the client financing terrorist activities and money laundering established by the legislation of the Kyrgyz Republic.

In this connection, the Brokerage Company is obliged to:

- assess, identify, document and continually update risks, taking into account the results of the national risk assessment and typical criteria for high and low risks;
- in accordance with the established procedure, provide information on the identified risks to the National Brokerage Company and the financial intelligence body of the Kyrgyz Republic;
- develop and apply enhanced or simplified policies, as well as control measures, procedures for managing and reducing risks.

1.1. The brokerage company, when conducting due diligence on a client, applies enhanced or simplified due diligence measures using a risk-based approach.

1.2. The brokerage company is obliged to classify its clients according to risk criteria (high, medium and low). To determine the level of risk, it is necessary, at a minimum, to take into account the type of activity of the client and the location (origin) of the client and / or his business, as well as the transactions carried out by him, the services provided and the purpose of the client's payments.

1.3. Based on all the information and documents that allow identifying, verifying and studying the client, the Brokerage Company assesses the level of risk of the client's possible financing of terrorist activities and the legalization (laundering) of criminal proceeds, which is reflected in the client's questionnaire.

1.4. The Brokerage Company shall pay special attention and exercise due control in relation to the operations of the Brokerage Company, which are subject to a high risk of financing terrorist activities and the legalization (laundering) of criminal proceeds, and the conduct of operations that have signs of suspicious transactions.

1.5. If a high risk is identified, the Brokerage Company will apply the following enhanced customer due diligence measures:

- collection of additional identification information and documents in relation to the client from available and reliable sources of information, as well as the use of this information in assessing the risk associated with the client;
- collection of additional information about the client and the beneficial owner for a deep understanding of the risk of possible involvement of such a client and the beneficial owner in criminal activities;
- requesting additional information from the client regarding the purpose and intended nature of the business relationship, as well as the source of the client's funds;
- verification of the sources of the client's funds used in the establishment of business relations in order to make sure that the funds are not the proceeds of crime;
- regularly updating the identification data of the client and the beneficial owner, but at least once a year;
- request from the client for additional information explaining the reason or economic meaning of the planned or conducted operations (transactions);
- obtaining permission from the Management Board of the Brokerage Company to establish or continue business relations with the client;
- implementation of enhanced monitoring of business relations by daily monitoring of transactions (transactions), analysis of information, consideration and accounting of the appointment of funds, using both automated information systems and in manual mode, in order to identify signs of suspicious transactions (transactions) and transactions (transactions) that do not have an obvious economic sense or an obvious legitimate purpose, as well as bringing the monitoring results to the attention of the AML/CFT officer and the Board of the Brokerage Company;
- a proposal to conduct an operation (transaction) through a Brokerage account, if the operation (transaction) is planned to be carried out without opening a Brokerage account.

1.6. Assigning a high level of risk to a client entails the Brokerage Company applying enhanced client due diligence measures to effectively manage and/or mitigate risk.

Enhanced customer due diligence measures should also be applied to customers from high-risk countries.

1.7. If low risk is determined, the Brokerage Company will apply the following simplified customer due diligence measures:

- obtaining general information about the purpose and intended nature of the business relationship;
- verification of the client and the beneficial owner after the establishment of business relations;
- reducing the frequency of updating the identification data of the client and the beneficial owner;
- monitoring of the client's operations (transactions) in an abbreviated form using an automated system for checking operations (transactions) based on the limit determined by the Brokerage Company.

1.8. When servicing foreign public officials, the Brokerage Company must apply the following measures:

- use tools to determine whether a client or beneficial owner is a public official;

- obtain written permission from the Board of the Brokerage Company to establish or continue (for existing clients) business relations with a public official. The permission of the Board is not required for a one-time transaction by a public official;
- establish the source of origin of funds or other property of a foreign public official;
- carry out constant and in-depth monitoring of business relations, including operations (transactions) carried out by a foreign public official, in the manner established for high-risk clients;
- on a permanent basis to update the information available on foreign public officials.

The brokerage company must apply the above measures to family members and close persons (close relatives, business partners and official representatives) of the foreign public official.

1.9. The measures specified in paragraph 4.1.8. shall also be applied to national public officials and public officials of international organizations, as well as their families and relatives in case of determining a high risk of business relations with such persons.

1.10. When identifying national public officials, the Brokerage Company records the information received in electronic format, according to the form of the questionnaire of a public official established by the financial intelligence agency, and within 3 (three) working days sends to the financial intelligence agency the information recorded in the questionnaire of the national public official through electronic communication channels.

1.11. The brokerage company may use open sources of information to establish, monitor and verify information regarding public officials.

1.12. The brokerage company must update the information obtained as a result of identification, verification and study of the client, as well as the establishment of the beneficial owner, periodically, at least once a year in cases where the brokerage company assesses the risk of the client financing terrorist activities and legalization (laundering) of criminal proceeds as high, and in other cases at least once every three years.

1.13. The brokerage company must ensure compliance with all procedures designed to properly control the risk of financing terrorist activities and the legalization (laundering) of criminal proceeds associated with the use of new technologies (new Brokerage Products) involving transactions (transactions) without direct contact with the client.

1.14. When establishing a correspondent relationship, the Brokerage Company must establish, including by sending a request to the Correspondent Brokerage Company, whether it is implementing AML/CFT measures, including identification, verification and study by the Correspondent Brokerage Company of its clients.

2. Determining the level of risk

2.1. To determine the level of risk, it is necessary, at a minimum, to take into account the type of activity of the client and the location (origin) of the client and / or his business.

2.2. The types of activities of the client and beneficial owners subject to a high risk of legalization (laundering) of proceeds from crime and financing of terrorism can include:

- By type of activity of the client:
 - activities of legal entities (their separate subdivisions) that are not credit institutions, engaged in the transfer of funds, payments in cash, by checks, collection of funds;
 - activities of legal entities (including credit institutions) registered in offshore zones, their separate subdivisions, subsidiaries and affiliates;
 - activities of non-resident clients, including foreign politically exposed persons;
 - gambling business (entrepreneurial activity that is not the sale of products (goods, works, services) associated with the extraction by a gambling establishment (casino, sweepstakes,

- betting office, slot machine hall and other gambling houses (places)) of income from participation in gambling in the form of winnings and payment for their implementation);
- activities related to realization, including commission, of objects of art and antiques;
- trade (especially export) in precious metals, precious stones, as well as jewelry containing precious metals and precious stones;
- activities of legal entities that carry out operations primarily in cash (large shopping malls, restaurants, gas stations, etc.);
- activities of individuals and legal entities carrying out operations of brokers and dealers (purchase and sale of securities, foreign currency, etc.).
- Geographically:
 - the client and (or) its beneficial owner is registered or operates in an offshore zone;
 - the client and (or) its beneficial owner is registered or operates in high-risk countries, according to the list of SFIS KR.

The brokerage company applies enhanced customer due diligence measures when establishing business relationships and (or) performing operations (transactions) with individuals or legal entities from high-risk countries.

The rest of the list should be guided by the approved List of Suspicious Transactions.

2.3. Assigning a high level of risk to a client entails the Brokerage Company applying enhanced client due diligence measures to effectively manage and/or mitigate risk.

2.4. The change in the "Degree of risk" is made as a result of a change:

- type of activity of the client, the basis of which is the conducted Brokerage transactions;
- place of registration.

2.5. The "Risk Level" may change from low to medium to high as a result of the client's Brokerage or trade during the period in question.

2.6. If the operations (transactions) of the client are recognized as suspicious, on the day of recognition and sending messages to the authorized body, the employee of the CO changes the "Risk Degree" to "high" in the OB AML policy.

2.7. All changes in the risk level are recorded by an authorized employee of the Brokerage Company in the client's file, and the corresponding risk level of the client is entered in the OB AML policy.

V. OPERATIONS (TRANSACTIONS) SUBJECT TO CONTROL AND REPORT

1. The brokerage company determines the procedure for checking the activities of clients for the presence of criteria and signs indicating the possible financing of terrorist activities and the legalization (laundering) of criminal proceeds established by the regulatory legal acts of the Kyrgyz Republic. To this end, the Brokerage Company monitors its business relations with clients on an ongoing basis, which includes the following activities:

- 1.1. studying the transactions performed on the client's account to make sure that the client's activity corresponds to the information available to the Brokerage Company about the client, his business and the level of risk for this client;
- 1.2. if necessary, clarification of the origin of funds received on the client's account;
- 1.3. analysis of all complex or unusually large transactions that have no obvious or visible economic or legal purpose;
- 1.4. fixing and documenting all the information received by the Brokerage Company and, if necessary, transferring this information to the financial intelligence body.

2. An operation (transaction) with funds or other property is subject to control and reporting to the financial intelligence body.

2.1. Operations (transactions) subject to control and reporting include the following operations (transactions):

- suspicious operations (transactions) in the following cases:
 - if there is a suspicion or sufficient grounds to suspect that the funds are proceeds from crime, including from predicate crimes, or are related to the legalization (laundering) of criminal proceeds;
 - if there is a suspicion or reasonable grounds to suspect that the funds are related to funding:
 - terrorists and extremists;
 - terrorist and extremist organizations (groups);
 - terrorist and extremist activities.
 - a report on a suspicious operation (transaction), including an attempt to perform a suspicious transaction (transaction), must be sent regardless of the amount, transaction (transaction) performed or being performed;
 - guidelines for identifying suspicious operations (transactions) are published in the manner prescribed by the Government of the Kyrgyz Republic;
 - a report on a suspicious operation (transaction) is submitted to the financial intelligence body within five hours from the moment the operations (transactions) is recognized as suspicious in accordance with the established procedure.
- operations (transactions) with individuals or legal entities from high-risk countries. List of operations (transactions) with individuals or legal entities from high-risk countries, subject to reporting to the financial intelligence body, within two working days from the date of its completion.

2.2. Operations (transactions) committed by an individual who has served a sentence for the legalization (laundering) of criminal proceeds, terrorist or extremist activities, as well as for financing such activities, within two working days from the date of their commission.

2.3. Operations (transactions) with cash, within three working days from the date of its completion.

3. Prior to the implementation of new types of services or operations, the Brokerage Company must identify and assess all possible risks related to this service or operation in order to counter the financing of terrorist activities and the legalization (laundering) of criminal proceeds.

4. The brokerage company is obliged to take the necessary measures to verify that the client, the beneficial owner has information about their participation in terrorist or extremist activities and the proliferation of weapons of mass destruction, as well as the legalization (laundering) of criminal proceeds.

The specified information is contained in the Sanctions List, as well as the List of persons, groups, organizations in respect of which there is information about their participation in the legalization (laundering) of criminal proceeds, the formation and updating of which is the responsibility of the financial intelligence agency.

5. Employees of structural subdivisions of the Brokerage Company who identify clients and identify transactions that have signs of suspicious transactions, in accordance with the procedure determined by the IRR of the Brokerage Company, must inform the AML/CFT official of all cases of identified transactions that have signs of suspicious transactions.

VI. PROCEDURE FOR SUBMISSION OF INFORMATION AND DOCUMENTS TO THE FINANCIAL INTELLIGENCE BODY

1. The brokerage company shall submit the requested information or documents to the financial intelligence body within the time limits specified in the written request of the financial intelligence body.
2. The brokerage company, within ten working days from the date of receipt of the request, is obliged to submit to the relevant inspection body the requested information or documents necessary to perform the functions of the inspection bodies.
3. Information and documents, as well as databases of the financial intelligence unit, are confidential and protected in accordance with the established procedure.
4. It is not a violation or disclosure of official, Brokerage, tax, commercial, statistical and communication secrets (in terms of information on postal money transfers):
 - Submission by the Brokerage Company of information and documents upon request to the relevant inspection body.

VII. APPLICATION OF TARGETED FINANCIAL SANCTIONS

1. Brokerage company:
 - must not directly or indirectly (through third parties), fully or partially provide any funds or provide financial services to individuals and legal entities, groups, organizations included in the Sanctions List;
 - are obliged to immediately freeze operations (transactions) and (or) funds of an individual and legal entity, group, organization included in the Sanctions List, without prior notification of these persons.

At the same time, the Brokerage Company, within three hours from the moment of fulfilling the requirements of paragraphs 1 and 2 of this part, reports this to the financial intelligence body, including attempts to make transactions (transactions) by individuals and legal entities, groups, organizations included in the Sanctions List.

- 1.1. The following are subject to freezing:
 - any funds owned or controlled by individuals, groups, entities included in the Sanctions List;
 - funds that are fully or jointly, directly or indirectly (through third parties) owned or controlled by individuals, groups, organizations included in the Sanctions List;
 - funds received or produced by using funds that are wholly or jointly, directly or indirectly (through third parties) owned or controlled by individuals, groups, organizations included in the Sanctions List;
 - funds of individuals, groups, organizations acting on behalf or instructions of individuals, groups, organizations included in the Sanctions List;
 - funds intended for financing terrorist and extremist activities, terrorists and extremists, terrorist and extremist organizations or persons circulating weapons of mass destruction;
 - the means defined in the relevant resolutions of the UN Security Council.
- 1.2. Operations (transactions) and (or) funds of an individual and legal entity, group, organization included in the Sanctions List are frozen for an indefinite period and unfrozen when the individual and legal entity, group, organization is excluded from the Sanctions List.

1.3. When applying targeted financial sanctions, the rights of bona fide third parties acting with honest intentions are protected in accordance with the legislation of the Kyrgyz Republic in the field of combating the financing of terrorist activities and the legalization (laundering) of criminal proceeds.

1.4. The procedure for freezing or unfreezing an operation (transaction) and (or) funds, as well as the procedure for providing access to frozen funds and managing frozen funds are established by the Government of the Kyrgyz Republic.

2. Measures to suspend operations (transactions).

2.1. The brokerage company is obliged to immediately suspend operations (transactions) performed by an individual or legal entity, group, organization included in the List of persons, groups, organizations in respect of which there is information about their participation in the legalization (laundering) of criminal proceeds, and inform the financial intelligence body within three hours from the moment of suspension of the operation (transaction).

2.2. Operations (transactions) are suspended until a decision is made to seize property, taken in accordance with the criminal procedure legislation of the Kyrgyz Republic. In case of failure to make a decision to seize the property, the suspended operation (transaction) is carried out in accordance with the established procedure.

2.3. The procedure for the formation of the List of persons, groups, organizations in respect of which there is information about their participation in the legalization (laundering) of criminal proceeds, and the procedure for exclusion from it, as well as the procedure for its publication are established by the Government of the Kyrgyz Republic.

VIII. PROCEDURE FOR ORGANIZING A SYSTEM FOR THE IMPLEMENTATION OF THE AML POLICY IN A BROKERAGE COMPANY

1. The function of control over the implementation of internal control under AML/CFT in the Brokerage Company is assigned to the Lawyer together with the General Director of the Brokerage Company.

1.1. The lawyer of the Brokerage Company is responsible for:

- for ensuring adequate and efficient activities of the Brokerage Company in the field of AML/CFT, as well as preventing the involvement of the Brokerage Company in transactions that have signs of suspicious transactions;
- approval of an adequate and effective AML/CFT policy;
- approval of the AML policy in the field of AML/CFT, as well as control over their implementation;
- defining measures to ensure the effective work of the AML/CFT officer;
- appointment and dismissal of a AML/CFT officer;
- consideration of the report of the internal audit service and reports of the official on AML/CFT;
- determination of measures aimed at eliminating deficiencies in the field of AML/CFT, identified by the internal audit service and indicated in the report of the official on AML/CFT, and also controls their implementation.

1.2. The General Director of the Brokerage Company is responsible for:

- ensuring the implementation of the policy and AML policy in the field of AML/CFT, approved by the General Director of the Brokerage Company;
- ensuring and monitoring the implementation of the legislation of the Kyrgyz Republic in the field of AML/CFT;
- providing training for employees of the Brokerage Company in the field of AML/CFT;

- ensuring the implementation of measures aimed at eliminating deficiencies in internal measures, procedures and the internal control system, as well as ensuring that an independent audit is carried out;
- ensuring compliance with the requirements of the regulatory legal acts of the Kyrgyz Republic regarding the opening of Brokerage accounts (including the identification and verification of clients and the beneficial owner), the conduct of operations on accounts and the termination of agreements with clients (account holders);
- The General Director of the Brokerage Company shall take comprehensive measures to prevent the involvement of the Brokerage Company in transactions that have signs of suspicious transactions.

1.3. Evaluation of the effectiveness of the internal control system for the purposes of AML/CFT is carried out by the internal audit service of the Brokerage Company at least once a year or more often, depending on the level of risk of transactions and the dynamics of the Brokerage Company's performance indicators.

1.4. The Internal Audit Service, in the course of assessing the effectiveness of internal control for the purposes of AML/CFT, conducts at least the following:

- assessment of the effectiveness of the organization of the internal control system, including policies, procedures and organization of the activities of the Brokerage Company for AML/CFT;
- assessment of the methodology for determining risk levels adopted by the Brokerage Company;
- assessment of the measures applied by the Brokerage Company to assess the exposure of the Brokerage Company to FTD/LPD risks and manage them;
- selective testing of the activities of an official under AML/CFT, including the software used, including for compliance with the policies and procedures of the Brokerage Company;
- assessment of the measures taken by the management of the Brokerage Company, the General Director to eliminate violations identified during previous inspections by the internal audit service of the Brokerage Company, external audit, the National Brokerage Company or the financial intelligence body;
- review-assessment of internal control, including an assessment of the software used for the degree of efficiency in identifying and generating reports on transactions (transactions) subject to control and reporting;
- verification of the adequacy of the official's reports on AML/CFT, provided to the General Director, and their compliance with the minimum requirements of the legislation of the Kyrgyz Republic;
- verifying the compliance of training AML policies for employees of the Brokerage Company involved in the implementation of the AML/CFT policy;
- Based on the results of checking the activities of the structural divisions of the Brokerage Company for compliance with the AML/CFT internal control system, the internal auditor develops recommendations, which are also submitted for review to the AML/CFT official.

2. In order to conduct a quality and comprehensive audit, the internal audit function holds discussions with the AML/CFT officer to obtain information on internal measures, procedures and control systems in the field of AML/CFT, as well as information on existing problems.

3. Based on the results of the audit, the internal audit service prepares a report on the results of assessing the effectiveness of internal control for the purposes of AML/CFT, including information on:

- risks of financing terrorist activities and legalization (laundering) of criminal proceeds;
- violations of AML policies and other internal documents of the Brokerage Company in the field of AML/CFT;
- violations of the legislation of the Kyrgyz Republic in the field of AML/CFT;

- recommended measures necessary to eliminate and prevent identified violations.
4. The report of the internal auditor on the results of the assessment of the effectiveness of internal control for the purposes of AML/CFT is submitted to the General Director within five working days from the date of signing the report for further consideration and taking measures to eliminate the identified violations and prevent them in the future.

IX. PROCEDURE FOR TRAINING THE EMPLOYEES OF THE BROKERAGE COMPANY ON AML/CFT

1. The brokerage company is developing a procedure for basic training of personnel on AML/CFT issues.
2. Basic training is conducted in accordance with the training plan, Brokerage Company, in accordance with the legislation of the Kyrgyz Republic in the field of AML/CFT.
Basic training of employees of the Brokerage Company is carried out in the following forms:
 - introductory (primary) training;
 - unscheduled (targeted) training;
 - planned training.
3. Introductory (primary) training is conducted in order to familiarize with the legislation of the Kyrgyz Republic in the field of AML/CFT and internal documents of the Brokerage Company on AML/CFT.
4. Introductory (primary) training is carried out upon admission or transfer to work in the compliance control service. After three months from the date of admission or transfer of an employee, an assessment of the level of his knowledge in the field of AML/CFT is carried out.
5. Unscheduled (targeted) AML/CFT training is provided in the following cases:
 - in case of changes in existing or entry into force of new regulatory legal acts of the Kyrgyz Republic in the field of AML/CFT;
 - when introducing new or changing existing AML/CFT compliance control AML policies;
 - when transferring an employee to another permanent job within the divisions of the Brokerage Company, in the event that his knowledge in the field of AML/CFT is not enough to perform his functions;
 - when entrusting an employee with work in the field of AML/CFT, not stipulated by the employment contract concluded with him, when this does not entail a change in the terms of this contract.
6. Scheduled training of employees of the Brokerage Company is carried out regularly, but at least once a year.
7. Scheduled training in the field of AML/CFT is carried out through the participation of employees in conferences, seminars and other training events held by educational organizations in accordance with the training AML policies of educational organizations.
8. Employee knowledge in the field of AML/CFT is tested at least once a year in accordance with the training plan of the Brokerage Company.
9. If an employee's insufficient level of knowledge in the field of AML/CFT is revealed, his manager decides on the advisability of further using it exclusively in areas of work not related to the fulfillment of AML/CFT requirements, or sending him to training for advanced training and professional retraining.
10. Advanced training and professional retraining of personnel. The purpose of advanced training and professional retraining of personnel is to provide employees with additional professional knowledge in the

field of AML/CFT, necessary to comply with the legislation of the Kyrgyz Republic in the field of AML/CFT.

11. The brokerage company annually develops a schedule for advanced training and professional retraining of its personnel in the field of AML/CFT, taking into account the requirements of the legislation of the Kyrgyz Republic in the field of AML/CFT, as well as the specifics of its activities, and no later than December 15 of the current year send this schedule to the Educational and methodological center of the State Financial Intelligence Service under the Government of the Kyrgyz Republic for assessing training needs.

12. The Brokerage Company must regularly, but at least once a year (according to the schedule), send employees of the internal control service and other employees working directly with clients, including the heads of the Brokerage Company, to an educational organization for advanced training and professional development. retraining (hereinafter - training).

13. The same manager or employee of the Brokerage Company is not annually sent for training.

Personnel training is carried out in the following cases:

- when applying for a job;
- when transferring an employee to another permanent job (temporary job) within the divisions, in the case when his knowledge in the field of AML/CFT is not enough to comply with the legislation of the Kyrgyz Republic in the field of AML/CFT;
- when adopting new regulatory legal acts of the Kyrgyz Republic in the field of AML/CFT;
- in case of violation by employees of the requirements of the internal control system according to AML/CFT;
- by decision of the Management Board of the Brokerage Company.

Responsibility for the organization and timeliness of personnel training lies with the head of the Brokerage Company.

X.PROCEDURE FOR ORGANIZING THE WORK ON REFUSAL OF ACCEPTANCE FOR SERVICE AND FULFILLMENT OF THE CLIENT'S INSTRUCTIONS ON THE PERFORMANCE OF OPERATIONS (TRANSACTIONS) BY A BROKERAGE COMPANY)

1. The brokerage company must refuse to open an account or conduct operations on the account to the client if:

- the relevant documents necessary to fulfill the requirements for opening an account and conducting operations on it, identifying and verifying the client and the beneficial owner and carrying out other due diligence measures of the client are not submitted;
- clearly unreliable documents are presented.

At the same time, the Brokerage Company must, in accordance with the established procedure, send a corresponding message to the financial intelligence body within one working day from the date of the decision to refuse to serve the client.

Also, within one working day from the date of adoption of one of the following decisions:

- on suspension or termination of the established business relationship with the client (denial of service) and termination of the concluded agreement with the client;
- on refusal to carry out an operation (transaction).

2. If, when opening an account or conducting transactions on an account, the Brokerage Company suspects that operations (transactions) are related to the financing of terrorist activities and the legalization (laundering) of criminal proceeds, the Brokerage Company must take the following measures:

- carry out identification and verification of the client and the beneficial owner, regardless of any exceptions or established thresholds;
 - send a report on a suspicious operation (transaction) to the financial intelligence body within 5 (five) hours from the moment the operation (transaction) is recognized as suspicious.
3. If the Brokerage Company is convinced that due diligence of the client will lead to the disclosure of information about the suspicions that have arisen, the Brokerage Company does not take measures for due diligence of the client and sends a report on the suspicious transaction (transaction) to the financial intelligence body.
 4. If in relation to the client or the beneficial owner there is information about participation in terrorist or extremist activities and the proliferation of weapons of mass destruction, obtained in accordance with the legislation of the Kyrgyz Republic, the Brokerage Company must, without prior notice to the client, immediately freeze the operation (transaction) and / or the client's funds, included in the Sanctions List, and within 3 (three) hours from the moment of freezing, send a message to the financial intelligence body.

XI. PROCEDURE FOR PUBLICATION OF THE LIST OF PERSONS, GROUPS, ORGANIZATIONS IN RELATION TO WHICH THERE IS INFORMATION ABOUT THEIR PARTICIPATION IN LEGALIZATION (LAUNDERING) OF CRIME PROCEEDS

1. The Consolidated Sanctions List of the Kyrgyz Republic is published and posted on the official website of the financial intelligence body, in the "Lists" section. The Consolidated Sanctions List of the Kyrgyz Republic is placed in the form of an electronic database determined by the financial intelligence agency. The structure and format of the Consolidated Sanctions List of the Kyrgyz Republic are determined by the Financial Intelligence Unit.
2. The updated version of the Consolidated Sanctions List of the Kyrgyz Republic and the order of the financial intelligence agency on making changes or additions to the Consolidated Sanctions List of the Kyrgyz Republic are published on the official website of the financial intelligence agency within one hour from the date of signing this order.
3. The publication of the Consolidated Sanctions List of the Kyrgyz Republic on the official website of the financial intelligence body is considered an official publication.
4. Within three hours from the moment of publication on the official website of the financial intelligence body of information on the publication of a new version of the Consolidated Sanctions List of the Kyrgyz Republic, financial institutions and non-financial categories of persons are sent relevant information via electronic communication channels determined by the financial intelligence body.
5. The AML/CFT official regularly monitors updates on the official website and adjusts the data in the GB.

XII. LIABILITY FOR NON-COMPLIANCE WITH AML/CFT

1. Violation of the requirements stipulated by the Law of the Kyrgyz Republic "On AML/CFT", entails administrative liability in the manner prescribed by the legislation of the Kyrgyz Republic.
2. The management and employees of the Brokerage Company, including the former ones, who, in accordance with the Law of the Kyrgyz Republic "On AML/CFT", have or had access to information received from the Brokerage Company, are criminally liable for illegal disclosure, use by the Brokerage Company, commercial or other secrets, abuse of official position in accordance with the criminal legislation of the Kyrgyz Republic.

3. Employees of the Brokerage Company, including former ones, are responsible for disclosing the fact of execution of requests and sending information to the SFIS in accordance with the legislation of the Kyrgyz Republic.

XIII.FINAL PROVISIONS

1. Each employee of the Brokerage Company who participates in the implementation of The AML policy is obliged to study it and be guided in the performance of their duties.

2. The main tasks of the employees of the Brokerage Company in the field of combating the financing of terrorist activities and the legalization of criminal proceeds are:

- Participation in the process of identifying clients, studying their activities and monitoring transactions;
- Participation in the process of monitoring client transactions to identify transactions that are considered unusual or suspicious financial transactions;
- Elimination of the possibility of involvement of the Brokerage Company and the participation of its employees in the financing of terrorist activities and the legalization (laundering) of criminal proceeds;
- Ensuring reliability and safety in the field of AML/CFT;
- Protection of the business reputation and trademark of the Brokerage Company.

3. The AML policy enters into force upon approval.

3.1. Changes and additions to The AML policy are approved by the General Director of the Brokerage Company.

3.2. All annexes to the AML policy are its integral part.