

## Anti-Terrorism and Anti-Money Laundering Policies

### 1. Introduction

Factor[e] Ventures (“Factor[e]”) is committed to the highest standards of Anti-Terrorism, Anti-Money Laundering (AML) and Anti Financial Crime (AFC), including Anti-Bribery and Corruption (ABC), Anti-Fraud and other punishable criminal acts. The members of the Board of Directors and all employees are required to adhere to these standards to protect Factor[e] and its reputation from being misused for money laundering and/or terrorist financing or other illegal purposes.

As part of the Bank Secrecy Act (“BSA”) the United States Department of Treasury has created the Financial Crimes Enforcement Network to act as its designated administrator. Since the BSA was established in 1970, numerous other laws, including the Money Laundering Control Act, Money Laundering and Financial Crimes Strategy Act, and the PATRIOT Act, have been enacted to enhance and amend the BSA. The United States has also enacted anti-terrorism laws and regulations, including Executive Order 13224 and Global Terrorism Sanctions Regulations set forth in 31 CFR Part 594, and anti-bribery and corruption regulations as sanctioned through the Foreign Corrupt Practices Act. The goal of these laws is to detect and prevent money laundering, potential terrorist financing, and bribery and corruption. Factor[e] will adhere to all applicable laws and regulations in all countries where it conducts business, or has business relationships in.

Factor[e] will examine its Anti-Terrorism, AML and ABC strategies, goals and objectives on an ongoing basis and maintain an effective program for the business that reflects the best practices for a diversified, global organization.

The program is formulated and directed by the Director of Finance and is approved by the organization’s Managing Principal and addresses all Anti-Terrorism and AML-related topics. For all these topics Factor[e] has implemented clear rules and regulations which must be complied with by all Factor[e] staff globally. Additionally, Factor[e] requires that all investees adhere to the same standards, and remain in compliance with the laws and regulations that are in place in all countries in which they conduct business, or have business relationships in.

### 2. Policies and Procedures

Factor[e] has developed a clear set of policies and procedures outlining its Anti-Terrorism and Anti-Money Laundering standards and principles. All policies and policy-related documents are published on a global platform so they can be accessed by all staff at any time. They are subject to an annual review cycle to ensure their conformity with applicable regulations.

### 3. Anti-Terrorism

Factor[e] renounces all forms of terrorism and will never knowingly support, tolerate or encourage terrorism or the activities of those who embrace terrorism and will make every effort to ensure that its resources are not used to facilitate terrorist activity. This policy sets out Factor[e]'s response to the risk of dealing with individuals and organizations associated with terrorism and United States' Government legislation associated with this.

Everyone involved in Factor[e]'s business must comply with the anti-terrorism laws of the countries where we operate, as well as those that apply across borders. Factor[e]'s Directors, employees and partners are responsible for the following:

- You must know the identity, credentials and good standing of partners and recipient organizations (i.e. what they do, where they operate, who are their key decision makers and staff).
- You will confirm the identity, credentials and good standing of the people or organizations we support and will check these people or organizations against the below lists or sites maintained by the relevant Governmental authority. Confirmation of exclusion from governmental lists must be tracked and maintained for record keeping purposes and will be made available to external auditors as required.
  - U.S. Department of Treasury list of Specially Designated Nationals and Blocked Persons identified under E.O. 13224:  
<http://www.ustreas.gov/offices/enforcement/ofac/sdn/>
  - System for Award Management (SAM) searchable database of individuals, firms and organizations that are prohibited from receiving U.S. Government funds: <http://www.sam.gov>
  - United Nations Al-Qaida and Taliban Consolidated List:  
<http://www.un.org/sc/committees/1267/consolist.shtml>
- You will not knowingly remit any funds to known or suspected terrorist organizations or individuals.
- Care will be taken to only transmit funds from Factor[e] using reputable banks and other financial institutions for this purpose.
- You will report any known or suspected terrorist links to the relevant national authority and immediately cease any related business dealings.

### 4. Anti-Money Laundering (AML)

Money laundering occurs when the proceeds of crime are hidden in legitimate business dealings, or when legitimate funds are used to support criminal activities, including terrorism. All companies are at risk of being exploited in this way – and we must be on our guard to help protect our reputation and ensure we comply with the law.

Everyone involved in Factor[e]'s business must comply with the anti-money laundering laws of the countries where we operate, as well as those that apply across borders.

Directors, employees and partners are responsible for the following:

- You must not knowingly deal with criminals, suspected criminals or the proceeds of crime.
- You must follow any due diligence requirement specified by Factor[e] so that we know who we are doing business with.
- You must ensure that your business transactions on behalf of Factor[e] do not involve acquiring, using or holding monetary proceeds or property acquired with the proceeds of crime.
- You must not hide the origin or nature of criminal property.
- You must not facilitate the acquiring, ownership or control of criminal property.
- If you have knowledge or suspicion that a counterparty is involved in money laundering in connection with its transaction with Factor[e], you must promptly report it to the Director of Finance. To meet legal requirements, do not let the counterparty know of your suspicions. You must not falsify, conceal, destroy or dispose of relevant documents.

## 5. Anti-Bribery and Corruption (ABC) and Anti-Fraud

Factor[e] insists on honesty, integrity and fairness in all aspects of our business and expects the same in our relationships with all those with whom we do business. Factor[e] does not tolerate bribery, or any form of corruption. All Factor[e] employees and third parties that act on Factor[e]'s behalf are strictly prohibited from having any involvement in acts of bribery and corruption. The direct or indirect offer, payment, soliciting or acceptance of bribes in any form is unacceptable. Facilitation payments are also bribes and must not be made. Employees must avoid conflicts of interest between their private activities and their part in the conduct of company business. Employees must also declare to their manager and the Director of Finance all potential conflicts of interest. All business transactions on behalf of a Factor[e] entity must be reflected accurately and fairly in the accounts of the company in accordance with established procedures and are subject to audit and disclosure.

Everyone involved in Factor[e]'s business must comply with the anti-bribery and corruption laws of the countries where we operate, as well as those that apply across borders. Directors, employees and partners are responsible for the following:

- You must not offer, pay, make, seek or accept a personal payment, gift or favor in return for favorable treatment or to gain a business advantage. You must not allow anybody else to do so on your behalf.
- You must not make facilitation payments. If a facilitation payment has been requested or made, you must immediately report it to your manager and the Director of Finance. If you make a payment because you genuinely believe your life,

limb or liberty is at risk, this is not a facilitation payment but must be reported as if it were.

- Know who you are doing business with by conducting the appropriate due diligence as set out in the Anti-Terrorism and AML Policies.
- Dealing with Government Officials poses a greater bribery risk so you must follow the mandatory requirements in the Anti-Terrorism and AML Policies.
- You must report corrupt behavior. Turning a blind eye to suspicions of bribery and corruption can result in liability for Factor[e] and for individuals.

## 6. Record Retention

All data obtained according to client identification, Anti-Terrorism and AML security measures must be documented. Records must be kept for a minimum of 5 years, notwithstanding potentially longer retention periods under local civil or commercial law.