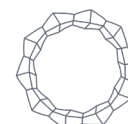


<p><b>Issuer</b></p> <p><b>ML/TF Compliance Officer</b></p>	<p><b>Procedure</b></p> <p><b>on preventing and combating money laundering and capital market terrorism financing and on client identification</b></p> <p><b>No. 06/3277/02.04.2025</b></p>	
<p><b>Revision: III</b></p>		
<p><b>Code: OC SB/FT-PS-01</b></p>		
	<p><b>Approved,</b></p> <p><b>Board of Directors</b></p>	<p>Approved at the BoD meeting of 10.04.2024 by Resolution no. 13, art. 7</p>
	<p><b>Approved,</b></p> <p><b>President - General Manager</b></p> <p><b>Sorin - Iulian Cioacă</b></p> <p><b>Vice-President - Deputy General Manager</b></p> <p><b>Mihai Trifu</b></p>	



## I. PURPOSE OF THE PROCEDURE:

The procedure aims at establishing rules at the level of Infinity Capital Investments S.A. for applying the provisions of Law no. 129/2019 on preventing and combating money laundering and terrorist financing, as well as for amending and supplementing certain normative acts and Regulation F.S.A. no. 13/2019 on establishing measures to prevent and combat money laundering and terrorist financing through the financial sectors supervised by the Financial Supervisory Authority, with subsequent amendments and additions.

## II. SCOPE

The procedure applies to the entire organisational structure of Infinity Capital Investments S.A.

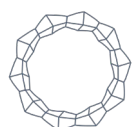
## III. REFERENCE DOCUMENTS:

- Law no. 129/2019 on preventing and combating money laundering and terrorist financing, with subsequent amendments and additions;
- Law no. 535/2004 on preventing and combating terrorism, with subsequent amendments and additions;
- Law no. 190/2018 on measures implementing Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data;
- F.S.A. Regulation no. 13/2019 on establishing measures to prevent and combat money laundering and terrorist financing through the financial sectors supervised by the F.S.A. with subsequent amendments and additions;
- F.S.A. Regulation no. 1/2019 on assessing and approving members of the management structure and persons holding key positions in entities regulated by the Financial Supervisory Authority, as amended and supplemented;

## IV. DEFINITIONS:

– *money laundering:*

a) the exchange or transfer of property, knowing that such property has been derived from criminal offences, with the purpose of concealing or disguising the illicit



origin of such goods or of assisting the person who has committed the offence from which the goods originate to evade prosecution, trial or punishment;

**(b)** concealing or disguising the true nature, origin, location, disposition, movement, circulation or ownership of or rights in goods, knowing that such good is derived from criminal offences;

**c)** the acquisition, possession or use of goods by a person other than the active subject of the offence from which the goods originate, knowing that such goods have been derived from the commission of an offence;

- ***terrorist financing:***

**a)** collecting or making available, directly or indirectly, funds, whether lawful or unlawful, with the intention that they should be used or in the knowledge that they are to be used, in full or in part, in the commission of terrorist acts or in support of a terrorist entity;

**b)** committing an offence for the purpose of obtaining funds, with the intention that they should be used, or in the knowledge that they are to be used, in full or in part, to commit terrorist acts or to support a terrorist entity;

- ***goods***- assets of every kind, whether corporeal or incorporeal, movable or immovable, tangible or intangible, and legal documents or instruments in any form, including electronic or digital, evidencing title to or interest in such assets;

- ***client/clientele*** - any natural or legal person or unincorporated entity that carries out business relations or other operations of a permanent or occasional nature with Infinity Capital Investments S.A. and benefits or has benefited in the past from the services of the Company; any person with whom Infinity Capital Investments S.A. has negotiated a transaction in the course of its activities, even if that transaction has not been finalised, and any person who benefits or has benefited in the past from the services of the Company, shall be considered a client of Infinity Capital Investments S.A.

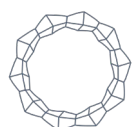
- ***foreign transfers to and from bank accounts*** - cross-border transfers, as well as payments and receipts carried out within the territory of Romania by a non-resident client;

- ***business relationship*** - the professional relationship related to the activities provided by Infinity Capital Investments S.A. and which, at the time of establishing contact, is considered to be of a certain duration;

- ***remote business relationship or transaction*** - a business relationship or transaction in which the client is not physically present and the client's identity is required to be verified by video link or similar technological means;

- ***occasional transaction*** - transaction carried out outside a business relationship as defined above;

- ***publicly exposed persons*** - individuals who hold or have held important public



positions;

- ***important public positions:***

**a)** heads of state, heads of government, ministers and deputy ministers or secretaries of state;

**b)** members of Parliament or similar central legislative bodies;

**c)** members of political parties governing bodies;

**d)** members of supreme courts, constitutional courts or other high-level courts whose judgements can only be challenged by extraordinary appeal;

**e)** members of the courts of auditors governing bodies or members of the central banks boards governing bodies;

**f)** ambassadors, chargés d'affaires and senior officers in the armed forces;

**g)** members of boards of directors and supervisory boards and persons holding management positions in national autonomous enterprises, companies with majority state capital and national companies;

**h)** directors, deputy directors and members of the board of directors or members of the governing bodies of an international organisation.

- ***family members of the publicly exposed person:***

**a)** the spouse of the publicly exposed person or his/her cohabitant/person with whom he/she is in a relationship similar to that between spouses;

**b)** children and their spouses or cohabitants, persons with whom the children are in a relationship similar to that between spouses;

**c)** parents.

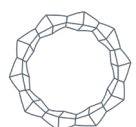
- ***persons known to be close associates of publicly exposed persons:***

**a)** natural persons known to be the beneficial owners of a legal person, an entity without legal personality or a legal arrangement similar to a legal person, together with any person holding an important public office or having any other close business relationship with such a person;

**(b)** natural persons who are the sole beneficial owners of a legal person, an unincorporated entity or a legal arrangement similar to a legal person, known to be established for the *de facto* benefit of a person performing important public functions.

Without prejudice to the application, based on a risk assessment, of additional client insight measures, Infinity Capital Investments S.A. shall, after one year from the date on which the person ceased to hold a relevant public position, no longer consider that person as publicly exposed.

- ***beneficial owner*** - any natural person who ultimately owns or controls the client and/or the natural person on whose behalf a transaction, operation or activity is carried out, directly or indirectly;



The notion of a **beneficial owner** includes at least:

**a)** in the case of companies subject to registration in the Trade Register and foreign corporate entities:

1. the natural person(s) who ultimately owns or controls the company subject to registration in the trade register, directly or indirectly, by virtue of owning a sufficient percentage of the shares or of the voting rights or participation in the capital of that company, including through the holding of bearer shares, or by virtue of control by other means, other than a company listed on a regulated market which is subject to disclosure requirements in accordance with European Union law or equivalent international standards which ensure appropriate transparency of information concerning the exercise of ownership. Ownership of 25% plus one of a company's shares or participation in the capital of a company in a percentage of more than 25 % by a natural person is an indication of direct exercise of ownership. Ownership of 25 % plus one of the shares or more than 25 % of the capital of a company by a foreign corporate entity controlled by a natural person, or by more than one foreign corporate entity controlled by the same natural person, is an indication of indirect ownership;

2. where, after due diligence and provided there are no grounds for suspicion, no person is identified in accordance with point 1 or where there is any doubt that the person identified is the beneficial owner, the natural person occupying a senior management position, namely: the manager(s), members of the board of directors/supervisory board, directors with delegated powers from the manager/board of directors, members of the management board. Reporting entities shall keep a record of the measures taken to identify the beneficial owners in accordance with point 1 and this point, as well as of the difficulties encountered in verifying the identity of the beneficial owner;

**b)** in the case of trusts or similar legal arrangements - all of the following persons:

1. the founder(s), as well as the persons appointed to represent his/her/their interests in accordance with the law;

2. trustee(s);

3. the beneficiary(es) or, if the identity of the beneficiary(es) is not identified, the category of persons in whose main interest the trust or similar legal arrangement is created or operated;

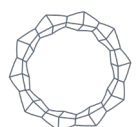
4. any other natural person exercising ultimate control over the trust or similar legal arrangement under foreign law by direct or indirect ownership or other means;

**c)** for non-profit legal persons:

1. associates or founders;

2. members of the governing board;

3. executive officers authorised by the governing board to exercise the powers of the governing board;



4. in the case of associations, the category of natural persons or, where appropriate, the natural persons in whose main interest they were constituted, respectively, in the case of foundations, the category of natural persons in whose main interest they were constituted;

5. any other natural person ultimately exercising control, by whatever means, over the non-profit legal person;

d) in the case of legal persons other than those referred to in letters a)-c) and entities that manage and distribute funds:

1. the natural person who is the beneficiary of at least 25% of the assets or shares of a legal person or of an entity without legal personality, where the future beneficiaries have already been identified;

2. the group of persons in whose main interest a legal person or entity without legal personality is established or operating, where the natural persons benefiting from the legal person or entity have not yet been identified;

3. the natural person(s) exercising control over 25% or more of the assets of a legal person or entity without legal personality, including by exercising the power to appoint or dismiss a majority of the members of the administrative, management or supervisory bodies of such entity;

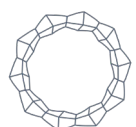
4. the natural person(s) managing the legal person, where, after due diligence and provided there are no grounds for suspicion, no natural person has been identified in accordance with point 1-3 or if there is any doubt that the person identified is the beneficial owner, in which case the reporting entity shall also keep a record of the steps taken to identify the beneficial owner in accordance with point 1-3 and this point.

- **ML/TF directly responsible manager** - the member of the executive management/senior management or, in the case of companies having the legal form of a limited liability company, the chief executive officer/general manager directly responsible for implementing Law no 129/2019, the regulations issued in its application and the administrative procedures incident to ML/TF;

- **ML/TF compliance officer** - a person within the company appointed in accordance with art. 7<sup>1</sup> para. (7) lett. g), art. 8 and 9 of F.S.A. Regulation no. 13/2019;

- **ML/TF designated person** - the person within Infinity Capital Investments S.A. who is responsible for applying Law no. 129/2019 and the regulations issued in its application, i.e. the directly responsible ML/TF manager and the ML/TF compliance officer;

- **proportionality principle** - seeks to correlate the following criteria: the nature of the company's business, taking into account its geographical exposure, client base, distribution channels, product and service offering, the size of its operations, its legal form, whether it is part of a group;



- **risk-based approach** - an approach whereby Infinity Capital Investments S.A. identifies, assesses and understands the money laundering and terrorist financing risks to which the company is exposed and takes measures to prevent and combat them, proportionate to the respective risks;

- **monitoring** - monitoring transactions and services offered, correlated with the risk profile, activity and financial situation of the client, to detect unusual or suspicious transactions;

- **review** - updating documents, data and information to understand whether the risk associated with the business relationship has changed, i.e. continually updating and reviewing the risk assessment;

- **related operations** - are operations the value of which is broken down into instalments smaller than the RON equivalent of the amounts referred to in art. 5 para. (1) lett. h), i) -k), art. 7 and art. 13 of Law no. 129/2019, which have common elements such as: the parties to the transactions, including the beneficial owners, the nature or category into which the transactions fall, and the amounts involved;

Due to the specific nature of Infinity Capital Investments S.A.'s activity, the company occasionally carries out activities with clients (within the meaning of the definition in the legal norm). The term in which the common elements of operations that are/would be related to each other are relevant can be:

- the date of payment/banking day (for transactions concluded with the obligation to pay in full);

- the period between the date on which the first payment is made and the date on which the last payment is made, which extinguishes the debit to Infinity Capital Investments S.A.;

Infinity Capital Investments S.A. may carry out transactions for the sale of a closed company, sale of fixed assets and inventory, lease contracts, sponsorship contracts.

These transactions may give rise to linked operations.

- **risk profile** - general characteristics, including the type and level of ML/TF risk attributed to Infinity Capital Investments S.A.;

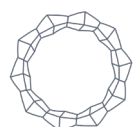
- **risk appetite** - the level of risk that the company is willing to accept and manage;

- **ML/TF risk factors** - variables that, either individually or in combination, may increase or decrease the risk of money laundering and terrorist financing posed by an individual business relationship or occasional transaction;

- **ML/TF risk** - the likelihood and impact of money laundering or terrorist financing materialising;

- **emerging risk** - a risk that has not been previously identified or an existing risk that has increased significantly;

- **inherent risk** - the level of ML/TF risk identified before mitigation measures are



applied;

- **residual risk** - the level of risk remaining after applying measures to minimise the inherent risk;

- **source of funds** - the origin of the funds involved in a business relationship or occasional transaction. This includes both the activity that generated the funds used in the business relationship and the means by which the funds were transferred to the client.

## V. DESCRIPTION OF THE PROCEDURE:

### Art. 1. Infinity Capital Investments S.A. obligations

1.1. Infinity Capital Investments S.A. applies client insight measures to all new and existing clients on a risk-based basis or when the client's relevant circumstances change.

1.2. Infinity Capital Investments S.A. is obliged to apply **standard** client insight **measures** in the following cases:

a) the establishment of a business relationship;

b) when carrying out occasional transactions with a value of at least the equivalent in Lei of 15,000 Euro, regardless of whether the transaction is carried out in a single operation or in several operations that are linked to each other;

c) When there are suspicions of money laundering or terrorist financing, regardless of any exemption, derogation, or threshold;

d) If there are doubts about the veracity or adequacy of the identification information previously obtained through the application of customer due diligence measures.

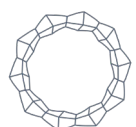
Standard client insight measures shall be adapted as of the level of risk accepted, supplemented and correlated with the results of the activity-wide risk assessment and simplified or additional client insight measures.

1.3. Infinity Capital Investments S.A. may apply **simplified** client insight **measures** exclusively for low-risk clients.

The classification of clients as low risk is carried out through a comprehensive assessment of all risk factors associated with the client and the beneficial owner, the countries and geographical areas, the products/services/transactions, and the distribution channel.

1.4. Infinity Capital Investments S.A. applies, in addition to the standard measures, **additional** client insight **measures** in all situations which, by their nature, may present an increased risk of money laundering or terrorist financing:

a) in the case of business relationships or transactions With politically exposed persons or with clients whose beneficial owners are politically exposed persons;





b) In the case of cross-border correspondent relationships with credit institutions and financial institutions from other states or jurisdictions;

c) in the case of complex and unusually large transactions or unusual patterns of transactions that have no apparent economic or legal purpose;

d) when conducting transactions with natural or legal persons that are established or reside in a third country identified by the European Commission as a high-risk third country, and in any other situations that present a high risk.

e) in the case of business relationships and transactions involving clients/investors from countries that do not apply or insufficiently apply international standards in the field of preventing and combating ML/TF, or that are internationally known as non-cooperative countries.

1.5. Infinity Capital Investments S.A. has an obligation to increase the degree and nature of the business relationship monitoring in order to determine whether such transactions or activities are suspicious.

1.6. Infinity Capital Investments S.A. conducts, reviews and documents its own risk assessments (risk matrix) through which it identifies, assesses and manages the ML/TF risk, both at the level of the entire activity incident to Law no 129/2019, as well as at individual level, taking into account all the risk factors set out in the Annexes to the F.S.A. Regulation no. 13/2019, so that it can demonstrate to F.S.A. that it understands how they have been carried out and adequately manages the ML/TF risk to which it is or could be exposed.

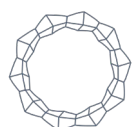
1.7. These assessments shall be updated at least annually or whenever there are changes in the national and sectoral ML/TF risk assessments, the relevant regulatory technical standards adopted by the European Commission and the risk factors laid down in Law no 129/2019, the requirements of F.S.A. Regulation no. 13/2019 and, where applicable, the assessments carried out at group level and include:

a) an assessment of the ML/TF risk to which the company is exposed at the level of the business, commensurate with the nature, size and complexity of the business; and

b) the assessment of the ML/TF risk to which the company is exposed on an individual level as a result of establishing a business relationship or entering into a one-off transaction.

1.8. Infinity Capital Investments S.A. approves, monitors and revises annually and whenever necessary, based on its own risk assessments, the policies, internal rules, mechanisms and procedures for ML/TF risk management, as well as the methodology (risk management), in accordance with the relevant legal provisions.

**Art. 2.** Infinity Capital Investments S.A. has internal control systems and procedures in place to identify emerging ML/TF risks and to assess them in order to integrate them as quickly as possible into activity assessments under Law no 129/2019 and at the



individual level, as well as measures to verify their implementation and assess their effectiveness, including through the independent audit function.

**Art. 3.** Internal control systems and procedures referred to in art. 2 shall comprise at least the following:

**a)** processes ensuring that internal information obtained as part of the ongoing business relationships monitoring is regularly reviewed to identify emerging trends and risks in individual business relationships and the company's business;

**b)** processes ensuring regular reviews for the sources of information used in risk assessments and, in particular:

**1.** on individual risk assessment:

**(i)** regular verification of media reports relevant to the sectors or jurisdictions in which the company operates or has occasional business dealings;

**(ii)** ensuring that the company is aware of changes to terrorism alerts and sanctions regimes as soon as they are issued or communicated;

**2.** on activity-wide risk assessment:

**(i)** regular verification of warnings and reports from the Office, the F.S.A., other competent national authorities or relevant international organisations;

**(ii)** regular verification of thematic analyses and similar publications issued by the competent authorities and relevant international bodies;

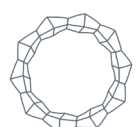
**(iii)** processes for capturing and analysing information on ML/TF risks related to new categories of clients, countries or geographical areas, new products and services, new distribution channels, new compliance monitoring systems and procedures;

**c)** cooperating with other industry representatives/professional organisations, the F.S.A. and the Office, as well as providing responses to specific findings.

**Art. 4.** The ML/TF Compliance Officer plans an activity-wide risk assessment annually and sets a date (in the *ML/TF Activities Plan*, endorsed by the Audit Committee) during the year, depending on the risks, when an individual risk assessment is to be carried out to ensure that new or emerging risks are included. If the company's employees become aware that a new risk has arisen or that an existing risk has increased, they shall inform the ML/TF Compliance Officer so as to include it in the risk assessments as soon as possible.

**Art. 5.** The ML/TF Compliance Officer also maintains and monitors records of issues during the year that may have an impact on risk assessments, such as internal suspicious transaction reports, non-compliance cases and information from client-facing staff.

**Art. 6.** Infinity Capital Investments S.A. shall not initiate any business relationship and shall not enter into any occasional transaction or terminate the business relationship if it is unable to apply client insight measures, including in cases where it is unable to



establish the legitimacy of the purpose and nature of the business relationship, update the information held about the client or adequately manage the ML/TF risk. In such situations, if applicable, Infinity Capital Investments S.A. shall submit a suspicious transaction report.

**Art. 7.** Infinity Capital Investments S.A. applies a methodology (risk management), annexed hereto, on the basis of which risk identification, assessment and management (mitigation measures) will be carried out, which includes at least the following:

**a)** specification of the categories and sources of information used in carrying out the assessment;

**b)** the procedure for identifying the relevant risk factors associated with the activity carried out;

**c)** the way of determining the weights associated with the identified risk factors according to their importance;

**d)** the procedure for taking into account the identified risk factors when determining the degree of risk associated with clients, products and services, distribution channels of products and services;

**e)** the procedure for establishing and re-assessing the risk categorisation of clients, products and services according to the degree of risk associated with them;

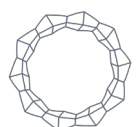
**f)** the procedure for determining the level of risk throughout the activity.

**Art. 8.** This assessment measures the risk factors and sets a '*score*' for each factor ensuring that:

- the measurement is not inappropriately influenced by just one factor;
- the economic or profit considerations do not influence the risk assessment;
- the measurement does not lead to a situation where it is impossible for any business relationship to be categorised as high risk;
- in the measurement carried out shall be taken into account in the first place the provisions of Law No 129/2019 or those of secondary legislation issued in its application regarding situations that always present a high money laundering risk;
- the scores resulting from the risk analysis may be disregarded if necessary and if the justification for the decision to disregard such scores is properly documented in writing.

**Art. 9.** Infinity Capital Investments S.A. assesses, for each individual client, the risk factors set out in this procedure for categorisation into one of the risk categories: *low, medium or high*.

Following the risk assessment and after taking into account the inherent risks and mitigating factors it has identified, it will categorise the business lines as well as the business relationships and occasional transactions according to the identified ML/TF risk level.



**Art. 10.** Infinity Capital Investments S.A. evaluates and revises the internal client insight rules whenever necessary or on an annual basis, also for correcting deficiencies identified as a result of internal checks and supervisory actions carried out by F.S.A.

**Art. 11.** At the group level, Infinity Capital Investments S.A. establishes a policy whereby, by decision of the subsidiaries management structure, it is prohibited to carry out cash transactions the minimum limit of which is the equivalent in Lei of 10,000 Euro, regardless of whether the transaction is executed in a single operation or in several operations that are linked to each other.

**Art. 12.** Infinity Capital Investments S.A. shall provide an independent audit function to periodically (not exceeding one year since the last test) test the effectiveness of ML/TF risk management policies, internal rules, mechanisms, information systems and procedures, including risk assessments and the methodology for conducting and updating them.

When deemed necessary, the F.S.A. may request that certain verifications be carried out by the company's auditor, the conclusions of the verifications being made available to the F.S.A., within the time limits set by the latter. The results of the verifications carried out, including, where appropriate, the deficiencies identified, recommendations for their mitigation and the deadlines within which they should be implemented, shall be communicated to and analysed at management level.

**Art. 13.** Infinity Capital Investments S.A. appoints the person directly responsible for AML/CFT and the AML/CFT compliance officer by decision of the Board of Directors, in accordance with Law no. 129/2019 and A.S.F. Regulation no. 13/2019, and in compliance with the provisions of A.S.F. Regulation no. 1/2019.

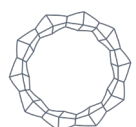
**Art. 14.** Infinity Capital Investments S.A. notifies to the F.S.A. the compliance officer at least 15 working days before starting to perform the duties, specifying the nature and limits of the entrusted responsibilities, by means of the form provided for in F.S.A. Regulation no. 13/2019.

The person directly responsible for AML/CFT is notified to the F.S.A. after their appointment is approved by the Board of Directors.

**Art. 15. Board of Directors duties** The Board ensures an appropriate and effective governance framework for MLC/TFC, supervises and monitors its implementation and ensures the company's compliance with legal requirements applicable to ML/TF prevention, whereby its responsibilities include at least the following:

a) approves the overall MLC/TFC strategy, endorsed by the Audit Committee, and oversees its implementation;

b) assesses the need to designate a separate person, other than the directly responsible ML/TF manager, as ML/TF compliance officer taking into account the principle of proportionality and the following criteria: geographical exposure, number of



clients, distribution channels, products and services offered, number and volume of transactions, number of employees, legal form, group affiliation.

c) supervises and monitors the adequacy and effectiveness of the policies, internal rules, arrangements and procedures for the management of ML/TF risks, in relation to the ML/TF risk to which the Company is exposed, and, where appropriate, orders measures to review them;

d) appoints the line manager directly responsible for ML/TF and assess their suitability or review their suitability assessment, as appropriate, in compliance with the provisions of regarding the assessment in F.S.A. Regulation No 1/2019;

e) designates the person who shall ensure the duties of the ML/TF compliance officer, taking into account the outcome of the assessment referred to in the previous paragraph;

f) approves the activity report of the ML/TF Compliance Officer, endorsed by the Audit Committee and the Senior Management, or, where appropriate, orders its review;

g) receives annually, or whenever necessary, updates from the ML/TF Compliance Officer on the activities that expose the company to increased risk of ML/TF and stays informed of the results of the business-wide ML/TF risk assessment;

h) communicates to the directly responsible ML/TF manager the decisions that may affect the ML/TF risks to which the company is exposed;

i) assesses annually the effective functioning of the ML/TF compliance function, taking into account the findings of the independent audit reports, including by evaluating the adequacy of the human and technical resources allocated to the ML/TF compliance function.

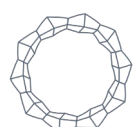
**Art. 16.** The Board shall have direct and permanent access to all data and information held at the company level necessary for fulfilling the obligations provided for by the ML/TF legislation in force, namely to the reports of the ML/TF compliance officer, the independent auditor, as well as to the company's communications with the Office, findings, remedial measures and possible sanctions imposed by the F.S.A.

**Art. 17. Senior Management duties** The Senior Management ensures the implementation of internal policies and rules, internal control mechanisms and risk management procedures for ML/TF and exercises the following:

a) assesses the need for establishing a MLC/TFC structure to assist the ML/TF Compliance Officer and informs the Board of the outcome of the assessment;

b) establishes and implements the organisational and operational structure necessary to fulfil the MLC/TFC strategy and ensures the adequacy of the allocated human and technical resources;

c) approves the ML/TF compliance officer's activity report or, where appropriate, orders its review;



d) transmits to the F.S.A. all the documents related to the activity of preventing and combating money laundering and terrorist financing, requested in accordance with the relevant legal provisions.

**Art. 18. Duties of the line manager directly responsible for ML/TF** include at least the following:

a) ensures that the internal policies and rules, internal control mechanisms and procedures for managing ML/TF risks take into account the characteristics and ML/TF risks to which the company is exposed;

b) assesses, together with the Administrative Board, the need for appointing a ML/TF Compliance Officer;

c) assesses, together with the Board of Directors, commensurate with the nature, scale and complexity of the business and the company's exposure to ML/TF risk, the need to establish a CSB/CFT structure for assisting the ML/TF compliance officer;

d) reports annually, or whenever appropriate, to the Board of Directors on the ML/TF risk to which the company is exposed and the work carried out by the ML/TF compliance officer;

e) informs the Board of Directors of significant ML/TF risks and recommends actions to remedy them;

f) ensures that the ML/TF Compliance Officer:

(i) has direct access to all information necessary for the performance of his/her duties;

(ii) has sufficient human resources and technical tools to enable him/her to perform adequately the tasks assigned;

(iii) stays informed on the incidents related to MLC/TFC identified by the internal control systems and on the deficiencies found by the F.S.A. regarding the implementation of the provisions of the MLC/TFC regulations;

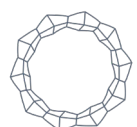
**Art. 19.** The mandate contract of the line manager directly responsible for ML/TF includes the specific and concrete duties to be performed in relation to the application of the MLC/TFC rules;

**Art. 20. The ML/TF Compliance Officer has the following duties:**

a) ensures the development, coordination, implementation and review of internal policies and procedures for the application of the legal provisions on ML/TF prevention, commensurate with the ML/TF risks identified;

b) develops and updates the individual and activity-wide ML/TF risk assessment framework;

c) informs the manager directly responsible for ML/TF periodically and annually (through the annual activity report) to the F.S.A. on the results of the ML/TF risk assessment and on the plan of measures to manage and mitigate the identified risks;



**d)** submits to the independent audit function all information necessary to test/verify the effectiveness of the mechanism to prevent and combat ML/TF;

**e)** draws up the annual activity report;

**f)** submits the annual activity report to the F.S.A. and responds to its requests, reports and promptly submit and provides the data requested by the competent authorities, in the format and methodology established by them;

**g)** reports to the management structure the results of the individual and business-wide risk assessment, proposes measures to mitigate the risks and ensures that the management structure understands and takes into account the ML/TF risk to which the company's business is exposed;

**h)** informs the line manager responsible for ML/TF and, where appropriate, Senior Management of areas where the conduct of ML/TF controls needs to be implemented or, where appropriate, improved, and proposes remedial measures to mitigate and effectively manage the risk of ML/TF.

**Art. 21.** The annual Activity Report of the ML/TF Compliance Officer is submitted to the F.S.A. by 31 March of each year for the previous year.

**Art. 22.** The job description of the ML/TF Compliance Officer includes the specific and concrete duties to be performed in relation to the application of the MLC/TFC rules.

**Art. 23.** In exercising their duties, the ML/TF compliance officer, the directly responsible ML/TF manager and the auditor:

**a)** have direct and permanent access to all data and information held at company level necessary for fulfilling the obligations provided for by the legislation in force;

**b)** have the necessary resources and tools to fulfil ML/TF tasks;

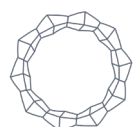
**c)** have permanent access to all records kept by the company in accordance with the relevant legal provisions.

**Art. 24.** Where, temporarily, access to information and documents cannot be done directly, it shall be carried out in the time necessary for fulfilling the obligations concerned, without prejudice to the duties and responsibilities laid down for the ML/TF Compliance Officer and the directly responsible ML/TF line manager.

**Art. 25.** To the extent that compliance with MLC/TFC legal obligations is the subject of an audit engagement, the company shall ensure that the auditor has access to all necessary information and documents in a timely, complete and correct manner.

**Art. 26.** Infinity Capital Investments S.A. applies internal rules, approved at management structure level, to prevent and deter its involvement in suspicious money laundering and terrorist financing operations, which establish:

- the applicable client insight measures verifying the identity of the client and the beneficial owner, the manner in which the nature and purpose of the business relationship are established, the measures establishing the categories of due diligence in



relation to certain categories of clients and the effective processes for ongoing monitoring of their activity, their categorisation into the client category appropriate to the degree of risk, respectively the transition from one client category to another;

- the measures applicable to occasional transactions in the context of the business conducted and the actual processes for determining the circumstances in which a series of one-off transactions constitute an individual business relationship rather than an occasional transaction, taking into account factors such as the frequency with which the client returns for the occasional transaction and the extent to which the relationship is expected to have or appears likely to have an element of duration; a series of occasional transactions may constitute a business relationship even where the threshold set out in art. 13, para. 1, letter b) of Law 129/2019 is not reached;

- the procedures, processes, limits and controls to ensure the identification, assessment, monitoring, mitigation and reporting of risk associated with its activities and at a company-wide level.

**Art. 27.** Internal policies and rules, internal control mechanisms and procedures for ML/TF risk management shall be based on the company's assessment of the ML/TF risk to which the company is exposed at the level of the business, shall be accessible and understood by the ML/TF personnel.

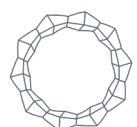
**Art. 28.** Business-wide ML/TF risk assessment of Infinity Capital Investments S.A. reflects the measures taken to assess the ML/TF risk associated with individual business relationships or occasional transactions and its ML/TF risk appetite to substantiate the level of additional client insight measures it applies in specific situations, as well as to specific types of clients, products, services and distribution channels.

**Art. 29.** Infinity Capital Investments S.A. puts in place screening procedures to ensure high standards in recruitment, checking that individuals are competent and suitable, including reputation, suitability and professional competence and experience. For this purpose, Infinity Capital Investments S.A. verifies the information provided by candidates both from reliable sources and by using reliable and independent public sources (search engines, social networks, mass media, etc.).

**Art. 30.** Infinity Capital Investments S.A. shall establish criteria for the selection, internal/external recruitment and appointment of eligible persons to fulfil the duties of the directly responsible ML/TF manager and the ML/TF Compliance Officer, in compliance with at least the following requirements:

a) fulfilment of the suitability criteria by the assessed persons, set out in F.S.A. Regulation no. 1/2019;

b) participation of the candidates in the training and instruction courses on the application of the in force legislation provisions and of the techniques for preventing and combating ML/TF, established/organised by the Institute of Financial Studies, the





Romanian Banking Institute or other accredited/attested training and professional training bodies;

c ) the absence of a conflict of interest with other situations that could impact the fulfilment of the duties provided for by the ML/TF legislation.

**Art. 31.** Infinity Capital Investments S.A. provides continuous professional training on ML/TF prevention and combating techniques to persons with duties and responsibilities in the application of Law no 129/2019 and the regulations issued in its application, whenever necessary, but no later than every 2 years.

**Art. 32.** At the request of the F.S.A., Infinity Capital Investments S.A. shall make available the documents drawn up for the purpose of applying art. 30 and 31.

**Art. 33.** Infinity Capital Investments S.A., through the ML/TF Compliance Officer, communicates to all employees the ML/TF prevention and combating procedure, upon hiring and whenever changes to it occur , and implements procedures to verify their awareness.

**33.1.** At the same time, the Company ensures the professional training and continuous training of its employees by participating in training programmes relevant to the activity carried out, adapted to the needs of the employees and their specific functions and updated regularly.

**33.2.** Training programmes must ensure that company employees:

a) are aware of their obligations under the laws, regulations, policies and procedures on preventing and combating ML/TF;

b) understand the policies, mechanisms and procedures for preventing and combating ML/TF and how they should be applied;

c) understand the assessment of ML/TF risks across the whole business and how it affects their activity;

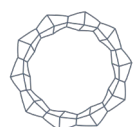
d) have the necessary competence to recognise operations that may be related to ML/TF and know how to proceed in such cases;

e) have the necessary competence to adequately analyse the services or transactions requested or carried out in order to identify ML/TF risks;

f) are fully aware of the reporting requirements, the legal requirements for preventing and combating ML/TF and their responsibilities according to internal client insight rules and the risks to which the company is exposed according to its own risk assessment;

g) realise the consequences of failing to adequately fulfil their responsibilities in this area and the implications for the company and its employees in the event of risks.

**Art. 34.** The company shall annually assess whether the persons responsible for the application of the MLC/TFC measures are adequately trained and aware of their duties.



**Protection mechanisms:**

**Art. 35.** Infinity Capital Investments S.A. shall establish internal mechanisms to protect ML/TF designees and employees who report violations of ML/TF legislation, which include:

**a)** specific procedures for receiving reports of violations of any kind of the Law no 129/2019 and taking subsequent action;

**b)** adequate legal protection for employees or persons in a similar contractual relationship with the company who report violations of any kind of the Law no 129/2019, committed therein;

**c)** legal protection from exposure to threats, repression or hostile action and, in particular, from unfavourable or discriminatory treatment at the workplace;

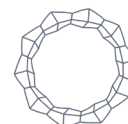
**d)** personal data protection for the person reporting any breach of specific legislation and for the natural person suspected of being responsible for the breach, in accordance with the principles laid down in Regulation (EU) 2016/679 of the European Parliament and of the Council on the protection of individuals with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation);

**e)** clear rules ensuring that confidentiality is guaranteed in all cases as regards the identity of the person reporting breaches of any kind of relevant legislation committed within the company, unless disclosure is required by other legal provisions.

**35.1.** In this regard, each Infinity Capital Investments S.A. employee who, during the performance of his/her specific duties, becomes aware, suspects or has reasonable grounds to suspect that the company's business relations involve violations of the legal provisions on ML/TF, shall report the identified situation to the ML/TF Compliance Officer in writing, electronically, anonymously, accompanied by supporting documents for the issues raised (details of the operation, identification data of the person responsible for the violation of the ML/TF legal rules, sources of information, etc.), using the internal web address: <http://sifdb:8080/spalarebani>. The ML/TF Compliance Officer will ensure, throughout the checks, that the identity of the reporting employees and of the persons responsible for the ML/TF legal violations are protected.

**35.2.** In case of confirmation, the conclusions of the verification will be issued and forwarded to the directly responsible ML/TF manager, keeping the anonymity of the complaint.

**Art. 36.** The agency or employment contracts concluded by the company with the directly responsible ML/TF manager or the ML/TF compliance officer, respectively, shall contain clauses giving them the right to address directly, in their own name, the F.S.A. and/or the Office to report breaches of any kind in relation to the specific ML/TF legislation.



**Art. 37. Rules on identifying clients and beneficial owners**

**37.1.** When establishing a business relationship or carrying out an occasional transaction, Infinity Capital Investments S.A. must obtain and verify the identity of the individual clients, beneficial owners and their specific risk factors, prior to the initiation or completion of the business relationship or occasional transaction and apply client insight measures in accordance with F.S.A. Regulation no. 13/2019.

**37.2.** Infinity Capital Investments S.A. makes, as an exception, sponsorships to non-profit organizations in the relevant field, recognized nationally and internationally, and to other entities carrying out social, educational, medical, or peacekeeping activities, in which case the same preliminary procedures will apply before signing the sponsorship contract, namely the client due diligence measures will apply to each entity

**37.3.** The ML/TF Compliance Officer updates client information and documentation on an annual risk-based basis. In addition to the regular update, documentation and/or client information shall be updated when data is obtained that foreshadows the occurrence of ML/TF risks (such as changes in the identity of the client, beneficial owner, possible ML/TF specific sanctions/legal proceedings, etc.) or changes in the information provided by the client.

**37.4.** Also, in the process of monitoring the business relationship, the ML/TF Compliance Officer shall endeavour to obtain adequate up-to-date information and shall monitor all transactions carried out by the Company's clients in relation to it.

**37.5.** Particular attention will be paid to business relationships and transactions with publicly exposed persons and those with persons in jurisdictions without adequate systems in place to prevent and combat ML/TF.

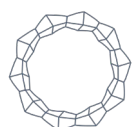
**37.6.** Particular attention will also be given to all transactions that are complex, unusually large or outside the usual typology, including transactions that do not appear to make economic, commercial or legal sense, as well as those involving persons from countries with vulnerabilities in the systems for preventing and combating ML/TF, which do not or insufficiently apply international standards in this area.

**37.7. Standard** client insight **measures** apply in the following cases:

- when establishing a business relationship;
- in the case of an occasional transaction;
- where there is a suspicion of money laundering or terrorist financing, regardless of any exception, waiver or threshold;
- where there are doubts as to the veracity or sufficiency of identification information previously obtained through the application of client insight measures.

**37.8.** In applying standard client insight measures, the following shall be followed:

- a) identify and verify the client's identity on the basis of documents, data or



information obtained from reliable and independent sources;

**b)** identify the beneficial owner and taking reasonable steps to verify the identity of the beneficial owner;

**c)** understand and, where appropriate, obtain further information on the purpose and nature of the business relationship;

**d)** ongoing monitoring of the business relationship including by analysing the transactions concluded in the course of the business relationship to ensure that these transactions correspond to the information held on the client, its risk profile and business profile, including, where appropriate, on the source of funds, and ensuring that documents, data and information previously obtained are up-to-date and relevant, by carrying out regular checks, in particular for clients in the high risk category.

**37.9.** The identification of clients and beneficial owners will be made by the ML/TF Compliance Officer, with the support of the functional structures within Infinity Capital Investments S.A. that establish a first contact with the respective clients, according to the *Client Identification Form - Annex no. 1*, which are obliged:

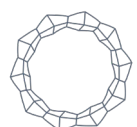
**a)** to request from the clients the documents contained in the *Methodology* annexed to this procedure and to subject them to a rigorous verification, with the client identification documents being kept for the entire duration of the business relationship and thereafter for a period of 5 years from the termination of the business relationship or from the date of the occasional transaction;

**b)** to obtain Information regarding the beneficial owner, if different from the client (in the case of individual clients) or proof of registration for beneficial owners or information from the central registers of beneficial owners, (in the case of legal entity clients) in compliance with the rules on the protection of personal data, whenever they enter into a new business relationship with persons who are subject to the obligation to register beneficial ownership information;

**c)** after consulting the central registers of the Trade register, the Ministry of Justice or A.N.A.F., Infinity Capital Investments S.A., through the ML/TF compliance officer, shall inform the Office and the authorities managing these registers of any inconsistency between the information available in the central registers on beneficial owners and the information on beneficial owners held by them;

**d)** Infinity Capital Investments S.A. may not finalise the application of client insight measures in cases where it suspects a ML/TF activity and considers that the application of the measures would alert the client to this. In this case, the ML/TF Compliance Officer shall immediately submit a suspicious transaction report to the Office;

**e)** Infinity Capital Investments S.A. shall not initiate operations or carry out transactions in the event of any incidents in the client identification process under with this procedure and the legal rules in force;



f) in case the information provided by the client is incomplete, Infinity Capital Investments S.A. may postpone the execution of the transaction until the client provides the complete/updated information, but not later than 30 days from the moment of the request for updating the data. If the requested information is not provided by the client within 30 days, Infinity Capital Investments S.A. may refuse to execute the requested transaction.

**37.10.** Where there is doubt as to whether a client is acting on his own behalf or where it is certain that the client is acting on behalf of another person, the person involved in entering into the relationship with that client is obliged to take appropriate measures to obtain information as to the true identity of the person in whose interest or on whose behalf the client is acting.

**37.11.** In the case of clients who are natural persons, when establishing a business relationship or when carrying out an occasional transaction, the person involved in initiating the relationship shall obtain and enter in its records, prior to the initiation or finalisation of the business relationship, for the purpose of verifying the identity of the client, the beneficial owner and their specific risk factors, the information contained in the *Client insight Form - Natural Person, Declaration on the identity of the beneficial owner, Declaration of Individuals on Publicly Exposed Person Status*. The documentation will be forwarded for review to the ML/TF Compliance Officer, who will compile the *Risk Matrix*.

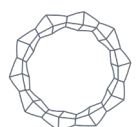
**37.12.** Infinity Capital Investments S.A. will keep a copy of the client's identity document. The client must present photo identification documents, issued in accordance with the law by the legally authorised bodies.

**37.13.** Infinity Capital Investments S.A. has the obligation to verify the information received from the client, on the basis of the primary documents obtained from the client certifying the identity of the client and which will be kept for a period of 5 years, starting from the date when the relationship with the client ends or for the period indicated by the competent authorities, without this extension exceeding 5 years, when applicable.

**37.14.** Upon expiry of the retention period, Infinity Capital Investments S.A. is obliged to delete the personal data, unless other legal provisions require further retention.

**37.15.** In the case of corporate clients or unincorporated entities, the information contained in the *Client Insight Form - Legal Entity, the Declaration of Identity of the Beneficial Owner* and the *Declaration of Individuals on Publicly Exposed Person Status* (for the legal entity representative) will also be asked. The documentation will be submitted for review to the ML/TF Compliance Officer who will will prepare the *Risk Matrix*.

**37.16.** Where a client is represented in dealings with the company by another



person, acting as a legal representative, authorised representative, trustee, guardian, curator, tutor or in any other legal capacity, the company shall obtain and verify appropriate information and documentation as to the identity of the representative, the nature and limits of the representation. In order to identify the person representing the client, Infinity Capital Investments S.A. obtains at least the following information:

- a) surname and name;
- b) date and place of birth;
- c) personal numeric code or, where applicable, other similar unique identifier;
- d) the address where he/she resides and the identification of its legal status, i.e.

whether it is a domicile, residence or other type of identification attribute of the same type;

- e) citizenship.

**37.17.** Copies of documents related to the identification of clients and beneficial owners will be kept both at the functional structure within Infinity Capital Investments S.A. initiating the business relationship and at the ML/TF Compliance Officer, centralised.

**37.18.** Persons within the functional structures who have first contact with a client are obliged to immediately inform, in writing, the company's management and the ML/TF Compliance Officer if there are ML/TF suspicions about the client.

**37.19.** The company applies **simplified** client insight **measures** when:

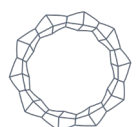
- the information requested from clients leads to a reasonable assessment that the risk is low;
- information about the nature of the business relationship is sufficient and does not trigger additional client insight measures;
- there are no suspicions of the client's involvement in operations subject to international sanctions.

**37.20.** The application of **additional** client insight **measures** is mandatory in at least the following situations:

a) in the case of transactions or business relationships with publicly exposed persons, or with clients whose beneficial owners are publicly exposed persons, including for a period of at least 12 months from the date those persons cease to hold an important public position, Infinity Capital Investments S.A. shall apply, in addition to the standard client insight measures, the following measures:

a.1) obtain Senior Management approval for establishing or continuing business relationships with such persons; the approval decision granted by Senior Management assesses the level of ML/TF risk to which the company would be exposed if it were to establish a business relationship and the extent to which it can effectively manage that risk;

a.2) adopt appropriate measures to establish the source of funds and wealth of the



client and the beneficial owner and the source of funds to be used in the business relationship or transaction with such persons;

**a.3)** perform an increased monitoring of those business relationships on an ongoing basis. As part of its enhanced ongoing monitoring of the risk associated with the business relationship, the company shall identify unusual transactions and regularly analyse the information it holds to ensure that any new or emerging information that may affect the risk assessment is promptly identified; the frequency of the ongoing monitoring shall be determined by the level of risk associated with the relationship;

**a.4)** takes into account the list of important public functions published by the European Commission, the National Integrity Agency and ensures that the holders of the functions are identified.

The above-mentioned provisions also apply to family members of the publicly exposed persons, as well as to persons known to be close associates of the publicly exposed persons.

**b)** in the case of complex and unusually large transactions, including in terms of their value, or unusual patterns of transactions which have no apparent economic, commercial or legal purpose;

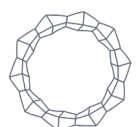
**c)** in the case of business relationships and transactions involving clients/investors from countries which do not apply or insufficiently apply international standards in the field of preventing and combating ML/TF or which are internationally recognised as non-cooperative countries;

**(d)** where the risk associated with the business relationship is high or there are doubts as to the veracity or sufficiency of the information to identify the beneficial owner obtained from central registers organised at the level of the authorities or similar registers in other jurisdictions, the company takes additional steps to identify and verify the beneficial owner; the use of the information provided in such registers is not sufficient to fulfil the obligation to take appropriate and risk-based steps to identify the beneficial owner and verify his/her identity.

Verification of the beneficial owner identity will be carried out by the ML/TF Compliance Officer, as set out in the *Methodology on identifying, assessing and managing risk in the client insight process*.

**37.21.** The acceptance of the client or entity requesting a transaction shall be finalised by the preparation of an analysis based on the verified documents, which shall be submitted by the ML/TF Compliance Officer to the directly responsible ML/TF line manager.

**37.22.** Infinity Capital Investments S.A. does not initiate business relationships or occasional transactions in which the client is not physically present and his/her identity is required to be verified by video connection or similar technological means.



**Art. 38. Rules on reporting to the National Office for Money Laundering Prevention and Combating**

**38.1.** Persons within the functional structures of Infinity Capital Investments S.A. who come into first contact with a client and who have reasonable suspicion of a possible breach of the ML/TF legislation shall immediately inform the ML/TF Compliance Officer in writing.

**38.2.** They shall also immediately inform the ML/TF Compliance Officer, in writing, of any cash transaction or external transfer whose minimum limit is the equivalent in Lei of EUR 10,000, regardless of whether the transaction is realised through one or several operations that are linked.

**38.3.** Infinity Capital Investments S.A. has the obligation to report, in electronic format, to the National Office for Money Laundering Prevention and Combating, through a Report prepared by the ML/TF compliance officer that shall comply with the form provided in the Order of the President of the National Office for Money Laundering Prevention and Combating (O.N.P.C.S.B) for the approval of the form and content of the reports provided in Law no. 129/2019 on preventing and combating money laundering and terrorist financing, as well as for the amendment and completion of some normative acts and the methodology for their transmission, the following situations:

1. Any cash transaction with a minimum limit of the equivalent in RON of EUR 10,000, including related operations, within 3 working days of the transaction at the latest.

2. Any external transfer to and from accounts, in lei or foreign currency, the minimum limit of which is the equivalent in lei of 10.000 EUR, including operations that are related to each other, within 3 working days after the transaction has been carried out.

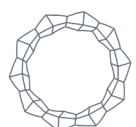
3. Any transaction, irrespective of its amount, prior to the execution of any client related transaction, which is related to the reported suspicion, if in connection therewith it is known, suspected or there are reasonable grounds to suspect that:

a) the property derives from the commission of criminal offences or is related to the financing of terrorism; or

b) the information held may be used to enforce the provisions of Law no. 129/2019 for preventing and combating money laundering and terrorist financing, as well as for amending and supplementing some normative acts.

**38.4.** If there are suspicions that a transaction to be carried out is for the purpose of money laundering or terrorist financing, it shall be reported immediately to the ML/TF Compliance Officer by the person who has first contact with the client.

**38.5.** After analysing the information received, the ML/TF Compliance Officer will immediately forward the prepared documentation to the Senior Management for





approval of the suspicious transaction report.

**38.6.** After obtaining the approval, the ML/TF compliance officer shall immediately inform O.N.P.C.C.S.B. in the form of a *suspicious transaction report*, in electronic format, prior to the execution of any transaction with the client related to the reported suspicion, which report shall contain the information provided in the Order of the O.N.P.C.C.S.B. President on approving the form and content of the reports provided for in Law no. 129/2019.

**38.7.** The transaction shall not be carried out until 24 hours after the date of registration at the Office. If the Office does not order the suspension of the transaction within 24 hours, the Company may carry out the transaction.

**38.8.** Infinity Capital Investments S.A. will immediately implement any decision communicated by the Office on the *suspicious transaction report* submitted.

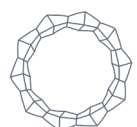
**38.9.** The company may carry out a transaction that is related to the suspicious transaction without prior reporting, if refraining from carrying out the transaction is impossible or if not doing so would diminish efforts to trace the beneficiaries of the suspicious transaction, subject to the obligation to submit a suspicious transaction report exclusively to the Office immediately, but no later than 24 hours after the transaction has been carried out, specifying the reason why the report could not be made before the transaction was carried out.

**38.10.** The Office may request from the Company the data and information necessary for fulfilling its statutory tasks, and the Company shall provide such data and information to the Office exclusively in electronic form, through secure channels which guarantee the complete confidentiality of the requests for information.

**38.11.** Such data and information requested by the Office shall be provided by the Company within a maximum of 15 days from the date of receiving the request, and, for requests of an urgent nature, marked as such, within the time limit indicated by the Office, even if the Company has not submitted a suspicious transaction report, the professional secrecy to which the Company is bound, even if laid down by special laws, not being invoked against the Office.

**38.12.** Infinity Capital Investments S.A.'s management, administration and control bodies, its directors and employees are under an obligation not to transmit, except under the conditions provided by law, information held in connection with money laundering and terrorist financing and not to disclose to the clients concerned or third parties that the information is being transmitted, has been or will be transmitted to the Office, or that a money laundering or terrorist financing analysis is being or may be carried out.

## VI. RESPONSIBILITIES:



This procedure will be implemented by all Infinity Capital Investments S.A. employees.

## VII. PROCEDURE REVIEWS:

Infinity Capital Investments S.A. approves, monitors and revises annually, as well as whenever necessary, at the level of the management structure, the *Procedure on preventing and combating money laundering and terrorist financing through capital market and client identification*, as well as the *Methodology on identifying, assessing and managing client insight risk*, based on its own risk assessments.

The Procedure shall enter into force on the date of approval by the Infinity Capital Investments S.A. Board of Directors and shall be applied together with the provisions of the *Procedure on the implementation of international sanctions*.

Annexes:

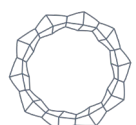
- Annex no. 1 - Client insight form
- Annex no. 2 - Declaration of natural persons on the publicly exposed person status
- Annex no. 3 - Declaration of beneficial owner
- Annex no. 4 - Methodology on identifying, assessing and managing risk
- Annex no. 5 - Risk matrix

**Drawn up**

**Compliance Officer**  
**Mirela Dănescu**

**Approved**

**Legal Directorate**  
**Cristina Mirela Chirilov**



**CLIENT INSIGHT FORM**

Dear Sir/Madam,

Taking into account the regulations on international sanctions / prevention of money laundering and terrorist financing, we are obliged to carry out certain checks in each individual case, regardless of whether or not there are suspicions of such activities.

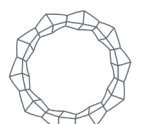
Therefore, please fill-in this form and confirm the correctness of the information by signing it. If you have any questions about the form, please do not hesitate to contact us.

In the event of any changes occurring after it has been filled-in (e.g. name, identity document, address, etc.), you are obliged to inform us about it and fill-in a new Insight form within 30 days of the change date.

**GENERAL INFORMATION ON THE CLIENT - *NATURAL PERSON***

- Surname and name: \_\_\_\_\_
- Pseudonym: \_\_\_\_\_
- National identity number (CNP) / its equivalent for foreigners: \_\_\_\_\_
- Date of birth: \_\_\_\_\_
- Place of birth: \_\_\_\_\_
- Identity card: \_\_\_\_\_ series \_\_\_\_\_ number \_\_\_\_\_
- Issued on \_\_\_\_\_ by: \_\_\_\_\_
- Nationality: \_\_\_\_\_
- Citizenship: \_\_\_\_\_
- Tel./fax: \_\_\_\_\_
- E-mail: \_\_\_\_\_
- Occupation: \_\_\_\_\_
- Name of employer/ Nature of own activity: \_\_\_\_\_
- Permanent domicile: \_\_\_\_\_
- Residence: \_\_\_\_\_

- The beneficial owner (*please fill-in the beneficial owner annex*)



▪ **Publicly exposed person:**

YES       NO

▪ **In the case of a publicly exposed person, the public office held:**

\_\_\_\_\_

▪ **The purpose and nature of the business relationship with Infinity Capital Investments S.A.:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

▪ **The source of funds to be used in carrying out the business relationship:**

\_\_\_\_\_  
\_\_\_\_\_

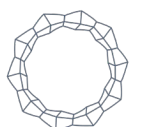
Attach in copy:

- the identity card of the natural person;
- other additional documents requested to justify the transaction, if applicable:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Being aware of the provisions of the Penal Code on false statements, by filling-in this form I confirm that the above information is accurate, true and complete and that I am fully responsible for it to any competent authority.

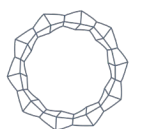
I confirm that I have received the Information Notice on the processing of personal data.



Surname and name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature



## INFORMATION NOTICE ON THE PROCESSING OF PERSONAL DATA IN THE CLIENT INSIGHT PROCESS

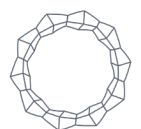
The personal data of clients / beneficial owners / shareholders / authorised agents / any other persons involved in the opening / conduct of the business relationship are processed solely for the purpose of preventing and combating money laundering and terrorist financing and are kept in the database of Infinity Capital Investments S.A. and updated according to the changes, in compliance with the specific legislation on personal data protection.

Infinity Capital Investments S.A. prepares and keeps, in electronic and/or paper format, as appropriate, commercial correspondence, records of the persons with whom it enters into business relations, including copies of identification documents and other documents requested from them, measures taken in order to verify the reality of the information, analyses and assessment related to the identification of each person with whom it enters into business relations.

All documents related to client insight measures (client identification documents, queries in IT applications, internal or public sources, records, internal reassessments and reports, correspondence, supporting documents, transaction records, etc.) shall be kept and archived for the period prescribed by law.

The personal data collected and processed in the client insight process by Infinity Capital Investments S.A. is done only in compliance with the provisions of Regulation (EU) 2016/679 on the protection of individuals with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation) and with Law no. 190/2018 on implementing measures for Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC.

More information about the processing of personal data by Infinity Capital Investments S.A. can be found on our website <https://infinitycapital.ro/en/protectia-datelor-cu-caracter-personal/>.



**CLIENT INSIGHT FORM**

Dear Sir/Madam,

Taking into account the regulations on international sanctions / prevention of money laundering and terrorist financing, we are obliged to carry out certain checks in each individual case, regardless of whether or not there are suspicions of such activities.

Therefore, please fill-in this form and confirm the correctness of the information by signing it. If you have any questions about the form, please do not hesitate to contact us.

In case of any changes subsequent to its filling-in (e.g. name, shareholding structure, address, etc.), you are obliged to inform us about it and fill-in a new Insight form within 30 days from the change date.

**GENERAL INFORMATION ON THE CLIENT - *LEGAL ENTITY***

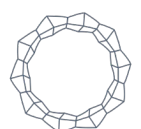
- Full trade name: \_\_\_\_\_
- Legal form: \_\_\_\_\_
- Tax identification number and/or Trade Register registration number/European Union Identification Number (EUID) and/or equivalent information: \_\_\_\_\_

- Unique registration code / equivalent (for foreign persons): \_\_\_\_\_

- Type and nature of activity: \_\_\_\_\_

- The credit institution through which payment is made for the value of activities or services rendered: \_\_\_\_\_

- The I.B.A.N. code through which the value of the activities or services rendered is paid: \_\_\_\_\_



- Full address of registered office:

\_\_\_\_\_

- Full address of the real establishment (if applicable):

\_\_\_\_\_

- Full address of the branch (if applicable):

\_\_\_\_\_

- Associates/shareholders structure:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- Tel./fax: \_\_\_\_\_

- E-mail: \_\_\_\_\_

- Website: \_\_\_\_\_

- Purpose and nature of the operations carried out with Infinity Capital Investments S.A.:

\_\_\_\_\_  
\_\_\_\_\_

- Identity of the beneficial owner (***\*Declaration on the beneficial owner to be filled-in and attached***)

- Identity of **the legal representative** authorised to represent the client in relations with third parties:

- Surname and name: \_\_\_\_\_

- Pseudonym: \_\_\_\_\_

- National identity number (CNP) / its equivalent for foreigners:

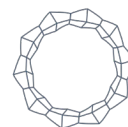
\_\_\_\_\_

- Date of birth: \_\_\_\_\_

- Place of birth: \_\_\_\_\_

- Identity card: \_\_\_\_\_ series \_\_\_\_\_ number \_\_\_\_\_

- Issued on \_\_\_\_\_ by: \_\_\_\_\_





- Nationality: \_\_\_\_\_
- Citizenship: \_\_\_\_\_
- Tel./fax: \_\_\_\_\_
- E-mail: \_\_\_\_\_
- Occupation: \_\_\_\_\_
- Name of employer/Nature of own activity: \_\_\_\_\_

- Permanent domicile: \_\_\_\_\_
- Residence: \_\_\_\_\_

● **Publicly exposed person:**

YES       NO

- **In the case of a publicly exposed person, the public office held:** \_\_\_\_\_

Attach in copy:

- the articles of association;
- the power of attorney given to the person representing the client, if he/she is not the legal representative;
- the certificate of company details issued by the National Trade Register Office (for companies) or similar authorities in the country of origin and equivalent documents certifying the registration of the beneficial owner.

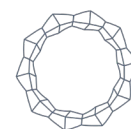
Being aware of the provisions of the Penal Code on false statements, by filling-in this form I confirm that the above information is accurate, true and complete and that I am fully responsible for it to any competent authority.

I confirm that I have received the Information Notice on the processing of personal data.

Surname and name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature



## NOTICE ON THE PROCESSING OF PERSONAL DATA IN THE CLIENT INSIGHT PROCESS

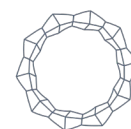
The personal data of clients / beneficial owners / shareholders / authorised agents / any other persons involved in the opening / conduct of the business relationship are processed solely for the purpose of preventing and combating money laundering and terrorist financing and are kept in the database of Infinity Capital Investments S.A. and updated according to the changes, in compliance with the specific legislation on personal data protection.

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ANEXA 2

**Declarația persoanelor fizice cu privire la statutul de persoană expusă public**

**Declaration of a natural person on his public exposed person status**

Pentru a respecta prevederile Regulamentului de aplicare a prevederilor Legii 129/2019 pentru prevenirea și sancționarea spălării banilor și ale finanțării terorismului, instituțiile financiare trebuie să stabilească statutul de persoană expusă public a clienților săi persoane fizice.

*In order to observe the provisions of Regulation for application of Law 129/2019 on preventing and sanctioning the money laundering the financial institutions have to establish the public exposed person status of their customers, natural persons.*

**DECLARAȚIE privind statutul de persoană expusă public**

**STATEMENT on Public Exposed Person status**

Subsemnatul(a) \_\_\_\_\_, domiciliat în \_\_\_\_\_ Str. \_\_\_\_\_ nr. \_\_\_\_\_, bl. \_\_\_\_\_, sc. \_\_\_\_\_, et. \_\_\_\_\_, apt. \_\_\_\_\_, județ/sector \_\_\_\_\_, posesor al \_\_\_\_\_, seria/nr \_\_\_\_\_ eliberat de \_\_\_\_\_ la data de \_\_\_\_\_, cod numeric personal \_\_\_\_\_, declar pe propria răspundere, sub sancțiunea legii:

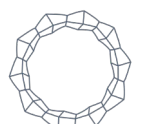
*I, the undersigned, \_\_\_\_\_, permanent address in*

\_\_\_\_\_, No. \_\_\_\_\_, \_\_\_\_\_ Str., bl. \_\_\_\_\_, entrance \_\_\_\_\_, \_\_\_\_\_ floor,

apt. \_\_\_\_\_, \_\_\_\_\_ county/district \_\_\_\_\_, holder of \_\_\_\_\_, series/no.

\_\_\_\_\_, issued by \_\_\_\_\_ on \_\_\_\_\_, personal number \_\_\_\_\_, hereby state1 under my

own responsibility, under the sanctions stipulated by law:

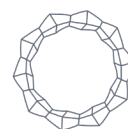


1. Subsemnatul dețin sau am am deținut mai recent de un an de la prezenta una din funcțiile:

- șef de Stat, șef de guvern, membru al Parlamentului, membru al Guvernului, secretar de stat, membru al organelor de conducere ale partidelor politice, membru al Curții Constituționale, membru al Curții Supreme sau al altei instanțe ale căror hotărâri nu pot fi atacate decât prin intermediul unor căi extraordinare de atac, membru al organelor de conducere a Curții de Conturi sau altui organ asimilat, membru în consiliul de administrație al unei bănci centrale, ambasador, însărcinat cu afaceri, ofițer de rang înalt în cadrul forțelor armate;
- membru în consiliul de administrație sau în consiliul de supraveghere, persoană cu funcție de conducere în regii autonome, în societăți comerciale cu capital majoritar de stat sau în companii naționale;
- director, director adjunct, membru al consiliului de administrație sau membru al organelor de conducere din cadrul unei organizații internaționale.

*1. The undersigned is or have been in charge with such important public duties within one year of issuing this statement:*

- head of state, head of Government, member of Parliament, minister, deputy minister, assistant minister, member of the governing bodies of political parties;*
- member of Constitutional Court, of Supreme Court or of other high-level judicial bodies whose decisions are not subject to further appeal, except in exceptional circumstances;*
- member of the governing bodies of Court of Auditors or of the boards of central banks;*
- ambassadors, charge d'affaires and high-ranking officers in the armed forces;*
- member in the board of directors or in the supervisory board, person with a management position in autonomous kingdoms, in commercial companies with majority state capital or in a national companies;*
- director, deputy director, member of the board of directors or member of the governing bodies of an international organization.*



2. Subsemnatul sunt membru direct al familiei unei persoane din categoriile de mai sus:

- soț/soție/concubin,
- copil sau soț/soție/concubin al copilului acestora,
- părinte.

*2. The undersigned is an immediate family member of one person in the categories set out in point 1.*

- husband/spouse/person who is in a cohabiting relationship,*
- children or husband/spouse/person who is in a cohabiting relationship of their child,*
- parents.*

3. Subsemnatul:

- Am o relație de afaceri strânsă cu o persoană aflată în categoriile de la punctul 1;
- Dețin sau am o influență semnificativă asupra unei persoane juridice, a unei entități sau construcții juridice înființate în beneficiul uneia dintre persoanele prevăzute la punctul 1.

*3. The undersigned is:*

*- A natural person who is known to have joint beneficial ownership of legal entities or legal*

*arrangements, or any other close business relations, with a person referred to in paragraph 1.*

*- A natural person who has sole beneficial ownership of a legal entity or legal arrangement which is known to have been set up for the benefit de facto of the person referred to in paragraph 1.*

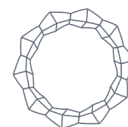
4. Subsemnatul nu se încadrează în niciuna din categoriile de mai sus.

*4. The undersigned is none of the categories set out in paragraphs 1-3.*

Nume client / *Client's name* \_\_\_\_\_

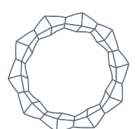
Semnatura / *Signature:* \_\_\_\_\_

Data / *Date:* \_\_\_\_\_



În cazul în care clientul se încadrează în categoria PEP, intrarea în relații de afaceri se face cu avizul Ofițerului de conformitate SB/FT pentru persoanele care dețin funcții locale, iar pentru persoanele cu funcții la nivel național sau nerezidente, cu aprobarea Consiliului de Administrație.

*If the customer is a politically exposed person, the business relationship may be established following the AML officer's advice for head of local authorities and following the Board Directors's approval for heads of national authorities or foreign citizens.*



**DECLARATION**  
**on the beneficial owner's identity**

I, the undersigned client\*....., declare on my own responsibility, under penalty of law:

- that the undersigned is the real beneficiary of the operation/transaction;
- that the real beneficiary/beneficiaries is/are:

1)

- Surname and name: \_\_\_\_\_
- National identity number (CNP) / its equivalent for foreigners: \_\_\_\_\_

- Date of birth: \_\_\_\_\_
- Nationality: \_\_\_\_\_
- Citizenship: \_\_\_\_\_
- Nature of the relationship: \_\_\_\_\_
- Nature of the activity carried out: \_\_\_\_\_
- **Publicly exposed person:**

YES       NO

- **In the case of a publicly exposed person, the public office held:**

- **Family member of a publicly exposed person:**

YES       NO

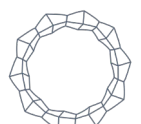
- **Close associate of a publicly exposed person:**

YES       NO

2)

- Surname and name: \_\_\_\_\_
- National identity number (CNP)/its equivalent for foreigners: \_\_\_\_\_

- Date of birth: \_\_\_\_\_
- Nationality: \_\_\_\_\_
- Citizenship: \_\_\_\_\_



▪ Nature of the relationship: \_\_\_\_\_

▪ Nature of the activity carried out: \_\_\_\_\_

▪ **Publicly exposed person:**

YES       NO

▪ **In the case of a publicly exposed person, the public office held:**

\_\_\_\_\_

▪ **Family member of a publicly exposed person:**

YES       NO

▪ **Close associate of a publicly exposed person:**

YES       NO

**3)**

▪ Surname and name: \_\_\_\_\_

▪ National identity number (CNP) / its equivalent for foreigners:

\_\_\_\_\_

▪ Date of birth: \_\_\_\_\_

▪ Nationality: \_\_\_\_\_

▪ Citizenship: \_\_\_\_\_

▪ Nature of the relationship: \_\_\_\_\_

▪ Nature of the activity carried out: \_\_\_\_\_

▪ **Publicly exposed person:**

YES       NO

▪ **In the case of a publicly exposed person, the public office held:**

\_\_\_\_\_

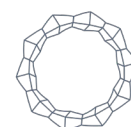
▪ **Family member of a publicly exposed person:**

YES       NO

▪ **Close associate of a publicly exposed person:**

YES       NO

• source of funds: \_\_\_\_\_





The undersigned client undertakes to notify Infinity Capital Investments S.A. of any changes to the declared information.

Misrepresentation of the above-mentioned data is punishable under the provisions of the Penal Code on false statements.

Place and date

Client's signature

.....

.....

*N.B.: Infinity Capital Investments S.A. reserves the right to refuse to carry out the transactions ordered by the client/terminate relations with the client in case of false statements or if it has suspicions about the reality of what the client has declared.*

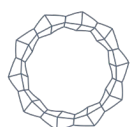
*\* natural person/legal entity.*

I confirm that I have received the Information Notice on the processing of personal data.

Surname and name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature



## INFORMATION NOTICE ON THE PROCESSING OF PERSONAL DATA IN THE CLIENT INSIGHT PROCESS

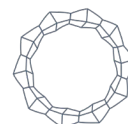
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## Methodology on identifying, assessing and managing the Infinity Capital Investments S.A. client insight process risks

In order to identify, assess and manage risk in the client insight process, Infinity Capital Investments S.A. is preparing this Methodology (risk management), a document that will be taken into account in the application of client insight measures.

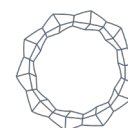
### CHAPTER I - CLIENT IDENTIFICATION

#### A. Documents required for the application of client insight measures

When establishing a business relationship or when carrying out an occasional transaction, the persons within the functional structures who enter into a first contact with a new client must obtain and retrieve in the Company's records, prior to the initiation or the finalisation of the business relationship, for the purpose of verifying the identity of the client, the beneficial owner, as well as updating existing data, as appropriate, the following information in complete and correct form, regarding:

##### 1. For **individual** clients:

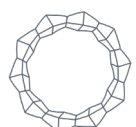
- all civil status data provided in the identity documents required by law:
  - full name and pseudonym, if applicable;
  - date and place of birth;
  - personal numeric code or its equivalent for foreigners;
  - identity document number and serial number;
  - permanent domicile/residence (full address - street, number, building, entry, floor, flat, town, county/sector, postcode, country) and identification of its legal status;
  - nationality and country of origin;
- as well as:
  - the occupation and, where appropriate, the name of the employer or the nature of the activity;
  - telephone number, e-mail address, if available;
  - the purpose and nature of the business relationship with the regulated entity;
  - the source of funds to be used in carrying out the business relationship;
  - categorisation as a publicly exposed person or being a family member of a publicly exposed person or known close associate of a publicly exposed person;



- information relating to the beneficial owner, if different from the client, i.e. name and surname, date of birth, personal identification number, or its equivalent for foreign persons or, if applicable, other similar unique identifier, country of residence, nationality, nature of the relationship that gave rise to the qualification as beneficial owner, and the nature of the business carried out, whether the beneficial owner is a publicly exposed person or a family member of a publicly exposed person or a person known to be a close associate of a publicly exposed person, and information on the specific risk factors; in this regard, the client will be required to provide evidence of having submitted the declaration of beneficial owner.

**2.** In the case of clients that are **legal persons**, trusts or similar legal arrangements, or entities without legal personality, the particulars contained in the articles of association or the certificate of registration and the particulars of the legal representative of the legal person concluding the contract:

- name;
- legal form;
- tax identification number and/or Trade Register registration number/European Union Identification Number (EUID) and/or equivalent information for foreign legal entities;
- unique registration code (CUI) or its equivalent for foreign persons;
- the credit institution and the I.B.A.N. code through which payment is made for the value of the activities or services provided;
- the information referred to in point 1 for persons representing the client in dealings with the company;
- the registered office and, where applicable, the real registered office or, where appropriate, the registered office of the branch;
- shareholder/associates structure;
- telephone, fax and, where appropriate, e-mail, website address;
- the purpose and nature of the operations carried out with the company;
- the name of the beneficial owner, their identification data, the nature of the relationship that gave rise to the qualification in this capacity, the nature of the activity they carry out;
- proof of registration for the beneficial owner or information from the central registers required by law or similar registers in other jurisdictions, if available;
- the type and nature of the activity carried out;
- categorisation of the beneficial owner as a publicly exposed person or being a family member of the publicly exposed person or a person known to be a close associate of a publicly exposed person.



3. All of the above information will be filled-in by the client in the *Client Insight Form*, together with the *Declaration of Beneficial Owner* and *Declaration on the Publicly Exposed Person Status*.

4. For verifying the identity of the beneficial owner in the case of legal entity clients, trusts or other similar arrangements, the ML/TF compliance officer shall access the central registers of the O.N.R.C., Ministry of Justice or A.N.A.F. in cases where the documents and information held or in relation to the plausibility of the information obtained from the clients:

- the identity of the beneficial owner cannot be established or verified;
- risk factors specific to the beneficial owner cannot be established or verified;
- the proposed business relationship or the requested occasional transaction presents an increased ML/TF risk.

5. The senior management members who make binding decisions on behalf of the client will only be identified under the following conditions:

a) all possible means of identifying the natural person who owns or controls the client have been exhausted;

b) there is no suspicion of ML/TF due to inability to identify the natural person who owns or controls the client;

c) the reason given by the client as to the impossibility to identify the natural person who owns or controls it is plausible.

6. The reasons for identifying senior management members will be recorded and documented.

7. In the case of foreign legal entities, a translation into Romanian of the documents stipulated in item 2, notarized according to the law, will be requested.

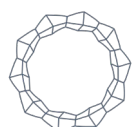
8. Where a client is represented in dealings with the Company by another person, acting as a legal representative, authorised representative, trustee, guardian, tutor or in any other legal capacity, the persons within the functional structures who come into first contact with a client shall obtain and verify the appropriate information and documents regarding the identity of the representative, the nature and limits of the representation. In order to identify the person representing the client, at least the following information shall be obtained:

a) name and surname;

b) date and place of birth;

c) personal numeric code or, where applicable, other similar unique identifier;

d) the address where he/she resides and the identification of its legal status, i.e.



whether it is a domicile, residence or other type of identification attribute of the same type;

e) citizenship.

## **B. Identification of the beneficial owner**

1. Persons within the functional structures who have first contact with a client will request the *Declaration of Beneficial Owner* from the client.

2. The beneficial owner information will be verified by the ML/TF Compliance Officer by accessing:

a) the central register organised at the level of the National Trade Register Office for legal persons required to be registered in the Trade Register, with the exception of autonomous state companies, national companies and enterprises;

b) the central register kept by the Ministry of Justice for associations and foundations;

c) the central register kept by the National Agency for Tax Administration in the case of trusts or similar legal constructions.

## **C. Processing of personal data**

All documents obtained from the client will be accompanied by a *Consent to the processing of personal data* clearly specifying the purpose of the processing.

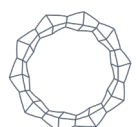
Data will be processed confidentially, in compliance with the security measures for processing personal data.

## **CHAPTER II - CLIENT ASSESSMENT AND CLIENT RISK MANAGEMENT**

### **D. Risk Matrix**

Upon receipt of the documents mentioned in the previous chapter, the persons within the functional structures who come into a first contact with a client shall forward the documentation to the ML/TF Compliance Officer who will analyse the specific risk factors and prepare the *Risk Matrix*.

In order to assess the risk of ML/TF to which the Company is subject at the level of the business conducted, the ML/TF risk assessment is first analysed on an individual client-by-client basis, taking into account the ML/TF risk associated with the type of clients, the jurisdictions in which the clients operate (geographical areas), the products/services of the transactions, and the distribution channels used.



## 1. Categories and sources of information used in the evaluation

Depending on the risks, taking into account the nature, scale and complexity of Infinity Capital Investments S.A.'s business, for assessing and managing ML/TF risks, the ML/TF Compliance Officer will analyse information identified from the following reliable and independent sources:

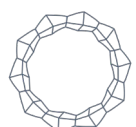
- a) European level risk assessment carried out by the European Commission;
- b) information and assessments carried out by national competent authorities on risks at national level, policy statements and warnings or explanatory memoranda for relevant legislation;
- c) information from the Office, F.S.A. and other authorities and institutions, such as specific guidelines, guides, instructions or warnings, as well as, where appropriate, reasons for imposing fines for breaching the applicable ML/TF regulations or reports on threats, alerts, typologies;
- d) information obtained in the process of implementing MLC/TFC measures, including client insight information;
- e) other sources of information that may be considered in the context of ML/TF risk identification: own professional knowledge and expertise, information from financial sector bodies, such as emerging typologies and risks (FATF, Opinion EBA-OP-2016-07 on the application of client due diligence to clients who are asylum seekers from third countries or from countries with high ML/TF risk), information from the civil society, such as corruption perception indices and country reports, information from international standard-setting bodies, such as peer review reports or lists of countries or jurisdictions with shortcomings in the implementation of relevant international standards in national systems to prevent and combat ML/TF, information from credible and reliable open sources, including those obtained from open sources, information from credible and reliable commercial organisations or information from statistical organisations and academia.

Different degrees of data and information independence will be taken into account, to be determined according to the extent to which the person or entity that originally issued or provided the data or information:

- a) has a direct personal, professional or family relationship with the client;
- b) could be influenced by the client.

**Risk factors to be considered when identifying the risk associated with the level of predicate money laundering offences include:**

- a) the existence of information from relevant and reliable sources (such as corruption perception indices; OECD country reports on implementing the OECD Convention against Bribery; United Nations Office on Drugs and Crime report, etc.) on the



level of predicate money laundering offences, e.g. corruption, organised crime, tax offences and serious fraud;

**b)** the existence of information from a number of relevant and reliable sources on the ability of the jurisdiction's investigative and judicial system to investigate and prosecute these offences effectively.

## **2. Assessing risk factors associated with actual clients and beneficiaries**

The identification of the risk associated with clients and beneficial owners shall consider the risk associated with the business or professional activity, reputation, nature and behaviour of the client and the client's beneficial owner, including whether this could indicate an increased risk of terrorist financing.

### **2.1. In terms of risk factors associated with the activity or work:**

**a)** the client or beneficial owner is related to:

**(i)** sectors frequently associated with a higher risk of corruption (such as construction, pharmaceuticals and healthcare, arms trade and the defence sector, extractive industries or public procurements, etc.);

**(ii)** sectors associated with a higher risk of money laundering or terrorist financing (e.g. certain segments of the payment institutions and foreign exchange sector, casinos or dealers in precious metals, etc.);

**(iii)** cash-intensive sectors;

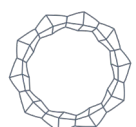
**(iv)** political activities, being a publicly exposed person or having relevant connections with a publicly exposed person;

**b)** the nature of the activity or the nature of the legal constitution, in the case of legal entity clients;

**c)** the client or beneficial owner holds an important position or benefits from a high public official status which may allow him/her to abuse this position for his/her own self-interest (e.g. he/she has decision-making power or can influence the actions of central or local public administration);

**d)** the client is a legal person subject to transparency and disclosure obligations which ensure that reliable information about the beneficial owner is publicly available (e.g. a company listed on a stock exchange which makes its listing subject to such disclosure);

**e)** the client is a credit or financial institution acting on its own account in a jurisdiction where there is an effective ML/TF prevention and combating regime and is supervised for compliance with local ML/TF prevention and combating obligations; there is evidence that the client has been subject to supervisory sanctions or measures were





imposed on it for failure to comply with ML/TF prevention and combating obligations or more general conduct of business requirements in recent years;

**f)** the client is a public administration institution or public enterprise in a jurisdiction with low levels of corruption;

**g)** the profile of the client or beneficial owner is consistent with what is known at the level of the Company about its past, present or expected activity, its company's turnover, the source of funds and the source of wealth of the client or beneficial owner.

**2.2.** With regard to risk factors associated with the reputation of the client or beneficial owner, the ML/TF compliance officer shall verify:

**a)** the existence of negative media reports or other relevant sources of information about the client, such as allegations against the client or the beneficial owner for having committed criminal offences or terrorist acts; the credibility of the allegations will be determined on the basis of the quality and independence of the data source and the persistence of the allegations, among other considerations, without considering the absence of criminal conviction as sufficient to dismiss the allegations of wrongdoing;

**b)** the assets of the client, the beneficial owner or any person known to the public to be closely connected with him/her have been frozen as a result of administrative or criminal proceedings or as a result of allegations of terrorism or terrorist financing; it will be analysed whether there are reasonable grounds to suspect that, at some time in the past, the client or the beneficial owner or any person known to the public to be closely connected with him/her has been subject to such an asset freezing action;

**c)** whether there has in the past been a suspicious transaction report in respect of the client or beneficial owner;

**d)** the existence of insider information on the integrity of the client or beneficial owner, obtained, for example, in the course of a long-term business relationship.

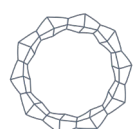
**2.3.** With regard to risk factors associated with the nature and behaviour of the client or beneficial owner, it shall be verified whether:

**a)** there are doubts about the veracity or accuracy of the client's or the beneficial owner's identity;

**b)** there are indications that a client may be seeking to avoid establishing a business relationship (e.g. the client is seeking to carry out a single transaction or several transactions in several instalments when it would make more economic sense to establish a business relationship);

**c)** the client's ownership and control structure is transparent and logical or is complex or opaque, in which case there is a clear commercial or legal justification for this;

**d)** the client issues bearer shares or has nominee shareholders (client established in jurisdictions that still regulate this type of holdings);



e) the client is a legal person or has a legal agreement that can be used as an investment vehicle;

f) there is a good reason for changes in the ownership and control structure of the client;

g) the client requests transactions that are complex, unusual or unexpectedly large or have an unusual or unexpected pattern, apparently without economic or legal purpose or without good commercial justification; there is reason to suspect that the client is attempting to circumvent certain reporting thresholds;

h) the client requests unnecessary or unreasonable levels of secrecy (e.g. the client is reluctant to share information in the process of implementing client insight measures or appears to wish to conceal the true nature of their business);

i) the source of the client's or beneficial owner's wealth or source of funds can be easily explained (e.g. due to the occupation, inheritance or investment and the explanation is plausible or not);

j) the client uses the goods and services he/she has obtained as intended when the business relationship was initiated or for other purposes;

k) where the client is a non-resident, there is a sound economic and legal justification why the client requires the type of financial service sought or why the client's needs can be better met elsewhere;

l) the client is a non-profit organisation whose activities may be abused for the purpose of terrorist financing;

m) the client is a third country national who applies for residence rights or Romanian citizenship in exchange for capital transfers, the acquisition of property or government bonds or investments in corporate entities.

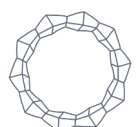
**Risk factors associated with the client that can lead to risk mitigation are:**

- The client is an institutional investor whose status has been verified by a government agency in the European Economic Area, e.g. a government-approved pension scheme;

- The client is a company in a state of the European Economic Area or in a third country where there are requirements to prevent and combat ML/TF no less stringent than those laid down in national law;

**3. Assessing risk factors associated with countries and geographical areas**

**3.1.** In identifying the risk associated with specific countries/geographical areas, the ML/TF Compliance Officer shall consider the risk associated with the jurisdictions where the client and the beneficial owner are established/reside, have their main place of



business, or have relevant personal or business connections or relevant financial or legal interests.

**3.2.** Depending on the nature and purpose of the business relationship, it will determine the relative importance of the risk factors in each country and geographical area and the risk factor weighting measures in accordance with F.S.A. Regulation no. 13/2019. The following issues may be relevant for identifying these risks:

**a)** verifying the level of money laundering predicate offences and the effectiveness of the legal system in the state of origin for the funds used in the business relationship with Infinity Capital Investments S.A., when the funds were generated abroad;

**b)** analysing suspicions that may arise on the basis of information held by the Company in relation to the purpose and nature of the business relationship when funds are received from or transmitted to jurisdictions where groups known to be operating terrorist criminal groups are known to be active;

**c)** paying particular attention to the adequacy of the regime for preventing and combating ML/TF, supervisory action on preventing and combating ML/TF where the client is a credit or financial institution;

**d)** determining the extent to which the state of registration for the client and, where applicable, the beneficial owner effectively complies with international standards on tax transparency and exchange of information, where the Company's client is a legal arrangement or trust.

**The risk factors to take into account when identifying the effectiveness of a jurisdiction's anti-money laundering or anti-terrorist financing regime include:**

**a)** the clients, whether natural or legal persons, are resident or established in third countries identified by the European Commission as presenting a high risk of ML/TF; in such situations additional client insight measures will always be applied;

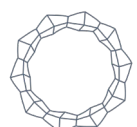
**b)** there is information from a number of credible and relevant sources on the quality of ML/TF prevention and control procedures within the jurisdiction, including information on the quality and effectiveness of regulatory enforcement and supervision, such as:

**(i)** mutual evaluation reports of the Financial Action Task Force (FATF) or other FATF-like regional bodies;

**(ii)** FATF list of high risk and non-cooperative jurisdictions;

**(iii)** international Monetary Fund (IMF) assessments and Financial Sector Assessment Programme (FSAP) reports.

**The risk factors to take into account when identifying the level of terrorist financing risk associated with a jurisdiction include:**



a) the existence of information, for example from law enforcement or relevant and reliable open media sources, suggesting that a jurisdiction provides funding or support for terrorist activities or that groups committing terrorist offences are known to operate in that State or territory;

b) if the jurisdiction is subject to financial sanctions, embargoes or measures which are related to terrorism, terrorist financing or proliferation and which are issued, for example, by the United Nations or the European Union.

**The risk factors to take into account when identifying the level of transparency and tax compliance of a jurisdiction include:**

a) the existence of information from a number of relevant and reliable sources as to whether that State has been judged to be in compliance with international standards on tax transparency and exchange of information; the existence of evidence that the specific rules are being effectively implemented in practice;

b) the jurisdiction is committed to comply with and has effectively implemented the Common Reporting Standard on Automatic Exchange of Information, which was adopted at the G20 in 2014;

c) the jurisdiction has established relevant and accessible registers of beneficial owners.

**Risk factors that increase the risk associated with geographical areas:**

- The clients (natural/legal person) are residents of or established in countries that the authorities have identified as presenting a high risk of ML/TF;

- Analysis of information from a number of credible and relevant sources on the quality of ML/TF control procedures, namely: FATF reports, list of high-risk jurisdictions, IMF assessments and other reports under the Financial Sector Assessment Programme;

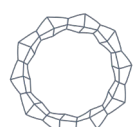
- Information provided by law enforcement or other reliable open media sources suggesting that a jurisdiction provides funding for terrorist activities;

- The jurisdiction is subject to financial sanctions, embargoes or measures related to terrorism, terrorist financing and which are issued by the UN and the EU.

#### **4. Assessing risk factors associated with products, services and transactions**

The ML/TF Compliance Officer shall identify the risk associated with products, services and transactions, including, but not limited to, the risk associated with:

a) assessing the level of transparency or opacity allowed by the product, service or transaction in question:



(i) the extent to which the client or beneficial owner or beneficiary structures can remain anonymous or their identity can be easily concealed (e.g. in the case of products or services such as bearer shares, trust deposits, offshore legal arrangements or entities and certain trust funds, as well as legal entities such as foundations that may be structured in such a way as to take advantage of anonymity and allow transactions to be conducted with shell companies or companies with nominee shareholders);

(ii) the possibility for a third party outside the business relationship to issue instructions;

**b) examining the complexity of the product, service or transaction:**

(i) the extent to which the transaction is considered complex and does or does not, for funding purposes, involve multiple parties or multiple jurisdictions, or the extent to which the transactions are straightforward, e.g. regular payments;

(ii) the extent to which the products or services provided allow third parties to make payments or accept overpayments when these are not normally expected; where third party payments are expected, the extent to which the identity of the third party is known, for example, whether it is an authority acting for the benefit of the State or a guarantor; the extent to which the products and services are financed exclusively by transferring funds from the client's own account opened with another financial institution subject to ML/TF prevention and combating and supervision standards comparable to those provided for under Law 129/2019.

(iii) the extent to which the risks associated with its new or innovative product or service are understood, in particular where it involves the use of new technologies or payment methods;

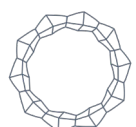
**c) the value or size of the product, service or transaction:**

(i) the extent to which the products or services provided involve a high cash flow, such as many payment services, but also certain current accounts;

(ii) the extent to which the products or services provided facilitate or encourage large-value transactions; the existence of ceilings on transaction values or premium levels that may limit the use of the product or service for money laundering and terrorist financing purposes.

**Risk factors that may contribute to increased risk associated with products, services and transactions:**

- Transactions are unusually large;
- Payments to third parties are possible;



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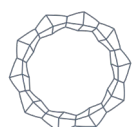
- The product or service in question is used for subscriptions which are quickly followed by buy-back possibilities with limited intervention from the person within the SSIF that manages the investment portfolio.

## **5. Regarding the risk factors associated with the distribution channel**

**5.1.** When identifying the risk associated with the manner in which the client obtains the products or services he/she requests, the ML/TF Compliance Officer shall examine the risk associated with the representative or intermediary persons, i.e. the nature of their relationship with the company.

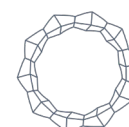
**5.2.** To this end, the following factors will be taken into account:

- a)** physical presence of the client for identification purposes;
- b)** the extent to which the Company can rely on client insight measures, performed in accordance with European Economic Area standards by another entity, and assess the Company's exposure to excessive ML/TF risk, if the client is introduced by another entity belonging to the same financial group or by a third party financial or non-financial institution, which is not part of the same group as Infinity Capital Investments S.A.



**Individual risk matrix:**

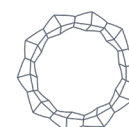
	Risk indicators	%	Inherent risk	Measures	Residual risk	Tolerance
<b>A</b>	<b>Assessment of risk factors associated with clients and beneficiaries:</b>	<b>100%</b>				
	The client or beneficial owner is connected to sectors frequently associated with a higher risk of corruption, sectors associated with a higher risk of money laundering or terrorist financing, sectors involving significant amounts of cash, political activities, being a publicly exposed person or having relevant links to a publicly exposed person / holds an important position or has a high public official status which may allow him/her to abuse this position for his/her own benefit	30				
	There is evidence that the client has been subject to supervisory sanctions or measures imposed on him/her for failure to comply with obligations to prevent and combat ML/TF / Assets of the client, the beneficial owner or any person publicly known to be closely connected to him/her have been frozen as a result of administrative or criminal proceedings or as a result of terrorism or terrorist financing charges	20				
	The existence of negative media reports or other relevant sources of information about the client, such as allegations of criminal or terrorist offences against the client or the beneficial owner / Negative insider information about the integrity of the client or the beneficial owner, obtained, for example, in the context of a long-standing business relationship	10				
	The client or beneficial owner has been the subject of a suspicious transaction report in the past or has been the subject of an information request from the authorities	5				
	Client's ownership and control structure is complex or opaque / Client issues bearer shares or has nominee shareholders / The client's or beneficial owner's source of wealth or source of funds cannot be easily explained	5				
	The client is a non-profit organisation whose activities may be abused for the purpose of terrorist financing	25				



	The client is a third-country national who applies for residence rights or Romanian citizenship in exchange for capital transfers, the acquisition of property or government bonds or investments in corporate entities	5				
<b>B</b>	<b>Assessment of risk factors associated with countries and geographical areas:</b>	<b>100%</b>				
	The level of the main crimes associated with money laundering and the effectiveness of the legal system in the state of origin of the funds used in the business relationship with the Company, if the funds were generated abroad	30				
	Non-compliance with international tax transparency standards	30				
	The client's jurisdiction is subject to financial sanctions, embargoes or terrorism-related measures	40				
<b>C</b>	<b>Assessing risk factors associated with products, services and transactions:</b>	<b>100%</b>				
	The transaction is considered complex and may or may not involve more than one party or more than one jurisdiction for funding purposes	30				
	Transactions are not direct (e.g. making unregular payments)	10				
	Transactions with no obvious economic purpose	20				
	The products or services provided are cash-intensive, facilitate or encourage large value transactions	40				
<b>D</b>	<b>Assessment of distribution channel risk factors :</b>	<b>100%</b>				
	Physical presence of the client for identification purposes	20				
	Using an intermediary	50				
	The extent to which the Company can rely on client insight measures carried out according to European Economic Area standards by another entity	30				

Legend:

Inherent risk	Measures	Residual risk
1 - Low	1 - High	1 - Low
2 - Average	2 - Average	2 - Average
3 - High	3 - Low	3 - High





After assessing the client's ML/TF risk, according to the matrix presented above the **activity level risk matrix** will be compiled based on the weights resulting from the individual level assessments:

Risk factors	%	Inherent risk	Measures	Residual risk	Risk appetite
<b>Assessed activity risk</b>	<b>100%</b>				
Clients	60%				
Geographical areas	5%				
Products/services/trades	30%				
Distribution channels	5%				

**E. Client risk categorisation**

Risk appetite is the company's attitude towards risk and for Infinity Capital Investments S.A. the level of overall risk appetite is *medium*; all risks below this level are assumed risks.

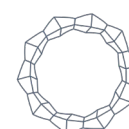
Following the *Risk Matrix* at individual and activity level, the ML/TF Compliance Officer categorises the client as *low, medium or high* risk:

Probability ↑	Very likely - 3	3	6	9
	Probable - 2	2	4	6
	Unlikely - 1	1	2	3
		Low - 1	Average - 2	High - 3
	Impact →			

1 – Low (1 – 2)
2 - Average (2.01 - 4)
3 - High (4.01 - 9)

In a situation where, if client insight measures cannot be applied, including in cases where the legitimacy of the purpose and nature of the business relationship cannot be established, the information held on the client cannot be updated or the ML/TF risk cannot be adequately managed, Infinity Capital Investments S.A., by decision of the Senior Management, will not initiate a business relationship, will not carry out an occasional transaction or will terminate the business relationship with the client in question, taking into consideration the submission of a suspicious transaction report.

**F. Analysing documents, client acceptance/non-acceptance**



1. In the event that, following the analysis of the documents, discrepancies are identified between the statements in the central registers regarding the beneficial owners and the result of the analysis carried out at the level of the Company, the ML/TF Compliance Officer will inform the public authorities managing the respective registers of these discrepancies on a case-by-case basis.

2. If incidents occur in the client identification process, including the beneficial owner (e.g. unjustified refusal of the client to produce the requested documents), they shall be reported to the Senior Management and no operations shall be initiated or transactions shall be realised.

3. The following information will be emphasised to identify high-risk clients:

- a) type of client - natural/legal person or unincorporated entity;
- b) state of origin;
- c) public office or important position held;
- d) the type of activity carried out by the client;
- e) source of client funds;
- f) other risk indicators (according to the *Risk Matrix*).

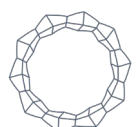
4. Once the complete documentation has been endorsed by the ML/TF Compliance Officer, it will be forwarded to the Senior Management for acceptance/non-acceptance by the client.

## **G. Updating information, regular client monitoring and rules for terminating the business relationship**

1. The ML/TF Compliance Officer, with the support of each functional structure, shall update annually, or whenever there are changes in the information on which the knowledge measures are based, throughout the duration of the business relationship (when they are over a certain period of time), on a risk-based basis, the information and documentation on clients, as well as additionally:

- updates client information and ML/TF risk factors of clients, taking into account at least changes in client information, changes in the products and services offered to the client or, where applicable, risks identified in relation to products and services already offered to the client, as well as changes in the source of funds, changes in the ownership structure/partnerships, changes in the transactional behaviour of the client;

- updates documentation and/or client information when he/she obtains data that foreshadows the emergence of ML/TF risks (such as changes in the identity of the client,



beneficial owner, possible ML/TF-specific sanctions/legal proceedings, etc.) or changes in the information provided by the client.

- in the case of existing clients who move into a higher risk category, for the continuation of the business relationship, makes sure that all client insight measures appropriate to the higher category have been applied.

- makes sure that he/she has adequate up-to-date information and monitors all transactions carried out by clients in relation to the company, with priority to transactions carried out by clients categorised as high risk.

- performs, in all cases, adequate, documented and formalised written monitoring of transactions and business relationships to enable the detection of unusual or suspicious transactions.

**2.** Depending on the nature, scale and complexity of the business conducted and the risk of ML/TF to which it is exposed, the company shall adapt the intensity of monitoring and the frequency of checks in line with the risk-based approach and shall determine:

a) transactions that are monitored in real time and transactions that are monitored ex post, establishing:

(i) ML/TF high risk factors that trigger real-time monitoring;

(ii) transactions associated with a high ML/TF risk that are monitored in real time, in particular where the business relationship ML/TF risk is high;

b) how to monitor transactions;

c) frequency of transaction verification.

**3.** The following information is taken into account to identify high-risk clients:

a) type of client - natural/legal person or unincorporated entity;

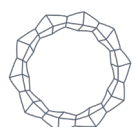
b) state of origin;

c) public office or important position held;

d) the type of activity carried out by the client;

e) source of client funds;

f) other risk indicators.



4. Particular attention will be paid to business relationships and transactions with publicly exposed persons and those with persons in jurisdictions without adequate systems in place to prevent and combat ML/TF.

5. Particular attention will also be given to all transactions that are complex, unusually large or outside the usual typology, including transactions that do not appear to make economic, commercial or legal sense, as well as those involving persons from countries with vulnerabilities in the ML/TF preventing and combating systems, which do not or insufficiently apply international standards in this area.

6. In the event that, following the client monitoring process, the client refuses to cooperate for the update/completion of the requested data, the ML/TF Compliance Officer shall prepare a report (containing all the elements that led to the need for the report) to be submitted to the Senior Management for assessing the possibility to terminate the business relationship.

7. The decision to continue or terminate the business relationship rests with the Senior Management. In the event of a decision to terminate the business relationship, the procedure governing that relationship will be followed.

8. At the same time, if during the monitoring operation of the client and the transactions carried out by the client, suspicions of ML/TF have been identified, the ML/TF Compliance Officer shall submit a suspicious transaction report to the Office, with the Senior Management's approval.

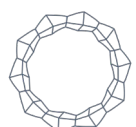
### **Setting up, keeping and accessing the records**

1. The company shall keep, for a period of 5 years from the date of terminating the business relationship with the client or from the date of the occasional transaction (unless it is necessary to extend the period for keeping documents by the period indicated by the competent authorities, but not exceeding 5 years), in a form admissible in legal proceedings, at least the following documents and information, in order to prevent, detect and investigate possible ML/TF cases and to demonstrate to the F.S.A. that the measures taken are appropriate, taking into account the risk of ML/TF:

a) all records obtained through the application of client insight measures, such as copies of identification documents, copies of monitoring and verifications performed and of the results of analyses carried out in relation to the client, client files and correspondence, necessary for compliance with the client insight requirements;

b) all documents necessary to reconstruct the transactions.

c) ML/TF risk assessments.

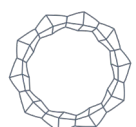


2. Annually, or whenever necessary, depending on the size and nature of the business, the frequency and severity of deficiencies found during internal controls/supervision by F.S.A., regulatory changes, the ML/TF Compliance Officer reassesses the risk classes related to clients, products and services, according to the degree of risk associated.

3. The level of inherent risk, the quality of control procedures and other risk mitigants shall be taken into account when assessing the overall level of residual ML/TF risk associated with the business, individual business relationships and occasional transactions.

4. Access to documents obtained in the client insight process will be granted to persons within the functional structures who have first contact with a client, the line manager directly responsible for ML/TF, the ML/TF compliance officer, auditors, the risk manager and Senior Management.

The ML/TF risk assessment methodology shall be updated on an annual basis or whenever there are changes in the national and sectoral risk assessments and risk factor assessments required by the legal standard.



## Risk matrix

Risk assessment criteria		%	Inherent risk	Measures	Residual risk	Tolerance
<b>A</b>	<b>Assessment of risk factors associated with clients and beneficiaries:</b>	<b>100%</b>				
1	The client or the beneficial owner is connected to sectors frequently associated with a higher risk of corruption, sectors with an increased risk of money laundering or terrorist financing, sectors involving significant cash transactions, political activities, being a politically exposed person or having relevant connections to a politically exposed person / holding a prominent public function or benefiting from a high-ranking public status that could allow them to abuse this position for personal gain.	30				
2	There is evidence that the client has been subject to supervisory sanctions or has been imposed measures for non-compliance with anti-money laundering and counter-terrorist financing obligations / The assets of the client, the beneficial owner, or any person publicly known to be closely associated with them have been frozen as a result of administrative or criminal actions, or allegations of terrorism or terrorist financing	20				
3	The existence of negative media reports or other relevant sources of information about the client, such as allegations against the client or the beneficial owner regarding the commission of criminal offences or acts of terrorism / Negative internal information regarding the integrity of the client or the beneficial owner, obtained, for example, in the context of a long-standing business relationship.	10				
4	The client or the beneficial owner has been the subject of a suspicious transaction report in the past or has been the subject of an information request from the authorities	5				
5	The client's ownership and control structure is complex or opaque / The client issues bearer shares or has nominee shareholders / The source of wealth or source of funds of the client or the beneficial owner cannot be easily explained	5				
6	The client is a non-profit organization whose activities could be misused for the purpose of terrorist financing.	25				
7	The client is a national of a third country who is applying for residence rights or Romanian citizenship in exchange for capital transfers, the purchase of real estate or government bonds, or investments in nominee corporate entities / The source of wealth or source of funds of the client or the beneficial owner can be easily explained	5				
<b>B</b>	<b>Assessment of risk factors associated with countries and geographical areas:</b>	<b>100%</b>				
8	The level of the main crimes associated with money laundering and the effectiveness of the legal system in the state of origin of the funds used in the business relationship with the Company, if the funds were generated abroad	30				

9	Non-compliance with international standards on tax transparency	30				
10	The client's jurisdiction is subject to financial sanctions, embargoes, or measures related to terrorism	40				
<b>C</b>	<b>Assessment of risk factors associated with products, services and transactions:</b>	<b>100%</b>				
11	The transaction is considered complex and may or may not involve more than one party or more than one jurisdiction for funding purposes	30				
12	Transactions are direct (e.g. making regular payments)	10				
13	Transactions with no obvious economic purpose	20				
14	The products or services provided are cash-intensive, facilitate or encourage large value transactions	40				
<b>D</b>	<b>Assessment of distribution channel risk factors :</b>	<b>100%</b>				
15	Physical presence of the client for identification purposes	20				
16	Using an intermediary	50				
17	The extent to which the Company can rely on client insight measures carried out according to European Economic Area standards by another entity	30				

Legend:

Inherent risk	Measures	Residual risk
1 - Low	1 - High	1 - Low
2 - Average	2 - Average	2 - Average
3 - High	3 - Low	3 - High

Risk assessment matrix:

Probability	<b>Very likely 3</b>	3	6	9
	<b>Probably 2</b>	2	4	6
	<b>Unlikely 1</b>	1	2	3
		<b>Low 1</b>	<b>Average 2</b>	<b>High 3</b>
	Impact			