

AML/KYC Policy

Introduction

Daoti.io (<https://daoti.io/>) is operated by Daoti.io Limited Trade Development, a limited liability company registered in the Comoros Union with company registration number HY00723021, with the Brokerage Licence T2023343 and with a registered address at Bonovo Road, Fomboni, Island of Mohéli, Comoros Union.

The objective of the AML Policy: We seek to offer the highest security to all of our users and customers on Daoti.io; for that, three-step account verification is done to ensure the identity of our customers. The reason behind this is to prove that the details of the person registered are correct and the deposit methods used are not stolen or being used by someone else, which is to create the general framework for the fight against money laundering. We also take into the accord that different safety measures must be taken depending on the nationality and origin, the way of payment, and withdrawal.

Daoti.io also puts reasonable measures in place to control and limit ML risk, including dedicating the appropriate means.

Daoti.io is committed to high standards of anti-money laundering (AML) according to the AML framework of the Comoros Union:

- Law No. 03-016/PR;
- Decree No. 04-189/PR;
- Financial Institutions Law and Relevant Regulations.

Definition of money laundering

Money Laundering is understood as:

- The conversion or transfer of property, especially money, knowing that such property is derived from criminal activity or from taking part in such activity, to conceal or disguise the illegal origin of the property, or helping any person who is involved in the commission of such an activity to evade the legal consequences of that people or companies action;
- The concealment or disguise of the true nature, source, location, disposition, movement, and rights concerning, or ownership of, property, knowing that such property is derived from criminal activity or an act of participation in such activity;
- The acquisition, possession, or use of property, knowing, at the time of receipt, that such property was derived from criminal activity or from assisting in such activity;

- Participation in, association to commit, attempts to commit and to aid, to abet, facilitate, and counseling the commission of any of the actions referred to in points before.

Money laundering shall be regarded as such even when the activities which generated the property to be laundered were carried out in the territory of a third country.

Organization of the AML for Daoti.io LTD

Following the AML legislation, **Daoti.io LTD** has appointed the “highest level” for the prevention of ML: The entire management of **Daoti.io LTD** is in charge.

Furthermore, an AMLCO (Anti Money Laundering Compliance Officer) is in charge of the enforcement of the AML policy and procedures within the Daoti.io digital platform (<https://daoti.io/>), a software system and the company’s organizational structure that facilitates the monitoring and regulation of financial activities to prevent money laundering.

The AMLCO is placed under the direct responsibility of the general management.

AML policy changes and implementation requirements

Each significant change of Daoti.io AML policy is subject to approval by the general management of Daoti.io LTD and the Anti-money laundering compliance officer.

Verification Process

Our Anti-Money Laundering (AML) policy outlines the procedures for client verification, which is a critical component of ensuring the integrity and security of our financial services. It is imperative to note that client verification is a mandatory process that occurs solely during the initial registration in the individual's personal account.

Upon successful verification of a client's passport, the system assigns Level 1 status to the Verified Account, thereby granting access to the deposit of funds. The requisite information for verification encompasses the following details: first name, last name, date of birth, country of residence, gender, full address of registration, and email address.

Clients have the prerogative to establish one standard account, which accommodates four distinct levels of verification, delineated as 1, 2, 3, and VIP. Importantly, clients retain the discretion to restrict access to higher verification levels as they see fit.

It is important to highlight that the first three verification levels do not impose any minimum funding requirements in the client's personal account, with the exception of the VIP level. The conditions for attaining the VIP verification level necessitate a deposit of \$50,000, subject to

client request. This level of verification is designed to accommodate clients with elevated financial engagement.

Customer identification and verification (KYC)

The formal identification of customers on entry into commercial relations is a vital element, both for the regulations relating to money laundering and for the KYC policy of the Company.

This identification relies on the following fundamental principles:

- A copy of your passport, ID card or driving license. Also, a second picture with the face of the user/customer is required. The user/customer may blur out every information besides the date of birth, nationality, gender, first name, second name, and picture to secure their privacy.
- Please note that all four corners of the ID have to be visible in the same image, and all details have to be readable besides the names above. We might ask for all the details if necessary.
- A designated personnel of Daoti.io or a third-party designated service personnel may do additional checks if necessary, based on the situation.

Proof of Address

- Proof of address will be done via different electronic checks, which use accessible databases. If an electronic test fails, the user/customer has the option to make a manual proof.
- A recent utility bill was sent to your registered address, issued within the last three months, or an official document made by the government that proves your state of residence.
- To make the approval process as speedy as possible, please make sure the document is sent with a clear resolution where all four corners of the document are visible and all text is readable. For example, an electricity bill, water bill, bank statement, or any governmental post addressed to you.
- A designated personnel of Daoti.io or a third-party designated service personnel may do additional checks if necessary, based on the situation.

Source of funds

If a player deposits over 50000\$ for a VIP account (fifty thousand Dollars), there is a process of understanding the source of wealth (SOW).

Examples of SOW are:

- Ownership of business
- Employment

- Inheritance
- Investment
- Family

The origin and legitimacy of that wealth must be clearly understood. If this is not possible, a designated personnel of Daoti.io or a third-party designated service personnel may ask for an additional document or proof.

The account will be frozen if the same user deposits either this amount in one go or multiple transactions that amount to this. An email will be sent to them manually to go through the above and information on the website itself.

The basic document for step one

The primary document will be accessible via the setting page on Daoti.io. Every user has to fill out the following information:

- First name
- Second name
- Nationality
- Gender
- Country of residence
- Date of Birth
- Full address of registration
- Email address.

Risk management

To deal with the different risks and different states of wealth in other regions on the earth **Daoti.io LTD** will categorize every nation into three distinct regions of risk.

Region one: Low risk

For every nation from region one, the three-step verification is done as described earlier.

Region two: Medium risk

For every nation from region two, the three-step verification is done as described earlier.

Region three: High risk

Areas with a pronounced propensity for risk will be subject to prohibition. The determination of high-risk nations is contingent upon established international mandates, Comoros legislative provisions, as well as our proprietary internal guidelines, including our Terms & Conditions.

The identification of high-risk regions will undergo periodic revisions to align with the dynamic nature of the swiftly evolving global landscape.

Additional measurements

In addition, an internal accountant team that the AML compliance officer oversees will look for any unusual behavior and report it right away to a designated personnel of Daoti.io LTD.

According to a risk-based few and broad experience, the human employees will recheck all checks that were done before by the software systems or other employees and may redo or do additional reviews according to the situation.

In addition, an accounting team supported by modern, electronic, analytic systems will look for unusual behavior like depositing and withdrawing without longer trading sessions, attempts to use a different bank account for Deposit and Withdraw, nationality changes, currency changes, behavior and activity changes, as well as checks, if an account is used by its original owner.

Also, a user has to use the same method for Withdrawal as he used for Deposit for the amount of the Initial Deposit to prevent any Money Laundering.

Enterprise-wide risk assessment

As part of its risk-based approach, Daoti.io LTD has conducted an AML “Enterprise-wide risk assessment” (EWRA) to identify and understand risks specific to Daoti.io LTD and its business lines. The AML risk policy is determined after identifying and documenting the risks inherent to its business lines, such as the services the website offers. Users shall mean anyone making use of the Services provided by the Company and/or anyone accessing the Website of the Company for whatever purpose. The Users to whom services are offered, transactions performed by these Users, delivery channels used by the bank, the geographic locations of the bank’s operations, customers and commerce, and other qualitative and emerging risks.

The identification of AML risk categories is based on Daoti.io LTD’s understanding of regulatory requirements, regulatory expectations, and industry guidance. Additional safety measures are taken to take care of the other risks the World Wide Web brings with it. The EWRA is yearly reassessed.

Ongoing transaction monitoring

AML-Compliance Officer of Daoti.io ensures that “ongoing transaction monitoring” is conducted to detect transactions that are unusual or suspicious compared to the customer profile.

This transaction monitoring is conducted on three levels:

1) The first Line of Control:

Daoti.io LTD works solely with trusted Payment Service Providers who all have effective AML policies in place to prevent the large majority of suspicious deposits onto Daoti.io LTD from taking place without proper execution of KYC procedures onto the potential customer.

2) The second Line of Control:

Daoti.io LTD makes its network aware so that any contact with the customer, trader or authorized representative must give rise to the exercise of due diligence on transactions on the account concerned. In particular, these include:

- Requests for the execution of financial transactions on the account;
- Requests concerning means of payment or services on the account.

Also, the three-step verification with adjusted risk management should provide all necessary information about all customers of Daoti.io LTD at all times.

Also, all transactions must be overseen by the accounting team of Daoti.io, overseen by the AML compliance officer, whom the general manager oversees.

The specific transactions submitted to the customer support manager, possibly through their Compliance Manager, must also be subject to due diligence.

Determination of the unusual nature of one or more transactions essentially depends on a subjective assessment concerning the knowledge of the customer (KYC), their financial behavior, and the transaction counterparty.

These checks will be done by the accounting team of Daoti.io with the help of modern software systems for additional security.

The transactions observed on customer accounts for which it is difficult to gain a proper understanding of the lawful activities and origin of funds must, therefore, rapidly be considered atypical (as they are not directly justifiable).

Any Daoti.io LTD staff member must inform the AML department of any atypical transactions that they observe and cannot attribute to a lawful activity or source of income known to the customer.

3) The third Line of Control:

As the last line of defense against AML Daoti.io LTD will do manual checks on all suspicious and higher-risk users to entirely prevent money laundering. If fraud or Money Laundering is found, the authorities will be informed.

Reporting of Suspicious transactions on Daoti.io LTD

In its internal procedures, Daoti.io LTD describes in precise terms the attention of its staff members, when it is necessary to report and how to proceed with such reporting.

Reports of atypical transactions are analyzed within the AML team following the precise methodology fully described in the internal procedures.

Depending on the result of this examination and based on the information gathered, the AML team:

- will decide whether it is necessary or not to send a report to the organ of corresponding supervision and control, which will immediately forward it to the financial regulator;
- will decide whether or not it is necessary to terminate the business relations with the customer.

Procedures

The AML rules, including minimum KYC standards, will be translated into operational guidance or procedures that are available on the website of Daoti.io LTD.

Record keeping

Records of data obtained for identification must be kept for at least five years after the business relationship has ended.

Records of all transaction data must be kept for at least five years following the carrying-out of the transactions or the end of the business relationship.

These data will be safe and encrypted, stored offline and online.

Training

Daoti.io LTD human employees will make manual controls on a risk-based approval for which they get special training.

The training and awareness program is reflected by its usage:

- A mandatory AML training program following the latest regulatory evolutions for all in touch with finances
- Academic AML learning sessions for all new employees

The content of this training program has to be established by the kind of business the trainees are working for and the posts they hold. These sessions are given by an AML specialist working in the **Daoti.io LTD** AML team.

Auditing

Internal audit regularly establishes missions and reports about AML activities.

Data Security

All data given by any user/customer will be kept secure and will not be sold or provided to anyone else. Only if forced by law or to prevent money laundering data may be shared with the AML authority of the affected state.

Contact us

If you have any questions about our AML and KYC Policy, please get in touch with us by email: Support@daoti.io

If you have any complaints about our AML and KYC Policy or the checks done on your Account and your Person, please get in touch with us by email: Support@daoti.io