

AML & KYC policy

The AML & KYC Policy stipulated below are effective as of July 01, 2020.

Objective and scope of the policy

The purpose of this AML & KYC Policy or Policy on The Prevention of Laundering Proceeds of Crime and Financing of Terrorism and Know your Customer procedures is:

- To obtain information and develop employee awareness on the prevention of laundering proceeds of crime and financing of terrorism,
- To comply with the obligations regarding local regulations,
- To evaluate customers, transactions and services offered with a risk based approach and to mitigate those risks.

This policy shall be composed of the following measures:

- Know your customer principle
- Monitoring and control activities
- Suspicious transaction reporting
- Training
- Internal audit

Cpayments.eu guarantee

All Users of Cpayments.eu Website ensure by accepting this Policy and Terms & Conditions at least the following:

- a) The User has completed the registration form truthfully and correctly.
- b) The User is not an individual under 18 years old or other legal age of majority in User's jurisdiction.
- c) The User is neither under legal supervision nor restricted in his business activities.

- d) The User has registered personally and not on the behalf of someone else.
- e) The User uses the account for personal use and has no commercial intentions.
- f) The User has no knowledge about any bet result of the underlying bet before placing it.
- g) The User does not have multiple accounts on Cpayments.eu website.
- h) The User has read and accepted this Policy.
- i) The User cannot sell, transfer, assign and/or acquire by any other means the accounts to/from other Users.
- j) The User assures that he/she won't use his/her account to transfer funds amongst his/her accounts

Know your customer (KYC) procedures

Both international and local regulations require DIGITAL ACTIVE OÜ (hereinafter "Cpayments.eu") to implement effective internal procedures and mechanisms to prevent money laundering, terrorist financing, drug and human trafficking, proliferation of weapons of mass destruction, corruption and bribery and to take action in case of any form of suspicious activity from its Users.

Verification procedures

One of the international standards for preventing illegal activity is customer due diligence (KYC). According to KYC, Cpayments.eu establishes its own verification procedures within the standards of anti-money laundering and "Know Your Customer" frameworks.

Cpayments.eu identity verification procedure requires the User to provide Cpayments.eu with reliable, independent source documents, data or information (e.g., national ID, international passport, high-quality photo or selfie, driving license, bank statement, utility bill)

Cpayments.eu will take steps to confirm the authenticity of documents and information provided by the Users. All legal methods for double-checking identification information will be used and Cpayments.eu reserves the right to investigate certain Users who have been determined to be risky or suspicious as stated at the present T&C below.

Cpayments.eu reserves the right to verify User's identity in an on-going basis, especially when their activity seemed to be suspicious (unusual for the particular User). In addition, Cpayments.eu reserves the right to request up-to-date documents from the Users, even though they have passed identity verification in the past.

User's identification information will be collected, stored, shared and protected strictly in accordance with the Cpayments.eu Privacy Policy and related regulations including European Data Protection Regulations.

Once the User's identity has been verified, Cpayments.eu is able to remove itself from potential legal liability in a situation where its Services are used to conduct illegal activity.

Know your customer (KYC)

After registration process the User shall provide Cpayments.eu with valid identification information under these Know Your Customer (KYC) procedures. The User shall undergo KYC procedure after completing the registration of User's Account and:

- a) Before first withdrawal of funds irrespective of the amount;
- b) In case of a deposit for the sum equal to or exceeding 2000 euros or its equivalent in virtual currency;
- c) In case of depositing in amount of 7 500 euros (or its equivalent in virtual currency) or more (by several installments) by the same User during a month.

During the User's KYC process an individual User provides the following identification information to the Company:

- a) User's full name (first name and last name);
- b) Country of residence/location of customer;

After receiving the identification information the Compliance officer or third party affiliated with Cpayments.eu and entitled to perform KYC check should verify this information requesting the appropriate documents.

Appropriate documents for verifying the identity of User include, but are not limited to, the following:

- a) A high resolution scanned copy or photo of pages of a passport or any other national ID, indicating family name and name(s), date and place of birth, passport number, issue and expiry dates, country of issue and User's signature;
- b) A clear and high resolution photo of the User or selfie.

The User can undergo KYC procedure by

- 1) Clicking "MY ACCOUNT" icon at the User's profile placed on the top right left of the User's homepage;
- 2) Then the User will see page DOCUMENTS (UPLOAD YOUR DOCUMENTS);
- 3) After that the User must tick at two checkboxes "BY CLICKING THE "NEXT" BUTTON, I ACCEPT THE GENERAL TERMS & CONDITIONS" as well as "I AGREE TO THE PROCESSING OF MY PERSONAL DATA IN ACCORDANCE WITH CONSENT TO PERSONAL DATA PROCESSING" and push button "Next";
- 4) The User will see page PROOF OF IDENTITY and need to choose "HIS/HER COUNTRY OF RESIDENCE", "HIS/HER ID TYPE (PASSPORT/DRIVING LICENSE)" and push either "UPLOAD THE DOCUMENT" or "UPLOAD DOCUMENTS WITH YOUR PHONE" and upload the necessary document;
- 5) After uploading the User must push button "CONFIRM AND PROCEED";
- 6) Then You need to push either button "UPLOAD SELFIE" or "UPLOAD DOCUMENTS WITH YOUR PHONE" and upload the selfie;
- 7) After uploading the User must push button "CONFIRM AND PROCEED";
- 8) Then you can check and review all the provided information and make sure that all the data is valid and belongs to you and edit them if necessary;
- 9) If data is ok and valid, push button "NEXT"
- 10) That's all, now you can see status to "VERIFICATION PROCESSED" at your KYC profile and just need to wait while the system is reviewing your documents. The status of your account will change automatically once the review is completed.

Please note that Cpayments.eu can request you to undergo detailed KYC procedure under the present Policy before your first deposit that is lower than 2000 euros or its equivalent if such requirement is essential for processing payments through certain payment providers/institutions/banks.

Cpayments.eu also reserves the right to carry out valid identification of a User under Know Your Customer (KYC) procedures in cases not covered at the paragraph hereinabove if there's strong grounds to believe that there's risk of commitment of fraud, money-laundering or any abuse on the part of the User or in case of frequent and major withdrawals by one User during a reasonably short period of time.

In this case Cpayments.eu shall contact the User by email or other means to obtain the information and documents needed, namely, either utility bill not older than 3 months confirming the User's actual address or bank reference of the User not older than 3 months, or a high resolution scanned copy or a photo of valid driving license with clear and high resolution photo of the User.

The User acknowledges that he/she has to complete the noted KYC check for the withdrawal of funds or deposit in the noted cases, which must be in form and substance satisfactory to the Issuer.

The User is obliged to collaborate with regard to the AML/ KYC check and to provide any information and document deemed necessary by Cpayments.eu.

The User guarantees at all times not to be a resident of countries including, but not limited to the United States and its dependencies and territories including North Mariana Islands, Puerto Rico, and the US Virgin Islands, Guam, American Samoa, Israël.

Users from the following countries are not eligible to use the Website and purchase and transact with the website. Cpayments.eu will make all reasonable efforts to prevent users from these countries to reach the website.

Cpayments.eu may reject any User in its sole discretion without being obliged to disclose any reason for the rejection.

In case the automatic procedures fail, Cpayments.eu shall contact the User by email or other means to obtain the information and documents needed. In case the User does not provide the documents in the requested form and any other information requested to satisfy the AML/KYC check, Cpayments.eu may deny the User's withdrawal or "freeze" the account of the User for playing (in case of KYC check during depositing) until such document or information is provided.

Compliance officer

The Compliance Officer is the person or a company, duly authorized by Cpayments.eu, whose duty is to ensure the effective implementation and enforcement of the AML/KYC Policy. It is the Compliance Officer's responsibility to supervise all aspects of Cpayments.eu anti-money laundering and counter-terrorist financing, including but not limited to:

- a) Collecting Users' identification information.
- b) Establishing and updating internal policies and procedures for the completion, review, submission and retention of all reports and records required under the applicable laws and regulations.
- c) Monitoring transactions and investigating any significant deviations from normal activity.
- d) implementing a records management system for appropriate storage and retrieval of documents, files, forms and logs.
- e) Updating risk assessment regularly.
- f) Providing law enforcement with information as required under the applicable laws and regulations.

The Compliance Officer is entitled to interact with law enforcement, which are involved in prevention of money laundering, terrorist financing and other illegal activity.

Cpayments.eu uses outside services to carry out KYC check and comply with legislative rules and standards of such procedure. For such purposes there's a written agreement of Cpayments.eu with its provider to carry out KYC check of the clients on its part as a processor of personal data of its Users.

The provider as well as Cpayments.eu guarantees that all personal data of the clients received during KYC check of such clients are kept safely and securely and can be processed only in compliance with rules of GDPR and Privacy Policy of Cpayments.eu.

Special provisions with regard of KYC when accepting virtual currency

One of the principal goals of the KYC for virtual currency acceptance is to assure proper Age and Identity Verification.

Cpayments.eu as an operator assures that it

- Collects and verifies proof of identity and proof of address of its Users. Passport, ID card, driving license are accepted proof of identity, as well as proof of residence can be an electricity or telephone bill or a letter from the employer or any recognized public authority certifying the address;
- Verifies that the user is over 18 and that he/she has a valid email address;
- Collects and stores hardware KYC carried out during withdrawals and deposits in amounts noted at the present Policy, included but not limited to: IP address, mac address and browser information to ensure that all withdrawals are to/from the same User (IP and computer).

Anti-money laundering policy

Cpayments.eu enforces a strict anti-money laundering policy with zero tolerance to money laundering activities. We define money laundering as any activity that is carried out in an attempt to misrepresent the source of funds actually acquired through illegal processes as funds that were acquired through lawful sources/activities.

All Cpayments.eu affiliates are obligated to comply with this anti-money laundering policy and internal AML Manuals and with all applicable anti-money laundering laws. Failure to comply can result in severe consequences such as criminal penalties and heavy fines.

Cpayments.eu ensures complete compliance with laws pertaining to anti-money laundering through its related policy.

Cpayments.eu implements a range of filtration operations for swift and accurate identification of any financial activities that may constitute or are related to money laundering. This helps ensure a money laundering-free financial operations throughout the Cpayments.eu Platform.

All Users acknowledge, undertake and agree to the following terms regarding their use of Cpayments.eu Website and Crypto Currency available on it, opening and maintenance of User Account at Cpayments.eu and for all financial transactions as a Cpayments.eu client:

a) The User will comply (while being a Cpayments.eu client) with all relevant statutes pertaining to money laundering and proceeds from criminal activities.

b) Cpayments.eu operates under certain obligations known as “know-your-client” obligations which grant Cpayments.eu the right to implement anti-money laundering procedures to help detect and prevent money laundering activities where money laundering may mean to handle any funds associated with any illegal activity regardless of the location of such activity.

c) The User agrees fully cooperate with Cpayments.eu with respect to anti-money laundering efforts. This involves providing information that Cpayments.eu requests regarding the client’s business details, account usage, financial transactions etc. to help Cpayments.eu perform its duties as dictated by Applicable laws regardless of jurisdiction.

d) Cpayments.eu reserves the right to delay or stop any funds transfer if there is reason to believe that completing such a transaction may result in the violation of any applicable law or is contrary to acceptable practices.

e) Cpayments.eu reserves the right to suspend or cancel any account or freeze the funds at the account if there is reason to believe that the account is being used for activities that are deemed unlawful or fraudulent.

f) Cpayments.eu has the right to use client information for the investigation and/or prevention of fraudulent or otherwise illegal activities.

g) Cpayments.eu has the right to share client information with:

- Investigative agencies or any authorized officers who are helping Cpayments.eu to comply with applicable law, including anti-money laundering laws and know-your-client obligations on the basis of the Non-disclosure agreement concluded between Cpayments.eu and such agencies or officers;
- Organizations that help Cpayments.eu to provide the services that it offers to its clients on the basis of the Non-disclosure agreement concluded between Cpayments.eu and such organizations;
- Government, law enforcement agencies and courts;
- Regulatory bodies and financial institutions.

Activities that Cpayments.eu considers possible indications of money laundering include:

- a) The client showing unusual apprehension or reservations about Cpayments.eu's anti-money laundering policies.
 - b) The client's interest in conducting financial transactions which are contrary to good business sense or are inconsistent with the client's business policy.
 - c) The client failing to provide the proof of legitimate sources for their funds.
 - d) The client providing false information regarding the source of their funds.
 - e) The client having a history of being the subject of news that is indicative of civil or criminal violations.
 - f) The client seems to be acting as a 'front man' for an unrevealed person or business, and does not satisfactorily respond to requests for identifying this person or business.
 - g) The client not able to easily describe the nature of his/her industry.
 - h) The client frequently makes large deposits and demands dealing in cash only.
 - i) The client maintains multiple accounts and conducts an unusually high number of inter-account or 3rd party transactions.
 - j) The client's previously usually inactive account starts receiving a surge of wire activity.
- The above list is by no means an exhaustive list. Cpayments.eu monitors its client and account activity in light of several other red flags and takes appropriate measures to prevent money laundering.

Training

The purpose of Cpayments.eu training is ensuring compliance with obligations imposed by Law and the regulation, creating an institution culture by increasing the sense of responsibility of staff on policy and procedures of institution and on risk-based approach and updating of staff information.

Education programs are prepared by Compliance Unit and classroom trainings can be given by the Compliance Officer.

It is essential to train the new employees about the subject during the basic training period. The existing personnel shall regularly be trained with classroom and e-learning methods.

The trainings to be given to staff by obliged parties shall at least cover the following subjects;

- Laundering proceeds of crime and terrorist financing;
- The stages, methods of laundering proceeds of crime and case studies on this subject;
- Legislation regarding prevention of laundering proceeds of crime and terrorist financing;
- Risk areas;
- Principles relating to customer identification;
- Principles relating to suspicious transaction reporting;
- Obligation of retaining and submitting;
- Obligation of providing information and documents;
- Sanctions to be implemented in violation of obligations;
- The international regulations on combating laundering and terrorist financing.

Internal audit

The Compliance Officer is responsible to audit periodically on a risk sensitive basis whether the activities of Cpayments.eu related to anti-money laundering law and regulations thereunder are conducted in compliance with the aforementioned legislation and policies and procedures of Cpayments.eu.

The Compliance Officer reports directly to Managing Director with regard of results of such checks and audit.