

Welcome to the Starzz website (hereinafter - the "Website"). The Website is owned and operated by Starzz LLC ("Starzz", "we," or "our"). We have developed this Anti-Money Laundering, Countering Financing of Terrorism and Know Your Customer Policy (hereinafter - the "AML/CFT Policy") to prevent and mitigate possible risks of Starzz being involved in any kind of illegal activity.

Money laundering is defined as:

1. the act of converting or transferring property acquired through criminal activity, or property obtained as a substitute for such property, while being aware that these property stem from criminal activity or participation in such activity, with the intention of concealing or disguising the illegal origin of the property or aiding individuals involved in such activity to avoid legal consequences for their actions.
2. the act of obtaining, possessing, or utilizing property derived from criminal activity, or property acquired in place of such property, while being aware, at the time of receiving them, that property was derived from criminal activity or involvement in such activity.
3. the concealment or disguise of the true nature, source, location, disposition, movement, rights with respect to, or ownership of, property derived from criminal activity or property obtained instead of such property, knowing that such property is derived from criminal activity or from an act of participation in such an activity.

Money laundering also means participation in, association to commit, attempts to commit and aiding, abetting, facilitating and counseling the commission of any of the activities referred to above.

Terrorist financing is defined as the financing and supporting of an act of terrorism and commissioning thereof as well as the financing and supporting of travel for the purpose of terrorism

Both international and local laws and regulations require Starzz 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 customers.

This AML/CFT Policy covers the following matters:

- ❖ internal controls;
- ❖ compliance officer;
- ❖ record keeping and the reporting of disclosures;
- ❖ the screening of employees and training;
- ❖ customer due diligence measures;
- ❖ monitoring, risk assessment and management;
- ❖ AML/CFT program audit.

Internal Controls

Starzz has developed a well-defined framework of internal controls to ensure compliance with relevant laws and regulations pertaining to Anti-Money Laundering and Countering Financing of Terrorism (referred to as "AML/CFT"). These measures include, but are not limited to:

- ❖ identification of the customer and verification of the information provided;
- ❖ establishing a special regime for working with clients who are politically exposed persons (PEPs);
- ❖ detecting unusual activity and facilitating suspicious activity reporting (SAR);

- ❖ record keeping of customer documentation and transactional history.

Compliance Officer

The Compliance Officer, duly authorized by Starzz, holds the responsibility of developing and ensuring the successful implementation of AML/CFT measures. This includes reporting any violations of AML/CFT procedures and taking charge of the collection and filing of SARs.

The Compliance Officer bears the responsibility of overseeing all aspects of Starzz's initiatives against money laundering and terrorist financing, including, but not limited to:

- ❖ establishing and regularly updating internal policies and procedures regarding the preparation, review, submission, and retention of all necessary reports and records as mandated by relevant laws and regulations;
- ❖ gathering customers' identification information and validating the accuracy of the provided details;
- ❖ setting up a records management system to ensure proper storage and efficient retrieval of documents, files, forms, and logs;
- ❖ collecting and analyzing information related to transactions or circumstances that are deemed suspicious of money laundering or terrorist financing, specifically focusing on unusual activities that have come to light;
- ❖ investigating any unusual, suspicious activity;
- ❖ promptly reporting any suspicions of money laundering or terrorist financing to the relevant authorities;
- ❖ furnishing law enforcement agencies with necessary information as mandated by the relevant laws and regulations;
- ❖ periodic submission of written statements on compliance with the requirements arising from law to the management board;
- ❖ providing training for employees;
- ❖ performance of other duties and obligations related to compliance with legal requirements;
- ❖ updating risk assessment regularly.

The Compliance Officer has the authority to collaborate with law enforcement agencies engaged in combating money laundering, terrorist financing, and other illicit activities.

The screening of employees and training

All employees go through the screening and receive a full AML/CFT training, along with a job-specific guidance. Training is conducted at least once every 12 (twelve) months to ensure that trainees are informed and act in compliance with all applicable laws and regulations. Employees pass additional training if necessary (if new law or regulation is adopted, if required by law, etc.) New employees also go through the screening and pass relevant training before commencing to work. Training program is updated regularly to reflect current laws and regulations.

Customer due diligence measures

Starzz implements its own customer verification procedures in accordance with the established AML/CFT frameworks.

Starzz conducts due diligence and performs 'know your customer' (KYC) checks prior to establishing business relationships with customers, clients, and contractors.

As part of the due diligence and KYC process, and for the purpose of setting up a personal account, the identity of an individual, the information provided, and the documents submitted need to be verified and cross-checked against sanctions and watch lists, including the PEP list. Starzz employs dedicated tools and a systematic verification and checking system for this purpose.

Regarding legal entities (their owners/shareholders/beneficiaries, etc.), Starzz carries out special enhanced due diligence, KYC, compliance procedures.

Starzz implements a specialized and comprehensive identification, KYC, due diligence, and compliance procedure for customers identified as PEPs, regardless of their place of residence.

Monitoring, risk assessment and management

Starzz conducts monitoring of customer transactions, performs risk assessments, and detects suspicious activities. To accomplish this, we utilize specially developed systems and employ high-performance tools.

Starzz uses a risk-based approach to combating/preventing money laundering and/or financing terrorism.

AML/CFT compliance ensures the implementation of ongoing transaction monitoring to identify transactions that deviate from the customer's profile and appear unusual or suspicious. Determination of the unusual nature of one or more transactions essentially depends on a subjective assessment, in relation to the knowledge of the customer and its financial behavior. If a transaction deviates from a customer's typical personal activities or habits, it may be deemed suspicious. Data and transaction monitoring tools are utilized to identify unusual or uncommon patterns in customer activity. Following a review and investigation, the Compliance Officer has the authority to determine whether to file a (SAR) or not.

Once a SAR is filed with a relevant agency, a copy of filing documentation is maintained. SAR filing is confidential and only the Starzz's employees involved in the investigation and reporting process will be aware of its existence.

All records are retained for no less than 7 (seven) years and are available upon official request by an authorized person, regulator, or law enforcement agency.

It is mandatory for all Starzz staff members to promptly notify the Compliance Officer of any untypical transactions they observe that cannot be attributed to a lawful activity or a known source of the customer's income.

AML audit

The Compliance Officer holds the responsibility of conducting an AML/CFT audit at least once per year.

Other audit demands are set in internal policies and procedures.

Starzz applies due diligence measures, in particular:

- ❖ when establishing a business relationship;
- ❖ if doubts arise regarding the sufficiency or accuracy of previously gathered documents or data during the update process, or upon verification of information collected during the application of due diligence measures;
- ❖ on suspicion of money laundering or terrorist financing;
- ❖ other situations, as specified by law, and instances where 'red flags' are identified in accordance with internal procedures.

Starzz monitoring procedure

The implemented monitoring procedure includes, but is not limited to:

- ❖ the verification of transactions conducted within a business relationship is performed to ensure that they align with our knowledge about the customer, their activities, and their risk profile;
- ❖ regular updating of relevant documents, data or information collected during the implementation of due diligence measures;
- ❖ identification of the source and origin of funds used in the transaction;
- ❖ greater scrutiny is given to transactions that are potentially associated with money laundering or terrorist financing, particularly those involving complex, high-value, and unusual transaction patterns that lack a reasonable or apparent economic or lawful purpose, or are inconsistent with the typical nature of the specific business.
- ❖ paying more attention to the business relationship or transaction whereby the customer (or payment provider, etc. of the customer) is from a high-risk third country or a country or territory specified by law as country or jurisdiction with factor(s) increasing the geographical risk.