

Securitize, LLC KYC/AML Policy

Initial Account Creation - The applicant must provide his or her first and last name, email address and country (or state) of residence. Upon providing the country of residence, the applicant will be presented with and must agree to country-specific terms and conditions (e.g., U.S. residents must acknowledge a Regulation D legend (if the offering is exempt from registration)), forward looking statement disclaimer, acknowledge risk factors, etc.

Registration Email / Email Confirmation - Upon entering the information provided above, the applicant is sent an automatic email to the email address they provided. Next, the applicant is required to verify the email address and is then directed back to the issuer's site. The applicant is provided with a link that directs the applicant to the Company's privacy policy and terms of service, which the investor must review and click to agree.

Investor Information

Applicant Personally Identifying Information - Investors are then required to enter their first and last name, gender, full residential address, date of birth, and whether they are investing as an individual or entity. They also must provide their tax identification number.

Securitize iD: The issuer may contractually elect that the Company perform KYC for their investors at onboarding even though the Company is not required by regulation to perform such function. Due to SEC guidance, the Company will not conduct accreditation for the issuer's investors at onboarding but may review the investors accreditation post onboarding under limited circumstances. The accreditation will be conducted by third-party service provider, Investready. The Company's KYC is limited to documentation validation to verify the investor's identity and watchlist, database and adverse media screening inclusive of OFAC, PEP (see below for PEP definition) and other various foreign and domestic government watchlists as well as social security number verification for US applicants. The Company uses a third-party service provider, IDology, to verify social security numbers input by US applicants. IDology provides a control for SSN mismatch, PO Box address input and any nexus to fraud per the name, email, DOB and SSN input by the US applicant. The Company uses a third-party service provider, SumSub, to screen investors against various foreign and domestic government watchlists, databases and open-source media for adverse information and to verify the investor identity. SumSub is an identification verification tool that validates government issued photo ID's and conducts a liveness test by having the investor move their face as prompted. SumSub uses biometric scanning to compare the facial image of an investors face ("Selfies" taken from the liveness test) with the photo in the government issued photo ID to confirm if the two faces are the same individuals. SumSub reviews the government issued photo ID for potential fraud and validity. In addition to identity verification, the Company relies upon SumSub for watchlist and adverse media screening. SumSub uses a "fuzzy logic" matching system which means that a result is populated for manual review if there is a 60% matching rate between the subject and a potential result. SumSub screens investors against a large variety of domestic and foreign government watchlists, government databases and scrubs the internet for adverse information. A PEP is a natural person or close relative thereof, that holds a senior, prominent and or important position, with substantial authority over policy, operations or the use or allocation of government-owned resources. Some examples of PEPs are:

1. Heads of State, heads of government and ministers
2. Senior judicial officials who sit on bodies whose decisions are not subject to further appeal
3. Heads and other high-ranking officers holding senior positions in the armed forces
4. Members of ruling royal families with governing responsibilities
5. Senior executives of state-owned enterprises, where the state-owned enterprise has genuine economic or political importance
6. Senior officials of major political parties
7. Mayors of cities with a population of one million people or more
8. For individuals' applications, the individual must provide the above aforementioned information in addition to the following documentation:
9. Government issued photo IDs must not be expired and the name, facial image and ID number must be clear and visible. Screenshots of a government issued photo ID are not acceptable. Acceptable forms of government issued photo ID are:
 - A passport, U.S. driver license or ID card for all U.S. citizens
10. - A passport or national ID card from members of the European Union or Japan
 - Passports for all other foreign nationals.

In an attempt to keep all ID's up to date, the investor will be automatically prompted via email to re-upload a valid government issued photo ID when their ID on file expires.

2) Liveness. The applicant is prompted to complete a liveness test by moving their face as prompted in a circle on the screen. The technology takes screenshots from the video and uses this to review the face against the Identification document used during onboarding. Both the applicant's face and ID must be clear and visible.

3) SSN check. For US-investors, the Company uses vendor IDology to verify the applicant's SSN and to check against any applicant input addresses including a PO Box. Additionally, IDology checks against any potential nexus to fraud.

After the documentation is provided through the Securitize ID portal, the information will be sent to SumSub via an API. The Director of Compliance or Director of Compliance's designee will review the control panel daily to review any potential findings that SumSub has identified. The Director of Compliance or the Director of Compliance's designee will either mitigate the findings and approve the applicant, request additional information, or reject the applicant. All documentation is retained for a minimum of 5 years in accordance with Bank Secrecy Act standards. Applicant's may request to delete their information in accordance with General Data Protection Regulation. This will be handled on a case-by-case basis by the Director of Operations. The Director of Operations may grant exceptions to the above requirements on a case-by-case basis.

Possible outcomes from the review are but not limited to:

1. Approve
2. Request Additional Information (ex. ID is blurry or liveness failed)
3. False Positive-Approve (Name mismatch, age mismatch, region mismatch. etc.)
4. Confirm but Mitigate (ex. Investor was charged with assault 10 years ago)
5. Confirm and reject. (ex. Investor was identified on a government watchlist)

NOTE: Only Legal, Compliance and specific employees on a need to use basis will have access to the Securitize iD Onboarding Platform ("SiD Onboarding Platform"). The Director of Compliance will only grant SiD Onboarding Platform access to employees who:

1. Have been fingerprinted in accordance 17f-2(a)(1)(ii) (See Procedure ID: 4.0 - Fingerprinting Procedures) and;
2. Have a legitimate business use case for the SiD Onboarding Platform.
3. Access to the SiD Onboarding Platform provides the following:
4. Ability to approve or reject investors
5. Ability to read and write compliance notes on the investor's account
6. Ability to view SumSub KYC reports and documents submitted by the investor

4) Funding: Investors funding their investment through cryptocurrency are directed to deposit funds into a segregated digital "escrow wallet". The escrow wallet is controlled by the issuer's custodian, which has a direct contractual relationship with the issuer and has agreed with the issuer when such funds should be disbursed. Investors funding their investment through fiat currencies are directed to wire their funds to a segregated bank escrow account operated by an escrow provider in privity with the issuer. The funds will be returned to the investor in the event the relevant issuance does not close or if the investor fails a KYC check or fails to meet other onboarding requirements. At no point in time shall an issuer use a custodian that has not technically integrated with the Company. Though not required by transfer agents, the Company takes additional steps to ensure compliance by requiring the custodian, prior to technically integrating with the Company, to provide their AML Policy or a Due Diligence Attestation Form. The Director of Compliance will review the document to ensure the custodian is in accordance with the BSA and USA PATRIOT Act. The Director of Compliance or the Director of Compliance's designee will screen the entity using the company's screening provider, SumSub. Additionally, the custodian will undergo a technical review by the Head of Product to ensure that the custodian can provide mechanisms to track transactions and identify the pedigree information of the investors originating and receiving transactions.

Procedure Context:

Prior to providing services to an issuer, the issuer and the Company must execute a platform service, transfer agent and registrar agreement setting forth the scope of services and the obligations of both parties. Only certain employees of the Company are authorized to sign such agreements. The issuer must also provide documentation regarding the authorization of the securities, company structure and additional due diligence documentation as appropriate. For retention and safekeeping, executed platform services, transfer agent and registrar agreements must

be sent to the General Counsel and saved to the issuer's file. Proposed modifications to the legal terms of any platform services, transfer agent and registrar agreement, whether made through formal amendments or informal correspondence to/from clients, must be reviewed, and approved by the General Counsel. Amendments to contracts that contain material changes should be signed by a principal authorized to sign agreements.

Procedure Detail:

Prior to the issuer being successfully onboarded and prior to any securities being issued, the issuer including the issuer's ultimate beneficial owners of 25% or more and legal signers will be screened against OFAC Sanction and other foreign and domestic government watchlists by Compliance using the Company's third-party service provider, SumSub. In addition to the watchlist screening, the issuer will provide the following information to complete due diligence:

1. Color copies of the identification documents for all legal signers (minimum of two legal signers required) as well as their respective residential addresses.
2. Color copies of the identification documents for all UBOs with greater than 25% ownership as well as their respective residential addresses.
3. Issuer's Certificate of Formation, By-Laws, Operating Agreement, Evidence of EIN number if US (e.g., IRS form), Offering Memorandum/PPM, AML and audited financials, Register of Shareholders and Certificate of Good Standing if the entity is older than a year.
4. An org chart for the Issuer.

Please note that Issuers may not need to provide all corporate documents listed in bullet point 3 and it will be up to the discretion of the Director of Compliance, or their designee, as to what minimum is acceptable.

Upon completion of the issuer's due diligence, the Director of Compliance will create a Due Diligence Report confirming the Issuer's approved or rejected status and communicate the results with the team.

Prior to the issuance of securities for the issuer, the issuer must provide the following:

Officer's Certificate for Initial Issuance:

A legal opinion from the issuer's outside counsel covering the due authorization and issuance of the securities and providing no-registration coverage, amongst other items reasonably requested by the Company

Board resolutions authorizing the issuance

Confirm that the Company is authorized to issue the securities to listed holders, including the creation of blockchain-based tokens representing the securities for certain investors

If issuing to chain, identify "affiliates" for purposes of Rule 144's "control" securities' transfer lock-up by providing an "Annual Affiliate Certificate".

Confirm the total amount of authorized securities

The number of securities to be issued and (i) the list of holders entitled to receive securities and (ii) whether the securities should be reflected digitally by tokens or reflected in the Company's digital records of securities in Traditional Book Entry form ("TBE") this list will capture the initial number of "issued" securities for purposes of establishing the issuer's control book and creating the issuer's initial master securityholder file

Brian M. Fraioli

Chief Compliance Officer

Securitize, LLC