

This Know Your Customer (KYC) and Anti-Money Laundering (AML) Policy ("KYC-AML Policy") is applicable with effect from 1st June, 2022..

The mobile/web application [Density.Exchange](https://density.exchange/) and the associated website [https://](https://density.exchange/) [HYPERLINK "https://density.exchange/"](https://density.exchange/) and any of our associated websites or mobile applications (collectively, the "**Density.Exchange**") are owned, operated and managed by **PAGARPAY INDIA PRIVATE LIMITED** (CIN U72900KA2900KA2021PTC153164), having its registered office at Level 5, Trifecta Adatto, 21, ITPL, Main Rd, Garudachar Palya, Mahadevapura, Bengaluru, Karnataka 560048 (hereinafter referred to as '**Density**' or '**Company**' or '**Us**' or '**We**' or '**Our**', which term shall mean and include our affiliates, group entities, related parties and service providers).

PLEASE CAREFULLY READ THESE TERMS BEFORE ACCESSING/USING ANY/OR ALL INFORMATION, CONTENT, PRODUCTS, SERVICES, APPLICATIONS, TOOLS AND FEATURES ON [DENSITY.EXCHANGE](https://density.exchange/) OR USING [DENSITY SERVICES](https://density.exchange/). BY CLICKING "**I AGREE**" OR BY SIGNING UP OR ACCESSING/ USING OR CONTINUING TO BROWSE THROUGH [DENSITY.EXCHANGE](https://density.exchange/) OR USING [DENSITY SERVICES](https://density.exchange/), YOU AGREE THAT YOU HAVE READ, UNDERSTOOD AND ACCEPTED EACH OF THE TERMS CONTAINED HEREIN AND AGREE TO BE BOUND BY THE SAME.

IF YOU HAVE OBJECTIONS TO THESE TERMS, OR ANY PART THEREOF, AND/OR IF YOU DO NOT AGREE TO BE BOUND BY THESE TERMS, OR ANY PART THEREOF, PLEASE DO NOT ACCESS [DENSITY.EXCHANGE](https://density.exchange/) AND DO NOT USE DENSITY SERVICES IN ANY MANNER.

THIS KYC, AML AND TRANSACTION MONITORING POLICY SHALL BE READ IN CONSONANCE TO THE OTHER POLICIES AS MENTIONED ON OUR WEBSITE AND/AS APPLICABLE TO YOU

- **INTRODUCTION**

- This KYC-AML Policy sets out the terms regarding identity verification of our users and the procedures followed for early identification and reporting of prohibited/illegal activities which may be committed by using our services. When using [Density.Exchange](https://density.exchange/) or any of our associated websites or mobile/web applications, you must at all times comply with this KYC-AML Policy. We reserve the right to change, add, amend or modify these Terms from time to time. We may (but we don't assume any such obligation), provide you with a notification of such change. You shall regularly and periodically check this KYC-AML Policy including before you make any transaction on [Density.Exchange](https://density.exchange/). We shall have no liability or responsibility whatsoever due to any such changes, additions, removals or modifications.

- **DEFINITIONS**

- Unless the context requires otherwise, following terms shall have meanings ascribed to them as below.
- "**Applicable Law**" shall mean any applicable statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, approval from the concerned authority, government resolution, order, directive, guideline, policy, requirement, or other governmental restriction in force in India, including without limitation the Prevention of Money Laundering Act 2002 ("PMLA"), the Prevention of Money Laundering (Maintenance of Records) Rules 2005 ("PML Rules"), and various applicable guidelines, rules and regulations of the Computer Emergency Response Team, India, and the Reserve Bank of India or its constituents/payment system providers as applicable, replaced and updated from time to time.
- "**Account**" means the registered account of the User on [Density.Exchange](https://density.exchange/).
- "**Cryptos**" or "**Cryptocurrencies**" or "**Digital Tokens**" or "**Digital Assets**" means – (i) blockchain based crypto-currencies or any other form of virtual currencies as well as proprietary coins and tokens cryptographically such as bitcoins etc.; (ii) a secured digital representation of value that functions as (a) a medium of exchange; (b) a unit of account; (c) a store of value, and/or (d) other similar digital representations of contractual rights or assets that uses distributed ledger technology and can be transferred, stored or traded electronically; each of which is neither issued nor guaranteed by any country or jurisdiction and does not have legal tender status in any country or jurisdiction, typically including

blockchain-based assets or rights including sovereign cryptocurrency or virtual currency such as bitcoins, Litecoins, and ethers.

- **“Customer Due Diligence (CDD)”** means identifying the User and verifying their identity by using a reliable, independent source of documents, data, or information.
- **“Density.Exchange”** means our electronic trading Density.Exchange system which includes the aggregate of its computer devices, software, database, communication system and all programs and technical facilities associated therewith to enable the user to access Services, obtain Wallet information, avail market information, make technical analysis on the markets, execute instructions, place and delete orders, receive notices from us and keep record of transactions, settlement obligations;
- **“Officially Valid Document/OVD”** means the passport, the driving license, proof of possession of an Aadhaar Number, ‘Aadhaar Number’ means an identification number as defined under the Aadhaar (Targeted Delivery of Financial and other Subsidies, Benefits and Services) Act, 2016 or the voter's identity card issued by the Election Commission of India for the purpose of this definition.
- **“Person”** means an individual who is above eighteen (18) years of age and an Indian citizen-resident.
- **“Services”** mean all content, functionality and services made available to users through Density.Exchange including but not limited to: (i) accessing your Wallet, (ii) enabling online storage of Digital Assets, (iii) placing sale or purchase orders on third party exchange Density.Exchange(s), (iv) sending and receiving Digital Assets to and/or from your Account; and (v) any other products, services or offerings as may be introduced from time to time;
- **“Suspicious Transaction”** means a transaction, including an attempted transaction on Density.Exchange, whether or not made using fiat currency, which under our opinion:
 - give rise to a reasonable ground of suspicion that it may involve proceeds of a crime/an offense, regardless of the value involved; or
 - appears to be made in circumstances of unusual or unjustified complexity or in contravention to any Applicable Law; or
 - appears to have no economic rationale or bona fide purpose; or
 - gives rise to a reasonable ground of suspicion that it may involve financing of the activities relating to terrorism. Terrorism includes transactions involving funds suspected to be linked or related to or to be used for terrorism, terrorist acts, or by a terrorist, terrorist organization, or those who finance or are attempting to finance terrorism.
- **“Restricted Jurisdiction”** means United States of America, Canada, Cuba, Japan, Algeria, Ecuador, Iran, Syria, North Korea or Sudan, United States Minor Outlying islands, American Samoa, Russian Federation, Israel, Saint Vincent and the Grenadines or a jurisdiction where transactions in Digital Assets may be prohibited or it would be illegal according to applicable law for you (by reason of your nationality, domicile, citizenship, residence or otherwise) to access or use Density.Exchange; or where the publication or availability of Density.Exchange is prohibited or contrary to local law or regulation, or could subject Density to any local registration or licensing requirements.
- **“User”/“You”** shall mean any Person using/accessing Density.Exchange for trading in Digital Assets.
- **KNOW-YOUR-CLIENT POLICY**
 - KYC is for identification of any individual opening and operating an Account. KYC means to ‘Know Your Customer’ which is an effective way for an institution to confirm and thereby verify the authenticity of a customer. The customer identification should entail verification on the basis of documents and information provided by the customer. The objectives of KYC are as under:
 - to ensure appropriate customer identification,
 - monitor the transactions of a suspicious nature,

- satisfy that the proposed customer is not an undischarged insolvent,
- minimize frauds,
- avoid opening Benami accounts with fictitious names and addresses.

- **CUSTOMER ACCEPTANCE POLICY**

- **Account.** If you choose to register with us in order to avail Density.Exchange, an Account will be created for your use on Density.Exchange for which you must register, open and maintain by providing your details, completing necessary KYC verification requirements as per [KYC-AML Policy](#) and executing such undertakings, declarations, agreements etc. as required. Your Account shall be activated only upon successful completion of KYC verification requirements. We are required to collect your sensitive personal data for registering and opening your Account, which includes: Name, Mobile Number, Email Address, Date of Birth, Gender, Photograph, Signature, Permanent Account Number (PAN), Proof of Address, Proof of Identity, Bank Account details and any other document as and when required. You shall ensure that all the information, data, details provided by you are reliable, accurate and complete. Please refer to our [Privacy Policy](#) which explains what information (including sensitive personal data) shall we collect/access and how it is used and shared.
- **One account per User or Entity.** You may only open one Account with Us unless we have agreed in writing the opening of additional accounts. We may refuse the creation of duplicate accounts for the same user. Where duplicate accounts are detected/identified, we may choose to close or merge duplicate accounts at our sole discretion.
- **Who can open an cAccount.** You must meet all eligibility criteria and residency requirements to open, maintain and operate your Account with Us in accordance with applicable laws of India or other jurisdictions as relevant to you (a) You must be an individual of an age of majority (at least 18 years of age) (b) You must be in a legal capacity to enter into any terms (c) You must be resident in India (as defined under the Foreign Exchange Management Act, 1999). In the event a user is not a natural person/human, resides or is during any period physically situated in any such jurisdiction outside of India, the User shall not register or use Density.Exchange or use the Density.Exchange during such period. We reserve the right to refuse/refrain access to any user who has been suspended, disqualified, debarred and/or removed by us or by any regulatory and/or statutory authority. If we change the eligibility criteria to be registered with Density.Exchange and you no longer comply with the new eligibility criteria, as determined by us in our sole discretion, you accept that we may close your Account without any liability for us. You are solely responsible for ensuring that you are in compliance with all laws, rules and regulations applicable to you. If your right to access Density.Exchange is revoked or use of Density.Exchange is in any way prohibited, in such circumstances, you agree not to use or access Density.Exchange or use Density.Exchange in any way whatsoever.
- **Account Opening Procedures.** User has to provide the following documents for opening the Account. before his/ her The Account can be made operational:
 - Permanent Account Number (PAN) given by Income Tax Authorities,
 - Documents for identification and proof of residence (Aadhaar/Voter ID/Passport)
 - Signed & crossed copy of cheque book or bank statement
 - in-person verification via live selfie over internet
- Please note that post the account opening process, the User would be required to add and verify their bank account/UPI ID for making INR deposits/withdrawals through penny-drop or similar mechanism. The above documents/data would help to establish the identity of the person opening the account but would not be sufficient to prepare a profile of expected activities in the Account. Towards this, the following additional details may need to be collected while opening the Account: Annual income, Occupation, If Politically Exposed Person (PEP), Trading experience, and Marital status.

- **CUSTOMER IDENTIFICATION PROCEDURE**

- One of the objectives of the KYC and data/information collection norms carried out by us is to ensure appropriate Customer Identification. Customer Identification means undertaking the process of CDD. We may need to obtain

sufficient information necessary to establish, to its satisfaction, the identity of each User, whether regular or occasional and the purpose of the intended nature of the transaction being executed on/ through the Density.Exchange. Customer Identification Procedure is carried out at different stages while the Density.Exchange is accessed by the User and is not limited to instances when:

- registering an Account,
- periodic review of an Account,
- any transaction is being executed by the User on the Density.Exchange, and/or
- periodic checks to investigate authenticity/veracity or the adequacy of the earlier obtained User Identification data.

- **MONITORING OF TRANSACTIONS**

- All transactions executed and/or attempted to be executed on Density.Exchange are regularly monitored through use of software-based algorithms, in order to identify and highlight certain kinds of transaction including without limitation, high value transactions and Suspicious/prohibited/illegal Transactions as per Applicable Laws.
- We may, from time to time, undertake necessary investigation in order to identify and examine transactions inconsistent with any User's risk profile (determined in accordance with verification of the KYC documentation, sophistication, and expected usage pattern.
- We reserve the right to terminate the User Account, restrict and/or prevent access to Density.Exchange, or report to the appropriate enforcement authorities the activities of any User in respect of Suspicious Transactions.

- **MAINTENANCE OF RECORDS**

- The Company will maintain and preserve the following information and/or data:
 - Records of all transactions executed on Density.Exchange, for a period of at least 10 (Ten) years from the date of each transaction.
 - Records of all transactions identified under Paragraph- Monitoring of Transaction below for a period of at least 10 (Ten) years, including but not limited to the information about the nature, value and parties to such transactions, and their date of remittance.
 - Identification records of Users (including but not limited to the Identification Documents submitted pursuant to this Policy, during the subsistence of and for a period of at least 10 (Ten) years from the date of termination of such User Account.

- **YOUR OBLIGATIONS**

- You undertake that you will not use Density.Exchange for any illegal/prohibited or unlawful or criminal or anti-national purposes or for financing any such activity under any circumstance whatsoever. You must not let anyone access/use your [Account](#) or watch you accessing it. You undertake that you shall not impersonate another person or misrepresent itself/himself/herself on Density.Exchange under any circumstance whatsoever.
- All activities under Account shall be deemed as activities carried out by the registered User. You shall only use the Account with Us to transact on your own account and not on behalf of any other person or entity. We disclaim any liability arising from any transactions which are not conducted by you or for any obligations of other users to You, any acts or omissions of a third party or user of [Density.Exchange](#) with whom you choose to deal with. If you know or suspect that anyone other than you know or has unauthorized access to your Account Information or any part of it, you must promptly notify us by sending us an email at support@density.exchange. We are not liable for any losses/damages/costs or other consequences of unauthorized/illegal/unwarranted use of your account. You undertake that you will not indulge in any benami transactions that are in violation of Applicable Laws, this Policy or any other policy or instruction issued by Density from time to time.
- By access [Density.Exchange](#) or by registering, opening and maintaining an Account, you represent and warrant that:

- you are over 18 (eighteen) years of age;
- you have full authority and capacity to register open and maintain Account and execute, deliver and perform your obligations thereunder;
- you are resident in India (as defined under the Foreign Exchange Management Act, 1999);
- you (by reason of your nationality, domicile, citizenship, residence or otherwise) are not a citizen or resident of or are located, reside in or are otherwise established in any Restricted Jurisdiction.