



Velocity Representative:

Donnie Hensley

4/14/2021

## Correspondent Application (U.S. and Non-U.S. Firms)

Please provide the following information in order for Velocity Clearing LLC to consider your request to become a correspondent and to determine how to best service you. We will initiate our review based on the answers provided below, although we may require additional information. We may not be able to begin our review until all applicable documentation has been received. Also, we understand that depending on the type of business conducted or where your firm is domiciled, certain items might not be relevant. If you are unable to find an equivalent document or if the item truly does not apply, please mark it as N/A and provide a brief explanation. Based upon our initial review, we may request other items to ensure a complete and rigorous review. Thank you for your cooperation in this process.

Company Information		<input checked="" type="checkbox"/> U.S. Registered	<input type="checkbox"/> Non-U.S. Firm
<u>Boustead Securities, LLC</u> Complete Legal Name and Registered Name/DBA (if applicable)		<u>141391</u> CRD Number	
<u>6 Venture, Suite 395</u> Street Address		<u>Keith Moore</u> Primary Contact	
<u>Irvine</u> City	<u>CA</u> State	<u>92618</u> Postal Code	<u>California</u> Country or U.S. State of Formation (Including Date)
<u>www.boustead1828.com</u> Web Site Address		<u>DIGG</u> MPID	
<u>949-295-1580</u> Phone	<u>815-301-8099</u> Fax	<u>20-4882456</u> Taxpayer ID Number (U.S. Only)	<u>20-4882456</u> Trading Symbol (If Public)
<u>8153018099</u> Parent Company		<u>50</u> Number of Registered Representatives (Series 7/Series 6)	
<u>Keith Moore</u> Individual Completing Form		<u>FINRA</u> Designated Examining Authority (U.S. Only)	
Type of Ownership: <input type="checkbox"/> Public <input checked="" type="checkbox"/> Private		<u>Regulator Member Name (Non-U.S. Firms, If Applicable)</u>	

Firm Profile		
<b>Business Lines:</b>		
<input checked="" type="checkbox"/> General Securities (Retail) <u>90</u> %	<input checked="" type="checkbox"/> General Securities (Money Management) ____ %	
<input checked="" type="checkbox"/> Discount (Internet) ____ %	<input type="checkbox"/> Day Trading ____ %	<input type="checkbox"/> RIA ____ %
<input checked="" type="checkbox"/> Institutional (Prime Brokerage) <u>10</u> %	<input type="checkbox"/> Proprietary Trading ____ %	<input checked="" type="checkbox"/> DVP/RVP <u>0</u> %
	<input type="checkbox"/> Other: ____ % (specify)	
<u>300 w/BSL (will add more with online)</u> Total Number of Accounts	<u>300</u> Total Number of Active Accounts	<u>\$100K</u> Average Account Size
<u>30</u> Total Number of Non-U.S. Accounts	<u>0</u> Total Number of Unsecured Accounts	
<u>open for discussion / likely percentage based / ticket charge</u> Commission Model (Attach sheet with detailed explanation, if necessary)		
<u>5%</u> Maximum Commission Rate per Transaction (based on notional size of trade)		

**Firm Profile**

Do clients deposit physical stock certificates?

☐ Yes ☒ No

If yes, on average how many are submitted per week? \_\_\_\_\_

The securities are primarily registered on:

☐ OTC BB ☐ Pink Sheets ☐ NASDAQ ☐ NYSE ☐ Other: \_\_\_\_\_**Additional Margin Needs** (Check all that apply):☐ Portfolio Margin ☐ Day Trade Margin ☐ Special Requirements: \_\_\_\_\_What is the breakdown of your credit balances? Cash 100 % Money Market Funds \_\_\_\_\_%

Free Credit \_\_\_\_\_% Other \_\_\_\_\_% (please specify products if Other): \_\_\_\_\_

Type and number of accounts that will be opened: Omnibus \_\_\_\_\_ Fully Disclosed x \_\_\_\_\_Proprietary x \_\_\_\_\_ PAB \_\_\_\_\_ Error \_\_\_\_\_

Does your firm underwrite or participate in Initial Public Offerings (IPOs), Secondaries or Syndicate deals?

☒ Yes ☐ No

If yes, check all the apply and list average size:

☒ Underwriting: \_\_\_\_\_ ☐ Best Efforts: \_\_\_\_\_ ☒ Firm Commitment: \$10m

Is your firm a Market Maker?

☐ Yes ☒ NoIf yes, please check the type of securities and provide a list of securities in which the firm makes a market. ☐ Listed ☐ OTC ☐ Pink/BB

Is your firm acting as an intermediary introducing firm for any other introducing firm(s) that is a party(ies) to the carrying agreement?

☐ Yes ☒ No

Do you have a firm policy for soliciting orders from customers for penny stocks?

☒ Yes ☐ No

Do you have a firm policy for accepting non-solicited customer orders for penny stocks?

☒ Yes ☐ No**What is your time frame for establishing a new clearing relationship?**☒ Immediately ☐ 30-90 days ☐ 3-6 months ☐ 6 months or longer**Branch and Registered Representative Profile**Number of active branches: 3Locations: Irvine, CA (main office) / Las Vegas, NV / Boca Raton, FLAre they used to segregate business lines? ☐ Yes ☒ NoHow many Registered Representative codes does the firm maintain? 20Are Registered Representatives used to segregate business lines? ☐ Yes ☒ No

**System Requirements and Order Entry**

Current - Vision FM

Clearing Firm(s)

Current - ETNA / Quote Media

Quote Vendor(s)

3

Number of Terminals

Vision / WealthStation (FIS)

Broker Workstation

Portfolio System

Reporting System

As discussed with Donnie - we will look to use Velocity's platform for client opening/funding/trading

Order Entry System(s)

Customer Online Trading System(s)

Name of Current Money Market Fund(s)

Total Money Fund Balances

Total Margin Debit

Does the firm use electronic order entry?

☒ Yes ☐ No

Does the firm have Internet account access for clients?

☒ Yes ☐ No

Does the firm have Non-U.S. accounts?

☒ Yes ☐ NoIf yes, how many? (Attach a list of countries) Hong Kong, UKAdditional order entry: ☐ Phone ☐ Fax ☐ Other: \_\_\_\_\_**Customer Securities Volume**

Please provide previous three months average

	Shares	Executions	Orders
U.S. Equities	5.7MM	unknown	570
Non-U.S. Equities*	0	0	0
Options			

	Trades	Average Size
Government Bonds	0	n/a
CMO/CDO	0	n/a
Muni Bonds (Customer)	0	n/a
Corporate Debt	0	n/a
Mutual Funds	0	n/a
Mutual Funds (NTF)	0	n/a
Limited Partnerships	0	n/a
Other:		
Other:		

	Average Trades Per Month
Riskless Principal Trades	0
Proprietary Trades	1

	Customer Trade Breakdown
1-5 Trades Per Quarter	40%
1-5 Trades Per Month	60%
5-15 Trades Per Month	
Over 15 Trades Per Month	

Customer Order Entry	Percentage
Broker Handled Orders	100
Online	0* added in Ap
DMA	0
Program Trading	0

\*If there is more than 5% in non-U.S. equities, please include a breakdown of markets and currencies.

**Dealer Securities Volume**

Please provide previous three months average

	Shares	Executions	Orders
U.S. Equities	0	0	0
Non-U.S. Equities*	0	0	0
Options	0	0	0

	Trades	Average Size
Government Bonds	0	
CMO/CDO	0	
Muni Bonds (Customer)	0	
Corporate Debt	0	
Mutual Funds	0	
Mutual Funds (NTF)	0	
Limited Partnerships	0	
Other:	0	
Other:	0	

	Average Trades Per Month	Average Size	Average Executions Per Month
Riskless Principal Trades	0	0	0
Proprietary Trades	0	0	0
Market Maker Trades	0	0	0

\*If there is more than 5% in non-U.S. equities, please include a breakdown of markets and currencies.

**Additional Requirements or Requests****Please Sign Below:**

I, Keith Moore, hereby attest that the information contained herein and in any documents supplied in connection with this Application is true, accurate and complete to the best of my knowledge. I understand that any inaccuracy or omission of any information may result in the firm not being approved by Velocity as a correspondent. Additionally, if the firm is approved and becomes a Velocity correspondent, any inaccurate or omitted information may result in termination of the correspondent clearing agreement.

Keith Moore

4/14/2021

Print Name

Date

X

DocuSigned by:

Keith Moore

CEO

Signature

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Title

**Be advised that Velocity is required to provide the following information directly to FINRA. Please verify that all answers are complete and accurate. To the extent there is duplication with previous questions, we appreciate your cooperation in supplying the response again.**

## Correspondent Profile

Boustead Securities, LLC

Name of Correspondent

Is the correspondent acting as an intermediary introducing firm for any other ☐ Yes ☒ No  
introducing firm(s) that is a party(ies) to the carrying agreement?

If yes, please list the names of the other introducing firms and provide separate correspondent profile questionnaires for each:

Is the correspondent a FINRA member? ☒ Yes ☐ No

If no, is the proposed correspondent a U.S.-registered broker/dealer?

☐ Yes If yes, provide its SEC Registration Number: \_\_\_\_\_

☐ No If no, list the foreign jurisdiction(s) in which the correspondent operates: \_\_\_\_\_

Method of conversion of accounts:

ACATS: ☒ Yes ☐ No

Bulk transfer: ☐ Yes ☐ No If yes, expected conversion date: \_\_\_\_\_

Other: \_\_\_\_\_

Name of delivering broker: Vision Financial

Amount of clearing deposit collected from correspondent: \$ 100,000

Is this an arrangement for the carrying of an omnibus account(s)? ☐ Yes ☒ No

If no, approximate number of retail accounts: \_\_\_\_\_ Institutional accounts: \_\_\_\_\_

Expected correspondent customer: Debit balances: \$ 0 Credit balances: \$ 3,000,000

Total assets under management for total customer accounts: \$ 6,000,000

Customer business mix (indicate approximate number of monthly tickets):

Listed equities: 100 Asset back securities: \_\_\_\_\_

Unlisted equities: \_\_\_\_\_ Commodities: \_\_\_\_\_

Municipals: \_\_\_\_\_ Options: \_\_\_\_\_

Governments: \_\_\_\_\_ Corporate bonds: \_\_\_\_\_

Other (specify type(s) of product(s)): \_\_\_\_\_

Does the correspondent engage in proprietary trading activities to be cleared and/or carried by the firm?

☐ Yes ☒ No

If yes, please specify trading strategies (e.g., market making, speculative trading, customer facilitation, risk arbitrage, statistical arbitrage, etc.) and indicate products traded below:

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☐ Listed equities    ☐ Asset back securities    ☐ Unlisted equities    ☐ Commodities    ☐ Municipals  
☐ Options    ☐ Governments    ☐ Corporate bonds    ☐ Other: \_\_\_\_\_

Will the correspondent be provided the following special margin privileges and/or have special margin requirements been established for the correspondent's customer and/or proprietary accounts?

☐ Yes ☒ No

If yes, please complete below:

Portfolio margining:	Proprietary accounts: <input type="checkbox"/> Yes <input type="checkbox"/> No	Customer accounts: <input type="checkbox"/> Yes <input type="checkbox"/> No
Day trading:	Proprietary accounts: <input type="checkbox"/> Yes <input type="checkbox"/> No	Customer accounts: <input type="checkbox"/> Yes <input type="checkbox"/> No
Special house requirements:	Proprietary accounts <input type="checkbox"/> Yes <input type="checkbox"/> No	Customer accounts: <input type="checkbox"/> Yes <input type="checkbox"/> No
Other: _____		

**Please Sign Below:**

<b>X</b>	DocuSigned by: <i>Keith Moore</i>	Keith Moore	4/7/2021
Signature of Chief Executive Officer, Financial or Operational Officer/Partner		Print Name	Date
CEO			
Title			

We will initiate our review based on the answers provided above, although we may require additional information. We cannot begin our review until we receive all documentation listed below. If there is an item that does not apply to you, please mark it N/A. Based upon our initial review, we may request other items to complete our review.

### All Firms

#### N/A Included

1. ☐ ☐ A narrative that includes, at a minimum, the following: the nature and purpose of your business, volume and type of anticipated trading/funding activities, types of customers, products and services, and the geographic areas served.
2. ☐ ☐ Organization chart listing officers and directors of the firm and parent (and parent's parent, if applicable)
3. ☐ ☒ Most recent audited financial statement
4. ☐ ☐ Current Anti-Money Laundering Policies and Procedures, including customer identity procedures
5. ☐ ☐ Current Anti-Money Laundering Risk Assessment
6. ☐ ☐ Current New Account documents, including procedures/workflow **Vision New Account Forms?**
7. ☐ ☒ Velocity Anti-Money Laundering Policies and Procedures Acknowledgment Form
8. ☐ ☒ Most recent three years of independent AML annual audit findings.
9. ☐ ☐ Explanation of how sanctions screening is performed (frequency of monitoring, tools utilized, etc.)
10. ☐ ☐ Last monthly settlement statement, including individual trade detail
11. ☒ ☐ Most recent statement of your large margin debit report (if applicable)
12. ☒ ☐ Most recent statement of your unsecured debit report (if applicable)
13. ☐ ☐ Commission reports for the last three months (this will be used to develop a schedule of clearing charges for your firm)
14. ☒ ☐ Copy of recent open inventory positions
15. ☒ ☐ Last three monthly statements for your firm's principal/market making accounts (if any)
16. ☒ ☐ Copy of securities in which the firm currently maintains a market (if applicable)
17. ☒ ☐ List of Mutual Fund Families held/traded
18. ☐ ☒ A letter on your firm's letterhead providing a summary of any outstanding legal or regulatory issues. The letter should also include:
  - Net capital issues(s) or violations
  - Regulatory inquiries
  - Ongoing investigations
  - Fines, censures, etc.
  - Past and/or current (unresolved) customer complaints or lawsuits within the past two years
  - Other relevant, open items

*If no such items exist, please send a letter stating there are no litigations or pending regulatory investigations.*
19. ☒ ☐ Current clearing agreement **Is this necessary? Vision?**
20. ☐ ☐ Compliance Manual / Written Supervisory Procedures Manual
21. ☐ ☐ Business Continuity Plan
22. ☐ ☒ Authorization for Background Check – Principals and Primary Owners (Include Officers, Directors and Primary Owners for parent company, if applicable) **See page 9**
23. ☐ ☐ Articles of Incorporation / legal formation documentation (include bylaws)
24. ☐ ☐ Social media sites
25. ☐ ☐ Cyber security plan

**U.S. Firms Only****N/A Included**

1. ☐ ☒ Form BD filed with FINRA/SEC
2. ☐ ☐ U-4s for all principal officers for non-FINRA members
3. ☐ ☐ Most recent quarterly FOCUS report (last 4 quarters, if possible)
4. ☐ ☒ Copy of FINRA membership agreement and restriction letter (if any)
5. ☐ ☒ Last FINRA exam copy of firm response, exit letter, final disposition (and their response, if any)
6. ☐ ☐ Broker/dealer fidelity bond

**Non-U.S. Firms Only****N/A Included**

1. ☐ ☐ Copy of local regulatory approval and membership agreement
2. ☐ ☐ Opinion of Counsel on margining account (if applying for omnibus clearing agreement, obtain required form of opinion from Velocity)
3. ☐ ☐ Foreign Entity Declaration
4. ☐ ☐ Foreign Financial Institution AML Risk Assessment
5. ☐ ☐ Foreign Financial Institution Due Diligence Worksheet

**Please note that as the last step in the required due diligence will be for the prospective correspondent to complete a full set of account paperwork (including the account application and supplements - margin/ options - as necessary along with provision of required supporting items.**

**The supporting items may overlap with the documentation requested as part of this correspondent application. This paperwork will NOT be processed to open a new account, but simply to complete the full required due diligence process. Once completed and an agreement is executed between the correspondent and Velocity, then this existing account application and supporting documentation will be used to open the necessary accounts including the security deposit account and error account, etc.**

**Please contact your Velocity Liaison for any questions regarding the due diligence process or the account paperwork.**



**Contact Information and Background Check Authorization**

(Please attach a copy of each driver's license, passport or other government issued document bearing a photograph. If additional personnel, please attach supplementary sheets with the information requested below)

In processing the Company's application to be a correspondent of Velocity Clearing LLC ("Velocity"), I understand that Velocity may obtain or have conducted a background investigative report concerning my prior employment, military record, education, credit worthiness, credit standing, credit capacity, business activities, commodities or securities experience and records, character, ability, general reputation, personal characteristics and criminal background. I understand that Velocity may use this information in making its decision. By signing below, I am authorizing Velocity to obtain or conduct such background investigation.

**1. Keith Moore**

Name

**CEO**

Position

Home Address

**Newport Beach CA 92663**

City State Zip

**949-295-1580**

Home Phone

**keith@boustead1828.com**

E-mail Address

**379-64-7752 11/27/60**

Social Security Number Date of Birth

**5191450 Various**

Web CRD Number Securities Licenses

**X 4/14/2021**

Signature

DocuSigned by:

*Keith Moore*

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**2.**

Name

Position

Home Address

City State Zip

Home Phone

E-mail Address

Social Security Number Date of Birth

Web CRD Number Securities Licenses

**X**

Signature

**4.**

Name

Position

Home Address

City State Zip

Home Phone

E-mail Address

Social Security Number Date of Birth

Web CRD Number Securities Licenses

**X**

Signature



## Foreign Financial Institution Due Diligence Worksheet

Complete this worksheet for each Correspondent Account to be established by a Foreign Financial Institution ("FFI").

\_\_\_\_\_  
Name of Foreign Financial Institution

\_\_\_\_\_  
Country of Domicile

\_\_\_\_\_  
Date

"Correspondent Account" is an account for which the FFI is not the beneficial owner, and established for the purpose of:

1. purchase, sell, lend, or hold securities (including repurchase programs)
2. prime brokerage accounts to clear and settle securities transactions
3. trade foreign currency
4. custody or hold securities or other assets as collateral
5. transact over-the-counter derivative contracts

Indicate the type or types of business conducted by the FFI:

- ☐ A foreign bank organized/chartered in the country of: \_\_\_\_\_  
and with a physical presence in: \_\_\_\_\_
- ☐ A branch office located outside the United States of a (check all that apply):  
☐ Broker-Dealer   ☐ Introducing Broker   ☐ Futures Commission Merchant   ☐ Open-End Mutual Fund Company
- ☐ An entity organized under foreign law that, if it were located in the United States, would be a (check all that apply):  
☐ Broker-Dealer   ☐ Introducing Broker   ☐ Futures Commission Merchant   ☐ Open-End Mutual Fund Company
- ☐ An entity organized under foreign law that is engaged in the business of (check all that apply):  
☐ A currency dealer or exchanger   ☐ A money transmitter

*(an entity is not "engaged in the business" of a currency dealer, a currency exchanger or a money transmitter, if such transactions are incidental to the entity's business)*

Will this FFI Establish Correspondent Accounts for Foreign Senior Political Officials?   ☐ Yes   ☐ No

If yes, list Correspondent Accounts which will be established, maintained, administered or managed for any Foreign Senior Political Official who is:

- a) a current or former senior official in the executive, legislative, administrative, military or judicial branches of a foreign government (whether elected or not)
- b) a senior official of a major foreign political party
- c) a senior executive of a foreign government-owned commercial enterprise
- d) a corporation or other entity formed by or for the benefit of any such individual
- e) an immediate family member of such an individual
- f) any individual widely and publicly known (or actually known by the firm) to be a close personal or professional associate of such an individual

\_\_\_\_\_  
Name and Position of Foreign Official

\_\_\_\_\_  
Country / Jurisdiction of Authority

Attach all documentation and information obtained regarding any Foreign Senior Political Official which is used to determine if the filing of Form 101 - SAR-SF is or is not applicable to this account.

Will this FFI Establish Correspondent Accounts as Private Banking Accounts? ☐ Yes ☐ No

If yes, list the Correspondent Accounts which will be established, maintained, administered or managed as Private Banking Accounts and which meet the following criteria:

- a) any account (or any combination of accounts) that requires a minimum aggregate deposit of \$1,000,000
- b) is established for one or more individuals
- c) is assigned to or administered or managed by an officer, employee or agent of a financial institution acting as a liaison to the direct or beneficial owner of the account

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Names of all Beneficial Owners

Attach all documentation and information obtained regarding the beneficial ownership of a Private Banking Account which is used to determine if the filing of Form 101 - SAR-SF is or is not applicable to this account.

Is the FFI a foreign bank organized under foreign law and located outside the United States as defined in 31 C.F.R. 1010.100(u)? ☐ Yes ☐ No

If yes, please confirm that the FFI has completed the following forms:

- ☐ Foreign Financial Institution AML Risk Assessment; and
- ☐ Certification Regarding Foreign Accounts for Foreign Banks.

#### Please Sign Below:

Representative certifies that the above due diligence was performed and completed by him/her for the Account listed above.

Account is ☒ Approved ☐ Rejected

**X**

*Keith Moore*  
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Representative Signature

Keith Moore

Print Representative Name

4/7/2021

Date

**X**

Principal Signature

Print Principal Name

Date



<b>CLIENT CONTACT INFORMATION</b>
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GENERAL INFORMATION		
Company Name <b>Boustead Secuirities, LLC</b>		
Address <b>6 Venture, Suite 395</b>		
City <b>Irvine</b>	State <b>CA</b>	Zip Code <b>92618</b>

BUSINESS CONTACT		BILLING CONTACT	
Name <b>Keith Moore</b>		Name <b>Keith Moore</b>	
Title <b>CEO</b>		Title <b>CEO</b>	
Email Address <b>keith@boustead1828.com</b>		Email Address <b>keith@boustead1828.com</b>	
Phone <b>949-295-1580</b>	Fax <b>8153018099</b>	Phone <b>9492951580</b>	Fax <b>8153018099</b>

TECHNICAL CONTACT		TRADING CONTACT	
Name <b>Lincoln Smith</b>		Name <b>Nehru Chomatil</b>	
Title <b>Executive Vice President</b>		Title <b>Head Trader</b>	
Email Address <b>lincoln.smith@boustead1828.com</b>		Email Address <b>nehru.chomatil@boustead1828.com</b>	
Phone <b>949.322.2236</b>	Fax	Phone <b>949.300.5240</b>	Fax

TRADE RECONCILIATION CONTACT		COMPLIANCE CONTACT	
Name		Name <b>Tad Bull</b>	
Title		Title <b>Chief Compliance Officer</b>	
Email Address		Email Address <b>tad@boustead1828.com</b>	



## Foreign Financial Institution AML Risk Assessment

The following questionnaire is to be completed and signed by each non-U.S. Foreign Financial Institution (“FFI”) at the time of establishing an account. This information is needed by the Firm in order to meet its due diligence requirements under the U.S. Anti-Money Laundering regulations.

\_\_\_\_\_  
Name of Foreign Financial Institution

### Policies and Procedures Risk Assessment

- ☐ Yes ☐ No Does the FFI have a written and current AML program?
- ☐ Yes ☐ No Has the FFI developed written policies and procedures in place to prevent, detect & report suspicious activity which are approved by senior management?
- ☐ Yes ☐ No Does the FFI have a designated Compliance Officer that is responsible for coordinating and overseeing the AML program?
- ☐ Yes ☐ No Does the FFI have a risk focused assessment of its customer base and transactions of its customers?
- ☐ Yes ☐ No Does the FFI have a policy prohibiting accounts relationships with shell banks (A shell bank is defined as a bank incorporated in a jurisdiction in which it has no physical presence and which is unaffiliated with a regulated financial group.)
- ☐ Yes ☐ No Does the FFI have policies or practices to reasonably ensure that they will not conduct transactions with or on behalf of shell banks through any of its accounts or products?
- ☐ Yes ☐ No Does the FFI have an internal audit function or other independent third party that assesses AML policies and practices on a regular basis?
- ☐ Yes ☐ No Does the FFI require that its AML policies and practices be applied to all branches and subsidiaries of the FFI both in the home country and in locations outside of the home country?

### Customer Identification Risk Assessment

- ☐ Yes ☐ No Has the FFI implemented systems for the identification of its customers, including customer information in the case of recorded transactions, account opening, etc.
- ☐ Yes ☐ No Does the FFI accept accounts from jurisdictions with AML sanctions in force?
- ☐ Yes ☐ No Does the FFI have policies covering relationships with politically exposed persons consistent with industry best practices?

- ☐ Yes ☐ No Does the FFI have procedures to establish a record for each customer noting their respective identification documents and Know Your Customer Information collected at account opening?
- ☐ Yes ☐ No Does the FFI implement risk-based procedures to conduct ongoing customer due diligence?
- ☐ Yes ☐ No Does the FFI take steps to understand the normal and expected transactions of its customers based on its risk assessment of its customers?
- ☐ Yes ☐ No Does the FFI collect information and assess its customers' AML policies/practices?
- ☐ Yes ☐ No Does the FFI have a requirement to collect information regarding its customers' business activities?
- ☐ Yes ☐ No Does the FFI have a process to review and, where appropriate, update customer information relating to high risk client information?
- ☐ Yes ☐ No Does the FFI have a process to identify and verify beneficial owners of legal entity customers?

## Transaction Risk Assessment

- ☐ Yes ☐ No Does the FFI accept cash or cash equivalents from its customers?
- ☐ Yes ☐ No Does the FFI have policies or practices to screen transactions for customers or transactions the FFI deems to be of significantly high risk (which may include persons, entities or countries that are contained on lists issued by government/international bodies) that special attention to such customers or transactions is necessary prior to completing any such transactions?
- ☐ Yes ☐ No Does the FFI have policies or practices to identify transactions structured to avoid large cash reporting requirements?
- ☐ Yes ☐ No Does the FFI have policies or practices for the identification and reporting of transactions that are required to be reported to the authorities?
- ☐ Yes ☐ No Does the FFI have a monitoring program for suspicious or unusual activity for funds transfers and monetary instruments (such as travelers' checks, money orders etc.)?
- ☐ Yes ☐ No Does the FI provide AML training to relevant employees that includes the following topics? Identification and reporting of transactions that must be reported to government authorities; examples of different forms of money laundering involving the FI's products and services; and internal policies to prevent money laundering.
- ☐ Yes ☐ No Does the FFI retain records of its training sessions including attendance records and relevant training materials used?
- ☐ Yes ☐ No Does the FFI communicate new AML related laws or changes to existing AML related policies or practices to relevant employees?
- ☐ Yes ☐ No Does the FFI employ third parties to carry out any aspect of the AML functions of the FFI?
- ☐ Yes ☐ No If yes, does the FFI provide AML training to the third parties which includes identification and reporting of suspicious activity?

Please provide additional information and/or explanation regarding any “NO” answer given above and any further explanation you wish to be considered for this review:

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**X**

\_\_\_\_\_  
FFI Signature

\_\_\_\_\_  
Print FFI Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
FFI Title / Position



**Foreign Entity Declaration Regarding  
Correspondent Account**

**Certification for Purposes of Sections 5318(j) and 5318(k) of Title 31, United States Code**

*The information contained in this Certification is sought pursuant to Sections 5318(j) and 5318(k) of Title 31, United States Code, as added by sections 313 and 319(b) of the USA Patriot act of 2001 (Public Law 107-56)*

**I. Foreign Entity (check appropriate box)**

☐ **(a)** The undersigned Foreign Entity, \_\_\_\_\_ has established one or more accounts with \_\_\_\_\_ (a "Covered Financial Institution") and hereby certifies, by an individual authorized to make such certification, as follows: The Foreign Entity is not acting in the capacity of a Foreign Bank, and will not receive deposits from, make payments on behalf of, or handle other financial transactions related to the capacity of a Foreign Bank as defined in 31 CFR 104.10(d).

☐ **(b)** The undersigned financial institution, \_\_\_\_\_ a "Foreign Bank" as defined in 31 CFR 104.10(d), has established one or more accounts with \_\_\_\_\_ a ("Covered Financial Institution") to receive deposits from, make payments on behalf of, or handle other financial transactions related to Foreign Bank (the "correspondent accounts") as defined in 31 CFR 104.10(d). If this question is applicable, you must complete the CERTIFICATION REGARDING CORRESPONDENT ACCOUNTS Form in full.

**Received, reviewed and accepted by:**

\_\_\_\_\_  
Signature:

\_\_\_\_\_  
CEO

\_\_\_\_\_  
Title:

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Keith Moore

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Title:

\_\_\_\_\_  
**For:**

\_\_\_\_\_  
Name of Covered Financial Institution:

\_\_\_\_\_  
4/7/2021

\_\_\_\_\_  
Date:





## Proprietary Funds Representation and Indemnification

In connection with the establishment of a securities brokerage account (the "Account") with Velocity Clearing LLC ("Velocity") by Boustead Securities, LLC (the "Corporation/Partnership/LLC"), the undersigned officer(s) of the Corporation/Partnership/LLC warrant(s) and represent(s) the following:

- All funds deposited in the Account represent proprietary funds of the Corporation/Partnership/LLC and do not represent the interest of any other individuals or companies.
- The Corporation/Partnership/LLC does not hold itself out as engaging in the business of investing capital contributions from other participants in the securities markets.
- No affiliate or subsidiary of the Corporation/Partnership/LLC holds itself out as engaging in the business of investing capital contributions from other participants in the securities markets.
- The Corporation/Partnership/LLC is in compliance with the laws, rules and regulations applicable to its business in each jurisdiction in which it conducts business or maintains investment accounts.
- The Corporation/Partnership/LLC is not prohibited from trading in securities markets.
- The Corporation/Partnership/LLC agrees to immediately notify Velocity should any of the foregoing representations change or prove untrue.

The Corporation/Partnership/LLC shall indemnify and hold Velocity and its officers, directors, shareholders, employees and affiliates harmless from and against all claims, demands, proceedings, suits and actions and all losses (direct, indirect or otherwise), liabilities, costs and expenses (including, without limitation, attorneys' fees and disbursements), paid in settlement, incurred or suffered by Velocity in connection with these representations made by the Corporation/Partnership/LLC.

This indemnity shall survive the termination of the Account of the Corporation/Partnership/LLC with Velocity.

Please Sign and Date Below	
<div style="display: flex; justify-content: space-between;"> <div style="text-align: center;"> <div style="border: 1px solid black; border-radius: 50%; width: 40px; height: 40px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">X</div> <div style="margin-top: 5px;"> <div style="font-size: small;">DocuSigned by:</div> <div style="font-family: cursive; font-size: 1.2em;">Keith Moore</div> <div style="font-size: x-small; margin-top: 2px;">88F08FC4BA194AF...</div> </div> </div> <div style="text-align: center;"> <div style="border: 1px solid black; border-radius: 50%; width: 40px; height: 40px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">X</div> <div style="margin-top: 5px;"> <div style="font-size: small;">DocuSigned by:</div> <div style="font-family: cursive; font-size: 1.2em;">Lincoln Smith</div> <div style="font-size: x-small; margin-top: 2px;">DEDEFF58C454494</div> </div> </div> </div> <div style="margin-top: 10px;"> <div style="border-bottom: 1px solid black; padding-bottom: 2px;">Signature</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px;">Keith Moore</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px;">Print Name</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px;">CEO</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px;">Title</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px; text-align: center;">4/14/2021</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px;">Date</div> </div> <div style="margin-top: 10px;"> <div style="border-bottom: 1px solid black; padding-bottom: 2px;">Signature</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px;">Print Name</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px;">CEO</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px;">Title</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px;">Date</div> </div>	<div style="margin-top: 10px;"> <div style="border-bottom: 1px solid black; padding-bottom: 2px;">Signature</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px; text-align: center;">Lincoln Smith</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px;">Print Name</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px;">Executive Vice President</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px;">Title</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px; text-align: center;">4/14/2021</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px;">Date</div> </div> <div style="margin-top: 10px;"> <div style="border-bottom: 1px solid black; padding-bottom: 2px;">Signature</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px;">Print Name</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px;">Head Trader</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px;">Title</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px; margin-top: 5px;">Date</div> </div>

**31 CFR § 1010.230 CERTIFICATION REGARDING  
BENEFICIAL OWNERS OF LEGAL ENTITY CUSTOMERS**

**I. GENERAL INSTRUCTIONS**

**This is an optional form provided for your convenience. The required information may be provided in other formats. When completed, this form is provided to the financial institution where the account is opened. DO NOT SEND TO FinCEN.**

**Where may I obtain a copy of the form?**

A copy (pdf) may be downloaded from the FinCEN website at [www.fincen.gov](http://www.fincen.gov) under the “Filing Information” tab. The form may be completed on a computer using the free [Adobe Reader](#) software.

**What is this form?**

To help the government fight financial crime, Federal regulation requires certain financial institutions to obtain, verify, and record information about the beneficial owners of legal entity customers. Legal entities can be abused to disguise involvement in terrorist financing, money laundering, tax evasion, corruption, fraud, and other financial crimes. Requiring the disclosure of key individuals who own or control a legal entity (i.e., the beneficial owners) helps law enforcement investigate and prosecute these crimes.

**Who has to complete this form?**

This form must be completed by any person opening a new account on behalf of a **legal entity** with any of the following U.S. financial institutions: (i) a bank or credit union; (ii) a broker or dealer in securities; (iii) a mutual fund; (iv) a futures commission merchant; and (v) an introducing broker in commodities.

For the purposes of this form, a **legal entity** includes a corporation, limited liability company, or other entity that is created by a filing of a public document with a Secretary of State or similar office, a general partnership, and any similar business entity formed in the United States or a foreign country. **Legal entity** does not include sole proprietorships, unincorporated associations, or natural persons opening accounts on their own behalf.

**What information do I have to provide?**

When you open a new account on behalf of a legal entity, the financial institution will ask for information about the legal entity’s **beneficial owner(s)**, including their name, address, date of birth and social security number (or passport number or other similar information, in the case of Non-U.S. persons). The financial institution may also ask to see a copy of a driver’s license or other identifying document for each beneficial owner listed on this form.

Beneficial owners are:

- (1) Each individual, if any, who owns, directly or indirectly, 25 percent or more of the equity interests of the legal entity customer (e.g., each natural person that owns 25 percent or more of the shares of a corporation; **and**
- (2) An individual with significant responsibility for managing the legal entity customer (e.g., a Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Managing Member, General Partner, President, Vice President, or Treasurer).

The number of individuals that satisfy this definition of “beneficial owner” may vary. Under section (1), depending on the factual circumstances, up to four individuals (but as few as zero) may need to be identified. Regardless of the number of individuals identified under section (1), you must provide the identifying information of one individual under section (2). It is possible that in some circumstances the same individual might be identified under both sections (e.g., the President of Acme, Inc. who also holds a 30% equity interest). Thus, a completed form will contain the identifying information of at least one individual (under section (2)), and up to five individuals (i.e., one individual under section (2) and four 25 percent equity holders under section (1)).

*a legal entity may have multiple “beneficial owners,” this form requires you to list only those that own 25% or more (up to five) under each of the two prongs of the definition above. If appropriate, the same individuals may be listed under both prongs.*

## CERTIFICATION OF BENEFICIAL OWNER(S)

***The information contained in this Certification is sought pursuant to Section 1020.230 of Title 31 of the United States Code of Federal Regulations (31 CFR 1020.230).***

**All persons opening an account on behalf of a legal entity must provide the following information:**

1. Last Name and title of Natural Person Opening Account Moore	2. First Name Keith	3. Middle Initial
4. Name and type of Legal Entity for Which the Account is Being Opened Boustead Securities, LLC		
4a. Legal Entity Address 6 Venture, Suite 395	4b. City Irvine	4c. State CA
4d. ZIP/Postal Code 92618		

### SECTION I

(To add additional individuals, see page 3)

Please provide the following information for an individual(s), if any, who, directly or indirectly, through any contract arrangement, understanding, relationship, or otherwise owns 25% or more of the equity interests of the legal entity listed above. **Check here ☐ if no individual meets this definition and complete Section II.**

5. Last Name Moore	6. First Name Keith	7. M.I.	8. Date of birth 11/27/1960 <small>(MM/DD/YYYY)</small>
9. Address 317 Via Lida Nord	10. City Newport Beach	11. State CA	12. ZIP/Postal Code 92663
13. Country US	14. SSN (U.S. Persons) 379-64-7752	15. For Non-U.S. persons (SSN, Passport Number or other similar identification number)	
15a. Country of issuance:			

Note: In lieu of a passport number, Non-U.S. Persons may also provide a Social Security Number, an alien identification card number, or number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard.


### SECTION II

Please provide the following information for an individual with significant responsibility for managing or directing the entity, including, an executive officer or senior manager (e.g., Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Managing Member, General Partner, President, Vice President, Treasurer); or Any other individual who regularly performs similar functions.

16. Last Name Moore	17. First Name Keith	18. M.I.	19. Date of birth 11/27/1960 <small>(MM/DD/YYYY)</small>
20. Address 317 Via Lida Nord	21. City Newport Beach	22. State CA	23. ZIP/Postal Code 92663
24. Country US	25. SSN (U.S. Persons) 379-64-7752	26. For Non-U.S. persons (SSN, Passport Number or other similar identification number)	
26a. Country of issuance:			

Note: In lieu of a passport number, Non-U.S. Persons may also provide a Social Security Number, an alien identification card number, or number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard.

**I, Keith Moore (name of person opening account), hereby certify, to the best of my knowledge, that the information provided above is complete and correct.**

Signature:  Date: 4/14/2021  
DocuSigned by: 88F08FC4BA194AF... (MM/DD/YYYY)

Legal Entity Identifier (Optional) \_\_\_\_\_

**Additional Section 1 - Second Beneficial Owner (If required)**

Please provide the following information for an individual(s), if any, who, directly or indirectly, through any contract arrangement, understanding, relationship, or otherwise owns 25% or more of the equity interests of the legal entity listed above.

5. Last Name McClory		6. First Name Daniel	7. M.I.	8. Date of birth 08/17/1959 (MM/DD/YYYY)
9. Address 37 Cardiff		10. City Laguna Niguel	11. State CA	12. ZIP/Postal Code 92677
13. Country  US	14. SSN (U.S. Persons)  379-72-6265	15. For Non-U.S. persons (SSN, Passport Number or other similar identification number)		
		15a. Country of issuance:		

Note: In lieu of a passport number, Non-U.S. Persons may also provide a Social Security Number, an alien identification card number, or number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard.

**Additional Section 1 - Third Beneficial Owner (If required)**

Please provide the following information for an individual(s), if any, who, directly or indirectly, through any contract arrangement, understanding, relationship, or otherwise owns 25% or more of the equity interests of the legal entity listed above.

5. Last Name		6. First Name	7. M.I.	8. Date of birth  (MM/DD/YYYY)
9. Address		10. City	11. State	12. ZIP/Postal Code
13. Country	14. SSN (U.S. Persons)	15. For Non-U.S. persons (SSN, Passport Number or other similar identification number)		
		15a. Country of issuance:		

**Additional Section 1 - Fourth Beneficial Owner (If required)**

Please provide the following information for an individual(s), if any, who, directly or indirectly, through any contract arrangement, understanding, relationship, or otherwise owns 25% or more of the equity interests of the legal entity listed above.

5. Last Name		6. First Name	7. M.I.	8. Date of birth  (MM/DD/YYYY)
9. Address		10. City	11. State	12. ZIP/Postal Code
13. Country	14. SSN (U.S. Persons)	15. For Non-U.S. persons (SSN, Passport Number or other similar identification number)		
		15a. Country of issuance:		

Note: In lieu of a passport number, Non-U.S. Persons may also provide a Social Security Number, an alien identification card number, or number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard.

**Paperwork Reduction Act Notice**

Public recordkeeping burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The OMB control number for this information collection is 1506-0070. You may submit comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, by calling the FinCEN Resource Center at 800-767-2825 or by email at [frc@fincen.gov](mailto:frc@fincen.gov). Alternatively, you may mail us comments at Policy Division, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183. Please include 1506-0070 in the body of the text.

**ANTI-MONEY LAUNDERING PROGRAM AGREEMENT  
(Omnibus-Foreign Clearing Agreement)**

This Anti-Money Laundering Program Agreement (this "Agreement") is made as of the 11 day of April, 2021 by and between Velocity, a Delaware limited liability company ("Velocity") and Boustead Securities, LLC ("Correspondent").

WHEREAS, Velocity and Correspondent have entered into a Single Consolidated Margin Account Clearing Agreement dated April 11, 2021 (the "Clearing Agreement"); and \_\_\_\_\_ ("Correspondent").

WHEREAS, Correspondent is a foreign regulated financial intermediary which is not required to be registered with the Securities and Exchange Commission. Correspondent intends to maintain an omnibus account with Velocity for certain of Correspondent's securities customer accounts ("Accounts"); and

WHEREAS, Correspondent desires for Velocity to rely on Correspondent to perform Anti-Money Laundering ("AML") procedures, including Customer Identification Program ("CIP") functions for all of the Accounts. Velocity is delegating to Correspondent, and Correspondent acknowledges and agrees that it is accepting such delegation of, the implementation and operation of aspects of Velocity's Anti-Money Laundering program.

WHEREAS, Velocity agrees to comply with the anti-money laundering provisions of the USA PATRIOT Act of 2001 ("Patriot Act") and the regulations issued thereunder, and other applicable anti-money laundering and anti-terrorism laws, rules and regulations, and the sanctions requirements administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"); and

WHEREAS, Velocity and Correspondent wish to set forth the delegation of AML obligations between them.

NOW, THEREFORE, in consideration of the agreements made in the Clearing Agreement, the parties agree as follows:

**1. Correspondent's Obligations.**

(a) Correspondent hereby agrees and acknowledges that it is obligated to and hereby represents and warrants that it now does and will continue to comply with all laws, rules and regulations (collectively, "Applicable Laws") relating to anti-money laundering of any jurisdiction to which Correspondent is subject, including any future obligations that may be imposed on Correspondent by Applicable Laws, to identify and know its customers, their source and use of funds, to monitor for and identify suspicious activity, to undertake additional due diligence efforts, to prevent Correspondent from being used for money laundering or terrorist financing, to have a designated compliance officer, to maintain an on-going training program for its employees, and to maintain an independent audit function..

(b) Establish and maintain an anti-money laundering program, consisting of, at a minimum, written internal policies, procedures and controls including a means for monitoring and identifying suspicious activity, the designation of an anti-money laundering compliance officer (whose identity shall be made known to Velocity), an ongoing employee training program, an independent audit function to test such programs annually (if required by Applicable Laws), and any additional requirements set forth in the rules of any self-regulatory organization having jurisdiction over

Correspondent. Correspondent shall provide access to such information as Velocity deems necessary in order for Velocity to test Correspondent's adherence to Correspondent's anti-money laundering program.

(c) On each new account application, conduct customer identification and obtain sufficient information from its customer in order to reasonably identify and verify the identity of the client, which may include obtaining a government issued document (e.g., passport or driver's license) bearing a photograph and signature. Correspondent will maintain records of the information used to verify the person's identity, including name, address and other identifying information and compare customer identification information with government-provided lists of suspected terrorists to determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations.

(d) Correspondent acknowledges receipt of Velocity's Anti-Money Laundering Policies and Procedures.

(e) Provide an annual certification to Velocity, in the form previously provided to Correspondent, confirming that it has implemented an anti-money laundering program and procedures as described in the agreements between the parties, and that it has performed, and intends to continue to perform, the requirements of the Velocity's Customer Identification Procedures.

(f) Correspondent attests that it has adopted procedures reasonably designed to comply with the laws, regulations, and Executive Orders administered by OFAC, including, but not limited to, the List of Specially Designated Nationals and Blocked Persons, as such list may be amended from time to time. Correspondent further acknowledges receipt of Velocity's Current List of Blocked Countries/Blocked Financial Institutions/Enhanced Due Diligence Countries, and covenants that it will adhere to the requirements set forth therein with regard to the Accounts.

## 2. Velocity's Responsibilities.

(a) Anti-Money Laundering Laws and Obligations. Velocity hereby agrees and acknowledges that it is obligated to comply with anti-money laundering laws and regulations, including any future obligations that may be imposed on Velocity and that it is responsible to combat money laundering and terrorist financing. Velocity shall (i) make available to Correspondent such information as it may from time to time recognize as potentially useful through use of Velocity various interdiction monitoring tools to help Correspondent detect possible money laundering and terrorist financing schemes, and (ii) conduct various manual and systematic screenings to assist Correspondent in order to detect suspicious activity and OFAC and other government list violations. The actual systems and tools used for these purposes may vary from time to time, at Velocity's discretion.

(b) Anti-Money Laundering Program. Velocity has established and will continue to maintain an anti-money laundering compliance program in accordance with Section 352 of the Patriot Act as well as FINRA rules. Velocity further represents and warrants: (i) it has written anti-money laundering policies and procedures including procedures to identify and report suspicious activity; (ii) it has a designated Anti-Money Laundering Compliance Officer (whose identity has been made known to Correspondent and FINRA); (iii) it provides continuous anti-money laundering training to its employees; and (iv) its anti-money laundering program is independently audited on an annual basis.

(c) Transaction Monitoring Systems. Velocity will make available to Correspondent information useful to Correspondent's anti-money laundering efforts, including any systematic transaction monitoring tools available by Velocity or its service bureaus to assist Correspondent in

detecting suspicious activity. Velocity will provide training in the use of such systems provided to Correspondent.

(d) Notification if Velocity Detects Suspicious Activity. Through its trained employees and the use of automated systems, Velocity will review for (including, but not limited to, the items set forth below) and may detect suspicious activity. Velocity's review does not relieve Correspondent of its own responsibility to review for suspicious activity which may involve the use of the reports and systems listed above in such circumstances when Velocity detects suspicious activity, Velocity will contact Correspondent about the transaction for purposes of sharing information about the transaction, unless Velocity believes that Correspondent itself may be engaged in suspicious activity and/or Velocity would be prohibited by law from sharing with Correspondent information about the suspicious transaction. Nothing in this paragraph is to be read as prohibiting Velocity from filing its own suspicious activity and other reports, as it believes necessary or appropriate. Correspondent shall take such steps as Velocity may reasonably request in connection with any potential suspicious activity in an account, including closing the account.

(e) Outgoing Fed Wires for Third Parties. Requests for outgoing Fed Wires to third parties will be processed by Velocity only after screening such third party beneficiaries against any relevant government lists. When allowed, for outgoing Fed Wires ordered to the delivery of a person or entity other than the account holder, Velocity shall review relevant information, including the payee's possible violations of OFAC restrictions.

(f) Incoming Fed Wires. For Fed Wires received by Velocity shall initially check relevant information, including the remitter's name, address and account number, and the originating bank's name and address (to the extent provided on an incoming wire) to detect possible violations of OFAC restrictions.

(g) Incoming and Outgoing Securities. Incoming securities will only be accepted for the name of the Omnibus account and Outgoing securities will only be sent to the name of the Omnibus account. For incoming securities received, Velocity shall review the names of the specified holder of the security, to detect possible violations of OFAC restrictions in those circumstances when the registration on the security received is different than the name on the account into which the securities are deposited. For outgoing securities to third parties, Velocity shall check the names and addresses of the third party to whom the security is to be delivered, to detect possible violations of OFAC restrictions.

(h) Velocity will work closely with Correspondent to detect money laundering. Velocity will exchange information, records, data and exception reports with Correspondent as necessary to comply with AML laws.

3. Funds Transfer Rule and Travel Rule. Velocity represents it has systems designed to comply with the electronic transfers of funds, specifically the "Funds Transfer Rule" and the "Travel Rule", 31 C.F.R. 103.33(f) and (g) when processing disbursements on behalf of correspondent. Velocity shall comply with these rules based on information provided by Correspondent.

4. Bulletins and Other Information Memoranda. Velocity may from time to time issue bulletins or other informational memoranda to Correspondent setting forth Velocity's policies and procedures regarding anti-money laundering and terrorists financing. Correspondent agrees to become familiar with such bulletins and informational memoranda and to abide by them.

5. Cooperation. Consistent with Section 314(b) of the USA PATRIOT Act and this Agreement between Correspondent and Velocity, Correspondent and Velocity will cooperate with each other and exchange information to assist each other in detecting money laundering and terrorist financing. Velocity and Correspondent agree to consult with each other from time to time on each other's anti-money laundering responsibilities.

6. No Party to Cause Violation by the Other. Neither Velocity nor Correspondent shall willingly take any action to cause the other party to be in violation of any anti-money laundering laws or regulations.

7. This Agreement, including all Exhibits, which are hereby incorporated by reference, constitutes the entire Agreement and understanding between the parties and supersedes all previous communications, representations or agreements, whether written or oral, with respect to the subject matter hereof. This Agreement may be modified only in writing signed by both parties to this Agreement. Such modification shall not be deemed as a cancellation of this Agreement.

8. This Agreement shall be binding upon all successors, assigns or transferees of both parties hereto, irrespective of any change with regard to the name of or the personnel of Correspondent or Velocity. This agreement may not be assigned by either party except by a party in connection with its assignment of the Clearing Agreement. Any assignment of this Agreement shall be subject to the requisite review and/or approval of any regulatory agency or body whose review and/or approval must be obtained prior to the effectiveness and validity of such assignment.

9. This Agreement, the rights of the parties hereunder and any questions arising out of the Agreement, shall be subject to the laws of the State of New York, excluding conflict of laws provisions.

10. In the event of a dispute between the parties such dispute shall be settled by arbitration by arbitrators in accordance with the rules then in effect at FINRA. Any final award rendered by such arbitrators shall be final and binding between the parties and judgment thereon may be entered in any court of competent jurisdiction.

11. The headings preceding the text and sections hereof have been inserted for convenience and reference only and shall not be construed to affect the meaning, construction, or effect of this Agreement.

12. If any provision or condition of this Agreement shall be held to be invalid or unenforceable by any court, or regulatory or self-regulatory agency or body, such invalidity or unenforceability shall apply only to such provision or condition. The validity of the remaining provisions and conditions shall not be affected thereby, and this Agreement shall be carried out as if any such invalid or unenforceable provision or condition were not contained herein.

13. Any and all notices, consents, directions, approvals, restrictions, requests or other communications required or permitted to be delivered hereunder, shall be given by hand, registered or certified mail (in each case, return receipt requested and postage prepaid) or by nationally recognized overnight courier, to the parties at the following addresses:

If to Velocity:

Velocity Clearing LLC



1301 Route 36  
Suite 109  
Hazlet, NJ 07730

If to Correspondent:

Boustead Securities, LLC

6 Venture, Suite 395

Irvine, CA 92618

Attention: Keith Moore

Either party may provide change of its address to the other party for notice purposes by giving written notice pursuant to one of the means specified in this paragraph.

14. Authority to Execute; Counterparts. Each party represents to the other that an officer duly authorized to enter into a fully disclosed clearing relationship will execute this Agreement on behalf of such party. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute a single Agreement. When each party hereto has executed and delivered to the other a counterpart, this Agreement shall become binding on both parties.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

Velocity Clearing LLC

By: \_\_\_\_\_  
Name: Laura Crawford  
Title: AML Compliance Officer

[CORRESPONDENT]

By: \_\_\_\_\_  
Name: Keith Moore  
Title:

DocuSigned by:

*Keith Moore*

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## **EXHIBIT 1**

### **Certification Regarding Anti-Money Laundering Program**

Reference is made to the Single Consolidated Margin Account Agreement executed between Velocity Clearing LLC (“Velocity”) and Boustead Securities, LLC (“Correspondent”), including any amendments thereto (the “Agreement”). All capitalized terms used herein shall have the same meaning as defined in the Agreement.

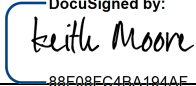
Correspondent represents that it is subject to the anti-money laundering program requirements of the jurisdictions to which it is subject, all applicable laws, rules and regulations, and relevant rules of its self-regulatory organizations. As set forth more fully in the provisions of the Agreement relating to anti-money laundering obligations, Correspondent has agreed to perform the specific customer identification program requirements specified in the Agreement, and all requirements of all laws, rules and regulations to which it is subject, with respect to each customer for which Velocity establishes an Account (collectively, the “CIP Requirements”), including but not limited to:

- (1) Establish and implement policies and procedures reasonably expected to detect and cause the reporting of suspicious transactions;
- (2) Establish and implement policies, procedures, and internal controls reasonably designed to achieve compliance with all applicable laws, rules and regulations;
- (3) Provide for annual testing for compliance and the overall effectiveness of the anti-money laundering program;
- (4) Designate an individual or individuals responsible for implementing and monitoring the day-to-day operations and internal controls of the program; and
- (5) Provide ongoing training for appropriate personnel.

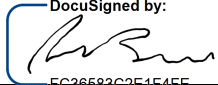
Pursuant to the Agreement, Correspondent hereby certifies that it has implemented an anti-money laundering program, which incorporates a customer identification program, all applicable laws, rules and regulations, and the Agreement, and that it has performed, and will continue to perform, the CIP Requirements on behalf of Velocity, and on its own behalf, as specified in the Agreement, with respect to each of its customers’ accounts. Correspondent hereby acknowledges that Velocity is relying on Correspondent’s performance of such CIP Requirements.

Correspondent and its officers attest to the firm’s disclosure of all Correspondent bank accounts, foreign shell bank accounts, omnibus account relationships, and other similar introducing arrangements. The firm and its officers agree that prior to entering into any new relationships of these types, the firm shall make full and complete disclosure in writing to Velocity. The firm and its officers agree to provide any additional information requested by Velocity regarding any new or existing account relationship.

We hereby certify that we have read and understand this Certification, that the statements made in this Certification are complete and correct, and that we are authorized to execute this Certification on behalf of Correspondent.

DocuSigned by:  
  
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\_\_\_\_\_  
Firm Principal – Compliance Officer  
  
\_\_\_\_\_  
Keith Moore  
\_\_\_\_\_  
Print Name  
  
\_\_\_\_\_  
Boustead Securities, LLC  
\_\_\_\_\_  
Firm Name

\_\_\_\_\_  
4/14/2021  
\_\_\_\_\_  
Date Signed  
  
\_\_\_\_\_  
Keith@boustead1828.com  
\_\_\_\_\_  
Print Email Address  
  
\_\_\_\_\_  
Firm Regulatory Reference Number

DocuSigned by:  
  
FC26593C2E4F4FE...  
\_\_\_\_\_  
AML Compliance Officer  
  
\_\_\_\_\_  
Tad Bull  
\_\_\_\_\_  
Print Name  
  
\_\_\_\_\_  
Boustead Securities, LLC  
\_\_\_\_\_  
Firm Name

\_\_\_\_\_  
4/14/2021  
\_\_\_\_\_  
Date Signed  
  
\_\_\_\_\_  
tad@boustead1828.com  
\_\_\_\_\_  
Print Email Address  
  
\_\_\_\_\_  
Firm Regulatory Reference Number

Note: If the same person holds the positions of Firm Compliance Officer and AML Compliance Officer, they must sign this form in each capacity. Please fill out all requested fields.