

# **Anti-Money Laundering (AML) Compliance Program**

## **1. PURPOSE AND SCOPE**

1 This Anti-Money Laundering (AML) Compliance Program ("Program") is established by Nexus Intelligent Systems, Inc. (the "Company") to ensure comprehensive compliance with applicable federal and state anti-money laundering regulations, including but not limited to the Bank Secrecy Act (BSA), the USA PATRIOT Act, and related financial crime prevention statutes.

2 The Program applies to all employees, officers, directors, contractors, and affiliated entities of Nexus Intelligent Systems, Inc., with particular emphasis on financial operations, client engagement, and transaction management processes.

## **2. COMPLIANCE GOVERNANCE**

### **1 Compliance Officer Designation**

The Company hereby appoints Michael Chen, Chief Technology Officer, as the designated AML Compliance Officer, with full authority and responsibility for implementing and maintaining this comprehensive AML Compliance Program.

### **2 Compliance Officer Responsibilities**

The AML Compliance Officer shall have the following primary responsibilities:

- a) Develop and update the AML Compliance Program
- b) Conduct periodic risk assessments
- c) Implement employee training protocols
- d) Manage suspicious activity reporting
- e) Coordinate with external regulatory authorities
- f) Maintain comprehensive compliance documentation

## **3. RISK ASSESSMENT FRAMEWORK**

### **1 Comprehensive Risk Evaluation**

The Company shall conduct annual comprehensive risk assessments to identify potential money laundering and financial crime vulnerabilities specific to its enterprise AI services and predictive analytics business model.

## 2 Risk Assessment Criteria

Risk evaluation shall consider:

- Client demographic characteristics
- Transaction patterns
- Geographic service distribution
- Payment mechanism diversity
- Technological transaction interfaces

## **4. CUSTOMER DUE DILIGENCE**

### 1 Know Your Customer (KYC) Protocols

All client engagements shall require:

- a) Verified corporate identification documentation
- b) Beneficial ownership verification
- c) Initial and ongoing risk profiling
- d) Comprehensive background screening

### 2 Enhanced Due Diligence

Transactions or client relationships presenting elevated risk shall undergo enhanced due diligence, including:

- Additional documentation requirements
- More frequent transaction monitoring
- Senior management review processes

## **5. TRANSACTION MONITORING**

### 1 Automated Monitoring Systems

The Company shall implement sophisticated transaction monitoring technologies capable of:

- Real-time suspicious activity detection
- Automated threshold violation reporting
- Complex pattern recognition
- Comprehensive audit trail maintenance

### 2 Reporting Mechanisms

Potential suspicious activities shall be immediately reported to:

- Internal Compliance Department
- Designated AML Compliance Officer
- Appropriate federal reporting agencies as required by law

## **6. EMPLOYEE TRAINING**

### **1 Mandatory Training Requirements**

All employees shall complete:

- Annual comprehensive AML compliance training
- Role-specific financial crime prevention modules
- Periodic certification examinations

### **2 Training Content**

Training programs shall cover:

- Regulatory landscape
- Identification of suspicious activities
- Reporting protocols
- Personal and organizational liability

## **7. RECORD KEEPING**

### **1 Documentation Standards**

The Company shall maintain:

- Comprehensive transaction records
- Customer identification documentation
- Training completion certificates
- Risk assessment reports
- Suspicious activity reports

### **2 Retention Period**

All compliance-related documentation shall be retained for a minimum of five (5) years, consistent with federal regulatory requirements.

## **8. ENFORCEMENT AND PENALTIES**

### **1 Compliance Violations**

Failure to adhere to this AML Compliance Program may result in:

- Internal disciplinary action
- Potential termination of employment
- Referral to appropriate legal authorities

## **9. PROGRAM REVIEW AND UPDATES**

### **1 Annual Review**

This AML Compliance Program shall undergo comprehensive annual review and update to ensure continued effectiveness and regulatory alignment.

## **10. EXECUTION**

Executed this 22nd day of January, 2024.

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Dr. Elena Rodriguez

Chief Executive Officer

Nexus Intelligent Systems, Inc.