

COIN MAYA LTD

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Responsible person: Luis Martin Mercado Santiago

Table of Contents

1. Anti Charge Back Procedure
2. KYC Procedure
3. AML Procedure
4. Reconciliation and Escrow Procedure
5. Anti Charge Back Procedure

The sections will layout the procedures that have been designed to help prevent chargebacks. These mandatory procedures as per your with Coin Maya LTD and are required by the PSPs in order for your merchant application to be accepted.

1. What on and off-site prevention methods have been implemented.
2. List of risk statements.
3. Unauthorised use of card chargeback prevention
4. Goods not delivered chargeback prevention
5. High Networth Card Deposits.

Section 1

Chargebacks will occur for a few reasons and these preventions are designed to target the most common of them which are:

- Stolen cards used to deposit
- A trader loses money.
- A trader's account is hacked or gained access to illegitimately. A combination of 3D secure, on and off-site risk warnings, mandatory 2FA (Two Factor Authentication), multiple points of confirmation for withdrawal requests, recording and training of sales and support staff communications to traders are the tools used to fight chargebacks.
Stolen Cards 3D secure will hurt the completion rates of legitimate deposit attempts but it will be a major tool in preventing fraud attempts from taking place. Implementing it in itself is significant deterrent, if a fraudulent deposit has happened with 3D secure

activated the liability is not on the company but with the card issuer. 3D secure will be active from day one for all CC deposits but over time we can develop a system to decide when to use it and when not to.

A Trader Loses Money

A trader losing money is one of the most likely ways a fraudulent chargeback will happen. Traders will try both legitimate and fraudulent methods to win a chargeback. A legitimate chargeback on a losing trade can occur when a salesperson promises guaranteed profits or if the trader is not made aware of the risks and volatility in trading digital assets.

A fraudulent chargeback happens when a trader tries to convince his bank that he did not make the deposit or make the trade (or was not made aware of the risks.)

The next section will specify prevention methods that will help us fight both chargeback issues and will be repeated on a need basis.

Specific Prevention Methods

To indemnify the company from the aforementioned chargebacks the company will take the following steps: on and off-site risk warnings at each step, education to our sales and customer support staff to always inform clients of the risks and not to oversell potential profits.

1. On the footer for all pages, we will insert a risk notice to inform that (1) digital assets are high risk (2) trader should only use risk capital to trade (3) by using our site the trader accepts the risks.
2. When a trader deposits funds, the risk notice is presented and the trader must click a checkbox accepting the risks.
3. Every time traders executes a trade, they are presented with a statement stating that they accept the risks involved in buying or selling the asset which may result in a net loss larger than the initial investment.
4. On all landing pages and banner ads, a similar risk warning will be present.
5. Sales staff can never promise huge profits and a risk warning will be verbally repeated either by recording or voice. All calls will be recorded.
6. Any trader that has attempted a fraudulent chargeback will be banned from the site. The next section will address claims from a losing trader who says his account has been tampered with or gained access to illegitimately.

A trader's account is hacked or accessed illegitimately

One potential chargeback would be a trader claiming his account was accessed by someone other than himself and a trade or withdraw was executed which caused him to lose money. Steps can be taken to prevent this:

1. IP logging to verify if the account was accessed outside of the normal patterns. b. When a trader first signs up they must verify their phone number. c. Emails of activities are

sent to the verified email address for notification of account activities when: (1) trades are executed (2) account is logged into (3) password is changed. d. There will be a structured withdrawal procedure i. When withdrawals are initiated by a trader, they will be manually checked. ii. The trader will be asked to confirm the withdrawal and an SMS will be sent to the verified phone number to notify that a withdrawal has been initiated. iii. The account will be checked to make sure the KYC is up to date and that there are no suspicious activities. iv. After the check, the withdrawal will be accepted and moved to an approved status. It will trigger both an email and an SMS to the trader. v. The trader will be asked to verify via email that they want to complete the approved withdraw. vi. The destination of the withdraw is relayed back in the email for user confirmation; this can be the last 4 digits of credit card, entire digital asset wallet address or the bank name and last 4 digits of the account.

Section 2

Risk Notices/Email Confirmations

Main Risk Notice Footer, T&C's and all landing pages

Trading in digital assets is highly volatile. By using our service, traders acknowledge this and agree to only use risk capital for trading. Digital assets trading cannot be predicted with the same level of accuracy as other markets using technical analysis and it is important to maintain an active and vigilant trading regime while trading digital assets. We strongly advise that you read our Terms & Conditions before making any investments. Customers must be aware of their individual capital gains tax liability in their country of residence.

Deposit Risk Notice (Check box on site)

Trading in digital assets is highly volatile, by depositing funds into your Coin Maya LTD trading account you accept our terms and conditions, agree to only use risk capital for this type of trading and hold harmless Coin Maya LTD for any losses you may incur trading.

Trade Execution Risk. (Check box on site)

By executing this Trade you agree to our terms and conditions including but not limited to accepting sole responsibility for any losses incurred or capital gains liability in your country of residence.

Withdraw Request (Check box on site)

By confirming your withdraw request you acknowledge acceptance of our terms and conditions.

Text for notification of withdrawal request (To confirmed phone number) This SMS is from Coin Maya LTD to notify you that a withdrawal request has been initiated from your account.

Confirm Withdraw Request (Email to registered address) Please confirm your withdraw request for: [Amount] To

[Withdrawal method] [Reference to Method, if Digital Asset full wallet address]

Withdraw Approved & Confirm (Email to registered address)

Your withdrawal has been approved. Please confirm the details below, by doing so you acknowledge receipt of delivery of goods or funds. [Amount] To

[Withdrawal method] [Reference to Method, if Digital Asset full wallet address]

Text for notification of approved withdrawal (To confirmed phone number)

This SMS is from Coin Maya LTD to notify you that a withdrawal request has been approved.

Email for successful log in

This email is to notify you of a successful login on your account at Coin Maya LTD [Username] [IP Address:] If you did not perform this login, then contact support immediately.

Email for unsuccessful log in This email is to notify you of an unsuccessful login on your account at Coin Maya LTD [Username] [IP Address:] If you did not perform this login, then contact support immediately.

Section 3

Unauthorised use of card

There are two categories that charge backs fall under, one is failing to deliver goods or services and the the other is Unauthorised use of card.

The use of 3d secure will transfers the risk of this type of chargeback to card schemes, it does reduce the completion rates but the use of it or Isignthis is mandatory in-order to accept credit cards as per the licensing

Isign this splits up deposits into two payments, before the deposit is released to the trader, the trader must confirm the two different amounts. By doing this, the trader will have to have access to online banking. This method has been authorised by the card schemes as an alternative to 3Dsecure.

Section 4

Good Not Delivered

Protection from Goods not delivered chargeback requests on the Coin Maya LTD is well covered. All trades are recorded and exportable for convenient proof while fighting the chargebacks.

The concern comes from the potential for a traders account to be accessed by an unauthorized person and funds are withdrawn. To prevent this all brokers must follow the procedures laid in this document in section 2.

The use of 2fa access to accounts and withdraws as well as double confirmation of withdrawal and withdraw addresses/accounts will provide a strong case against a charge back based on an account be accessed by someone other than the account owner.

Section 5

High Net-worth Card Deposits.

For card payments over 25,000 euros a trader must first qualify as either a institution, high networth individual or as a sophisticated trader via the tiered KYC procedures and policies listed below as per your license agreement these terms are mandatory and must be followed by all brokers.

Once a trader has qualified and has made a card transaction over 50,000 USD, you must video call the trader and record the trader verify they made the deposit, understand the risks and the date they made the transaction. These recordings must be kept for a minimum of 6 months.

2. KYC Procedure

The section below will explain the KYC procedure to be implemented for our digital currency exchange platform..The document is written as it was for the implementation by the tech team, hence its linear/slightly visual presentation.


Coin Maya LTD has put in place policies and procedures in relation to customer due diligence and monitoring, among others, however, the exact policy is not prescribed in detail how firms have to do this. Firms' practices will vary depending on the nature of the money-laundering risks they face and the type of products we sell.

Account verification status

Your data is now in process of verification, it will take maximum 24 hours!

We have received all your papers and now you should wait just a bit of time.



 **Selfie with the proof**

The selfie does not fit the quality. Please provide the new one and make sure that all data are clearly visible.

[Upload new](#)

Coin Maya LTD aims to reasonably identify each user by cross-checking user data against governmental watch lists such as OFAC, as well as 3rd party identity verification and authentication services. If a user or a user's transaction is flagged as suspicious through our internal controls, Coin Maya LTD will require additional proof of identification from the user and has the right to not permit any trades, deposits, and/or withdrawals until additional and verifiable proof of identity is received and the Compliance Officer has approved the user for use of the Platform.

By agreeing to our Terms, you acknowledge and understand that Coin Maya LTD maintains verification levels which require user participation and verification in order to obtain, with leveled permissions based on user-supplied information, our ability to verify it, and our internal policies. You accept that you may not be able to achieve a desired level of verification, and Coin Maya LTD reserves the right to determine, at its sole discretion, the appropriate Verification Level for any user, as well as the right to downgrade users without prior notice. Coin Maya LTD may, from time to time, implement policies restricting Verification Levels by nationality, country of residence, or any other factor. This may affect your ability to withdraw funds in your account and you indemnify Coin Maya LTD against any losses associated with an inability to deposit and/or withdraw funds based on your verification level.

Our KYC policies and procedures are divided across three sections:

Governance: Organisational structure Monitoring: Appointed MLRO and automated monitoring programme General: Internal policies of management and procedures

This document specifically related to the onboarding of traders and brokers on the digital asset exchange platform Coin Maya LTD will implement a tiered KYC procedure.

There are four tiers depending on the client and the type of trading they would like to do. Ranging from smaller clients personal trading accounts to corporate accounts depositing and trading larger fiat amounts. The details of documentation required and the Limits within each tier will be state below.

Objective:

The objective of Coin Maya LTD tiered KYC onboarding procedure is to ensure and implement a flexible risk based approach, meeting the needs of the clients taking into consideration their context. We aim to have strong policies of customers authentication and fraud prevention.

We will implement robust and fair KYC policies, automating input processes where possible ensuring efficient procedures, enabling financial inclusion, yet mitigating money laundering risk

Account verification



Upload a selfie with the Proof of Identity

Please provide a photo of you holding your passport. Make sure your face is clearly visible and that all passport details are clearly readable.

↑
.jpg or .pdf
should be more than 500kb, 300DPI
Upload Selfie

Example →

Next Step →

← Go Back

Structure:

Tier 1: Documents required:

- Photo ID [upload]
- Picture with photo ID [upload]
- Proof of address [upload] Actions:
- Verify documents with an integrated third party provider.
- OFAC check, sanctions/politically exposed persons PEP.
- **Limits:**

Day

Deposit: €5k (fiat) Withdraw: €5k (fiat) Deposit: No limit (MAYA Securities Tokens)

Month

Withdraw: €20k (fiat) Deposit: €20k (fiat) Deposit: No limit (MAYA Securities Tokens)

FIRST LEVEL exchange Maya Securities Tokens in to fiat: €5k

Limits: · 3 day cool off (if you hit withdraw you get money after 3 days)

- 6 month expiration date for KYC status

Tier 2: Documents required:

- Additional different photo ID [upload]
- Additional different proof of address [upload]

Limits:

Day

Deposit: 20k (fiat) Withdraw: 20k (fiat) Deposit: No Limit (crypto) Withdraw: 20k (MAYAS DIGITAL SECURITIES)

Limits:

- 3 day cool off
- 6 month expiration of KYC verification

Verify documents with an integrated third party provider. OFAC check, sanctions/politically exposed persons PEP

Month

Deposit: €80k (fiat) Withdraw: €80k (fiat) Deposit: No Limit (crypto) Withdraw: €80k (MAYAS Security Tokens)

Tier 3 Sophisticated Investor/High Net Worth:

Below is the procedure for KYC of High Net Worths and Self-Certified Sophisticated Investors.
Documents Required: High Net Worth

1. Personal Info

- Name [TEXT]
- DOB [CALENDAR]
- Phone Number [TEXT]
- Email [TEXT]
- Photo [UPLOAD]
- Proof of address [UPLOAD]

2. Signed Declaration [UPLOAD]

3. Proof of Net Worth Net Income of over £100,000:

- Employment Contract [UPLOAD] Or
- Bank Statements [UPLOAD] Or
- Other proof [UPLOAD] Net Worth Over £250,000
- Proof [UPLOAD] Or
- More Proof [UPLOAD] Or
- ETC [UPLOAD]

Signed Declaration and Terms and Conditions [TICK BOX]

Sophisticated Investor

1. Personal Info

- Name [TEXT]
 - DOB [CALENDAR]
 - Phone Number [TEXT]
 - Email [TEXT]
 - Photo [UPLOAD]
 - Proof of address [UPLOAD]
2. Signed Declaration [UPLOAD]
3. Proof of Sophisticated Investor
- Syndicate of Business Angels [UPLOAD] Or
 - Made Investment in The Last 2 Years [UPLOAD] Or
 - Worked in Private Equity [UPLOAD] Or
 - Was a Director of a Company Turning Over £1,000,000 [UPLOAD]
 - Signed Declaration and Terms and Conditions [TICK BOX]

- NOTES: The number of [UPLOAD] bars is flexible, depends on how many documents the user will want to upload to prove that they are what they say they are.
- DEFINITION: Signed Declaration; I/We hereby undertake that: I/We have completed all the KYC formalities and submitted all the required documents thereof

(proof of identity, Address proof, Bank proof, etc), enrolling as a client with you.

2. There are no changes in respect of my/our address, Bank account, any other details, as provided to you in the KYC form. I / We declare that the information given above is true to my / our knowledge.
3. Any misstatement or misrepresentation or suppression of facts in connection with this application for Coin Maya LTD platform or breach of any undertaking or condition of admission to the platform entails rejection of application or expulsion of membership.

I/We hereby state that the above-mentioned particulars and annexures hereto are true, correct and complete to the best of my/our knowledge and information. I / We also state that no relevant material fact has been suppressed.

Actions:

- Manually verify with Extensive Due Diligence.
- Outsource to a third party to verify corporate bank accounts.
- Manually define bespoke custom limits for the size, nature and balance sheet of the client. **Allowed access to bond products.**

Limits:

Day

Deposit: Bespoke (fiat) Withdraw: Bespoke (fiat)

Month

Deposit: Bespoke (fiat) Withdraw: Bespoke (fiat)

Once verified as a high net worth or sophisticated investor, the client will have access to our bond products.

Limits: Bespoke: If our MLRO spots any suspicious transactions we will block it and start inquiry procedures.

Tier 4 Corporate:

The corporate tiered verification is the highest available of Coin Maya LTD, extensive background check will be conducted on corporate bank accounts, managers, and ultimate beneficial owners, therefore, requiring us to gather larger amounts of information provided by

the corporate wishing to use Coin Maya LTD digital asset exchange. Some required information will need to be uploaded and other information will need to be filled out on our website in text fields and drop downs.

Section 1: Corporate Account Holder details

Registered Name of Company:[text field] Registered Coin Maya LTD Email:[text field] Other Email:[text field] Business Address:[text field]

Billing address:[text field] Telephone Number:[text field] Secondary Telephone Number:[text field] Country/State of Formation:[drop down] Date of Formation:[drop down] Type of Company:[text field] Number of Employees:[drop down]

Number of Locations or Offices:[drop down] Industry:[text field] Goods and Services:[text field] Business licenses and registrations (Please list all):[text field]

Tax Identification Number (if applicable):[text field] Shareholder's (name and percentage):[text field] Officers:[text field]

Describe in Detail the type and nature of activities conducted by all related companies:[text field]

Annual Net Profit: [drop down]

Banking Information

Approximate Net Worth:[drop down] Approximate Liquid Net

Name of Financial Institution:[text field] Swift:[text field] Bank Account Number:[text field] Bank Contact Person and Title:[text field]

down]

Worth:[drop down]

Street Address:[text field] ABA:[text field] How long with the Bank:[text field] Bank Business Telephone:[text field]

Certification of Incorporation [upload] AML questionnaire {upload]Agreement and any applicable charter documents [upload] Trade register extract and/or letter of good standing from home jurisdiction [upload]

Annual return(company directors and beneficial shareholders of the last fiscal year) [upload] Relevant founding documents [upload] Resolution of the Board to create this Coin Maya LTD Account [upload] Recent Bank statement to Company at the Company's address [upload]

Section 2: UBO/Source of Funds

UBO definition - all shareholders, officers and directors with 20% or more interest in the company must fill out this section

Full Name:[text field] Residential Address:[text field] Email:[text field] Date of Birth:[drop down] % Interest in Company:[text field]

Describe professional career or attach professional CV: Annual Income: Annual Income for the Previous 2 Year

Telephone:[text field] Nationality:[drop down] Place of Birth:[text field] Marital Status:[drop down]

Sex:[drop

All sources of wealth (allow use of separate document if necessary)

Passport [upload] Proof of Residency [upload]

Section 2 to be repeated to allow for 5 UBOs.

Section 3: Officers

Director

Full Name:[text field] Title:[drop down] Residential Address:[text field] Email:[text field]

Date of Birth:[drop down] Passport [upload]

Years with Company:[text field] Telephone:[text field] Nationality:[drop down] National Insurance Number:[text field]

Proof of Residency [upload] Section 3 to be repeated to allow for 4 Directors with a minimum of 2 required.

Section 4: Purpose of Account

What is the primary purpose for the account:[text field] What is your expected average monthly payment volume:[text field] How many people will have access to this account: (each person will have to be verified) [text field] What is your expected average transaction amount:[text field]

Section 5: AML and Risk Management

Are you an MSB:[drop down] Do you have an AML Compliance Program:[drop down]

If Yes to either the following to be required They will need to provide a complete copy of their AML policy/program [upload] KYC/CDD policies and procedures [upload]

Name of Designation Compliance Officer:[text field] Email:[text field] Title:[text field]

Telephone:[text field]

Has the company or affiliates thereof been involved in any litigation (past or pending) related to the goods and services it offers in relation to its proposed Coin Maya LTD account:[text field]

Section 6 Certification

I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am aware that I may be held liable for it.

Self verification document [tick box]

3. AML Procedure

Money laundering is defined as the process where the identity of the proceeds of crime are so disguised that it gives the appearance of legitimate income. Criminals specifically target financial services firms through which they attempt to launder criminal proceeds without the firm's knowledge or suspicions. In response to the scale and effect of money laundering, the in common with many other countries, has passed legislation designed to prevent money laundering and to combat terrorism. This legislation, together with regulations, rules, and industry guidance, forms the cornerstone of AML/CTF obligations for Worldwide firms and outline the offences and penalties for failing to comply.

Whilst St. Vincent and the Grenadines is currently unregulated and do not fall within the scope of the AML/CTF obligations, the senior management have implemented systems and procedures that meet most of the countries and St. Vincent and the Grenadines AML legislation. This decision reflects the senior management's desire to prevent money laundering and our services to not be used by criminals in laundering proceeds of crime.

Coin Maya LTD also aims to comply with the following legal and regulatory framework:

- The Proceeds of Crime Act 2002 (POCA), as amended by the;
- Serious Organised Crime and Police Act 2005 SOCPA
- Proceeds of Crime Act (Amendment Regulations 2007);
- The Terrorism Act 2000, as amended by;
- The Anti-Terrorism, Crime and Security Act 2001
- The Terrorism Act (Amendment) Regulations 2007

- The Terrorism Act 2006
- The Bribery Act 2010
- The Money Laundering Regulations 2007
- The FCA handbook
- The Joint Money Laundering Steering Group Coin Maya LTD also requires partners to acknowledge their own responsibility in meeting the requirements of the above mentioned legislation and regulation.
- Anti-Money Laundering (AML) Policy
- Coin Maya LTD AML Policy is designed to prevent money laundering by meeting the St. Vincent and the Granadines and World Wide Legislation true Identity Mind Global eDNA

Entidades

Agregación de atributos como nombre, correo electrónico, teléfono, dispositivos, geolocalización, etc. Cada entidad tiene su propio modelo de riesgo.

Links

Relaciones entre entidades que contienen información como frecuencia, actualidad, edad, fuerza de verificación, direccionalidad, etc.

Reputación

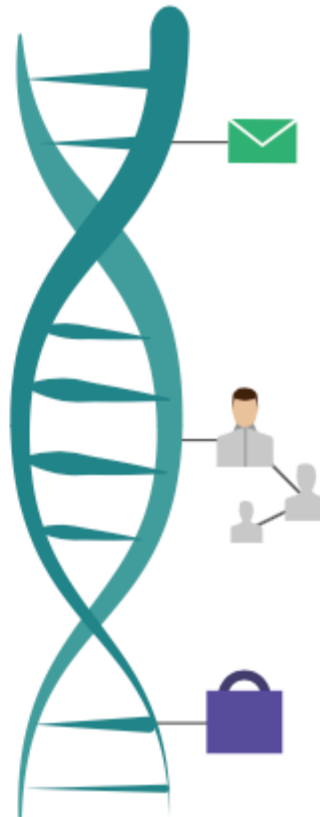
Agregación del comportamiento de entidades e identidades en el contexto de transacciones financieras.

Autenticación Preferida

Metodología (pasiva o activa) preferida al momento de autenticar una identidad.

Afinidad y Afiliación

Capacidad para evaluar el riesgo de fraude y cumplimiento en función de cómo las identidades están conectadas a otras identidades o grupo de identidades, ya sea a través del análisis de enlaces en nuestra base de datos o a través de las redes sociales.



AML legislation obligations including the need to have adequate systems and controls in place to mitigate the risk of the firm being used

to facilitate financial crime. This AML Policy sets out the minimum standards which must be complied with and includes:

- The appointment of a Money Laundering Reporting Officer (MLRO) who has sufficient level of seniority, independence, and responsibility for oversight of compliance with relevant legislation, regulations, rules and industry guidance;
- Establishing and maintaining a Risk Based Approach (RBA) towards assessing and managing the money laundering and terrorist financing risks to the company;
- Establishing and maintaining risk-based customer due diligence, identification, verification and know your customer (KYC) procedures. This includes enhanced due diligence for those customers presenting higher risk, such as Politically Exposed Persons (PEPs);
- Establishing and maintaining risk based systems and procedures to monitor on-going customer activity;
- Procedures for reporting suspicious activity internally and to the relevant law enforcement authorities as appropriate;
- The maintenance of appropriate records for the minimum prescribed periods; and
- Training and awareness for all relevant employees.
- Sanctions Policy:
 - Coin Maya LTD will prohibit individuals, companies and countries that are on the prescribed sanctions lists from trading. Coin Maya LTD will therefore screen against the United Nations, European Union, UK Treasury, St. Vincent and the Grenadines and US Office of Foreign Assets Control (OFAC) sanctions lists in all jurisdictions in which we operate.
- Our payment processors partners must assess its own risks and exposures to money laundering: The assessment of money-laundering risk is at the core of the firm's AML effort and is essential to the development of effective AML policies and procedures. The responsibility for establishing and maintaining effective AML controls will lie with the head of compliance of the broker/partner. Everyone will report to the head of compliance. For high risk customers the relationship should be directly managed with senior management. **Coin Maya LTD requires its payments processors and brokers partners to take each case individually.** With regards to digital currencies there is no major theme for types of people, jurisdictions and delivery channels that would be considered more likely to be conducting financial crime. Jurisdiction doesn't matter. Risks are global due to the global nature of the internet. Payments Delivery channels will most likely be the easiest indicator for money laundering as we can see which MAYA Securities Tokens, Fiat and bitcoins are being sent from, and with regards to wire transfers, we will assess the behaviour to assess money laundering risks - for example, one way flows converting digital currencies into cash only will raise concerns.

Extensive KYC and DD, PEP checks must be made to eliminate financial crime risks on our platform. If customer DD/EDD and 3rd party KYC and PEP checks also come back clean then

we will accept and maintain a relationship, until any activity raises suspicions. Coin Maya LTD will conduct ongoing monitoring of its business relationships on a risk-sensitive basis.

Ongoing monitoring means scrutinising transactions to ensure that they are consistent with what Coin Maya LTD knows about the customer, and taking steps to ensure that Coin Maya LTD knowledge about the business relationship remains current. As part of this, Coin Maya LTD requires firms to keep documents, data and information obtained in the CDD context (including information about the purpose and intended nature of the business relationship) up to date. Firms must apply CDD measures where it doubts the truth or adequacy of previously obtained documents, data or information.

Our own customers and company DD and AML policy will take into consideration factors such as:

- company structures;
- political connections;
- country risk;
- the customer's or beneficial owner's reputation; • source of wealth;
- source of funds;
- expected account activity;
- sector risk; and
- involvement in public contracts.
- The firm identifies where there is a risk that a relationship manager might become too close to customers to identify and take an objective view of the money-laundering risk. It manages that risk effectively.

This procedure will also be nuanced for each trader and broker in implementation.

'Source of wealth' describes how a customer or beneficial owner acquired their total wealth. Establishing the source of funds and the source of wealth can be useful for ongoing monitoring and due diligence purposes because it can help firms ascertain whether the level and type of transaction is consistent with the firm's knowledge of the customer. 'Source of funds' refers to the origin of the funds involved in the business relationship or occasional transaction. It refers to the activity that generated the funds, for example, salary payments or sale proceeds, as well as the means through which the customer's or beneficial owner's funds were transferred. It is a requirement where the customer is a PEP this must be verified by our 3rd party KYC checker. This is sometimes referred to as 'source of funds as evidence' and is distinct from 'source of funds' in the context of Regulation 8 and Regulation 14 of the Money Laundering Regulations 2007 and of this Guide.

The law requires that firms' anti-money laundering policies and procedures are sensitive to risks. This means that in higher-risk situations, firms will apply enhanced due diligence and ongoing monitoring. Situations that present a higher money-laundering risk might include, but are not restricted to: customers linked to higher-risk countries or business sectors; or who have unnecessarily complex or opaque beneficial ownership structures; and transactions which are

unusual, lack an obvious economic or lawful purpose, are complex or large or might lend themselves to anonymity.

The ML Regulations also set out three scenarios in which specific enhanced due diligence measures have to be applied:

- Non-face-to-face CDD: this is where the customer has not been physically present for identification purposes, perhaps because business is conducted by telephone or on the internet.
- Correspondent banking: where a correspondent bank is outside the EEA, the banks should thoroughly understand its correspondent's business, reputation, and the quality of its defences against money laundering and terrorist financing. Senior management must give approval to each new correspondent banking relationship.
- Politically exposed persons (PEPs): a PEP is a person entrusted with a prominent public function in a foreign state, an EU institution or an international body; their immediate family members; and known close associates. A senior manager at an appropriate level of authority must approve the initiation of a business relationship with a PEP. This includes approving the continuance of a relationship with an existing customer who becomes a PEP after the relationship has begun. Coin Maya LTD requires brokers and traders to apply EDD measures in situations that present a higher risk of money laundering and obtain more information about;
- The customer's or beneficial owner's business more robust verification of the beneficial owner's identity based on information from a reliable and independent source the customer's or beneficial owner's reputation and/or role in public life and assessing how this affects the level of risk associated with the business relationship carrying out searches on a corporate customer's directors or other individuals exercising control to understand whether their business or integrity affects the level of risk associated with the business relationship how the customer or beneficial owner acquired their wealth to be satisfied that it is legitimate the source of the customer's or beneficial owner's funds to be satisfied that they do not constitute the proceeds from crime This will give us a greater understanding of our customer and their associated risk than standard due diligence. It will provide more certainty that the customer and/or beneficial owner is who they say they are and that the purposes of the business relationship are legitimate; as well as increasing opportunities to identify and deal with concerns that they are not. Staff must report their concerns and will do so to nominated officer within the firm, who must then consider whether a report to NCA is necessary based on all the information at their disposal. Not only is KYC and AML assessment and verification necessary at the onboarding and depositing money stages but also imperative when monitoring transactions.
- Transaction Based Procedures
- Transactions going through Coin Maya LTD platform are currently manually reviewed as transactional volumes are low. As we are growing and the amount of traffic going across our systems increases we will implement an automatic monitoring system to spot potential money laundering. Criteria will be set to flag suspicious transaction when those criteria are met. Then the transaction will be investigated manually by a member of the compliance team. Once assessed, Coin Maya LTD requires brokers or partners to

challenge unusual activity and require them to retrieve explanations provided by the customer where appropriate. Given the differences in size, nature and complexity of our partners, they will have to assess what will be an adequate system to adequately monitor ML across our platform. The following, which may not be unique to the securities industry and or the **digital currency sector, have been identified as suspicious indicators involving the use of wire transfers:**

- Wire transfers are made to or from financial secrecy havens, tax havens or high-risk geographic locations (i.e. jurisdictions known to produce illegal narcotics/psychotropic drugs or are related to terrorism);
- Wire transfers or payments are made to or from unrelated third parties (foreign or domestic) or where the name or account number of the beneficiary or remitter has not been supplied; Many small, incoming wire transfers are made, either by the customer or third parties, that are almost immediately withdrawn or wired out in a manner inconsistent with customer's business or history;
- There is wire transfer activity that is unexplained, repetitive, unusually large or shows unusual patterns or has no apparent business purpose;
- The account is used for payments or outgoing wire transfers with little or no activities i.e. account appears to be used as a depository account or a conduit for transfers; Funds are transferred to financial or depository institutions other than those from where the funds were initially directed, specifically when different countries are involved;
- Transfers with no apparent business purpose are made between different accounts owned by the customer;
- Wire transfer logs, when viewed over a period of time, reveal suspicious or unusual patterns;
- The customer requests that certain payments be routed through nostro or correspondent accounts held by the financial intermediary instead of its own account; and Outgoing wire transfers to third parties coincide or are close in time to incoming wire transfers from other third parties. It should be noted that the JMLSG's guidance provides that, in situations where the risk of money laundering/terrorist financing is very low and subject to certain conditions, firms may assume that a payment drawn on an account in the customer's name with a St. Vincent and the Granadines, US, UK, EU or equivalent regulated credit institution satisfied the standard CDD requirements. Happily, some attributes actually make digital currencies not suited to money laundering and terrorist financing, namely, price volatility, illiquid market as compared to a national currency and the fact that they are not fully anonymous. As the ETC Blockchain maintains a decentralised ledger, it is not possible to trace MAYA Securities Tokens transaction. Coin Maya LTD will, as a matter of routine, deploy ETC blockchain monitoring and analytics technologies. These technologies aggregate public and private information sources about known network addresses and combine them with relationship (or taint) analysis across the whole blockchain. This enables an unprecedented level of accuracy enabling the identification of funds associated with suspicious or illegal activity. This allows transactions not only to be monitored at the point of delivery but also transactions yet to occur may be linked to an identity in the future. A vital tool in fighting online crime.

Nevertheless, digital currencies are supported by a number of technologies that can assist in anonymising or hiding the origin of the funds.

Anonymiser Tools:

- Dark Net: Tor/Dark Wallet
- Mixers: Bitcoin Laundry
- Tumblers: Complex, semi random dummy transaction that make it difficult to link addresses with particular transaction.
- Street Dealers: Rather than going through semi-regulated exchanges you can meet street dealers and hand over cash for bitcoin. Bitcoin because of its pseudo-anonymity is a flawed medium from illicit behavior, nevertheless partners must assess transactions that they assess and deem to be more likely to be money laundering transactions. To summarise, digital currencies allow greater anonymity in non-face to face transactions which could be an issue with regards to KYC. This is exacerbated by the fact there is no central authority and is a truly borderless currency. However, if Coin Maya LTD AML and KYC policies are followed stringently, almost all risks from ML can be mitigated. This is why we require all our partners to follow Coin Maya LTD KYC/AML procedures.

4. Reconciliation and Escrow Procedure

Brokers who license our platform and market their services to traders. Their clients (traders) will be grouped together into pooled liquidity order book for active trading.

The pooled liquidity offers many benefits to our clients and the end users (traders) but creates clearing and settlement issues between the Brokers. These issues if not handled correctly puts the network at risk of bad actors.

Our Reconciliation system includes an escrow or custodial care of trader's funds that are used to protect the network from bad actors as well as cross reconciliation when traders complete trades across Brokers within the network.

The third party financial institution (EMI) will act as an intermediary receiving and clearing Broker for all incoming and outgoing non digital asset transactions (deposits, Withdraw and Coin Maya LTD fee payments). The third party financial institution (EMI) will hold the trader's funds in a segregated/custodial account in the broker's name. The broker may authorize trader withdraws only from this account. A second account will also be open for receiving all revenues generated by the broker those funds are clear of any restrictions.

Coin Maya LTD will issue a batch cross Broker reconciliation statement intra day that the third party institution (EMI) will clear outstanding as well as pay release the broker's revenue and pay the Coin Maya LTD fees.

Movement of Funds

Example. If Affiliate Partner “A”

- Has 1,000 traders.
- Those traders generate €1,000,000 in trading volume.
- Coin Maya LTD charge 1% per trade fee to MAYAS ERC223 traders.
- Coin Maya LTD affiliates partner revenue (assuming the affiliate partner has both the buyer and seller) would be €20,000
- Coin Maya LTD charges 90% rev-share to affiliate partners.
- Coin Maya LTD Fees would be €19,000

Pooled Liquidity Exchange: All of our affiliate partners (Brokers) end user traders will be pooled together into one trading liquidity pool. This means there will be active order books, which helps create stable markets with sufficient market depth. This also means our Broker’s customers (traders) will be trading with each other, hence the term “Cross Broker”.

- PSP: Payment service provider or payment processor; tie together fraud tools/ technologies and integrate into necessary financial institutions to facilitate a transaction between a merchant and customer.
- Gateway: A gateway is a piece of technology that PSP’s use as a middle layer between a merchant and an acquiring bank. This is the technology that processes payments between customers and merchants.
- Acquirers/Acquiring Banks are registered members of a card network, such as MasterCard or Visa, and accept (or acquire) transactions on these debit and credit card networks' on behalf of a Merchant. The card network connects Acquiring Banks to banks that issue credit cards, or Issuing Banks, so that a customer transaction can be verified. Whenever a cardholder uses a debit or credit card in a purchase, the Acquiring Bank will either approve or decline the Transactions based on the information the card network and Issuing Bank have on record about that cardholder’s account.

Contractual relationships:

- Coin Maya LTD will hold a direct contractual relationship with each Broker(affiliates partners). To use the Coin Maya LTD infrastructure and for Coin Maya LTD to provide support to the Broker.
- Coin Maya LTD will hold a direct contractual relationship with institutional market makers. To provide liquidity in pooled liquidity exchange (this will be in the form of digital currencies)
- Coin Maya LTD /Each Broker/ and if necessary, accounting firm will enter into joint contracts to facilitate the clearing and escrowing of funds.
- Each Broker will hold a direct contractual relationship with the PSP for the purpose of credit card processing.

Roles of each Actor

Coin Maya LTD:

- Will provide the technical infrastructure to Brokers (Brokers) needed to execute trades (matching engine) between trader, maintain trader relationships (CRM and Back, Office) 3rd party integrations into PSP's and other Brokers needed to conduct business of trading.
- Actively maintain and monitor integrity (Secure) of the network.
- Provide clearing settlement data to accounting firms and banks to enable accurate fiat settlement.
- Where available provide umbrella licensing brokerage services to its Brokers.
- Provide markets and market makers for the different asset pairs.

Brokers (affiliate partners):

- Will market and sell trading services to traders.
- Provide trader support and education.
- Contract directly with PSP's (payment providers)
- Be responsible for acquiring and maintaining licenses in countries that require licensing to operate.
- Cross Broker reconciliation. Note: it may not be possible to find a single bank to act as Broker Bank, if this is the case we will use an accounting firm to perform the clearing and settling of cross Broker reconciliation.
- PSP (BITCARD or any payment provider):
- Contracts directly with each Broker to provide them with ability to take in and pay out traders funds.
- Provide tools to help the Brokers combat chargeback and credit card fraud.
- How are funds moved?
- When a trader makes a Credit Card/Direct Debit deposit, the payment processor (PSP), via the acquiring bank, moves the funds from the card issuing bank (trader's CC bank or trader's bank account for direct debit) to the Brokers' clearing and escrow bank accounts. When a trader makes a SOFORT or Wire deposit, funds are sent directly from the trader's bank account to the Broker's segregated traders custodial/trust account.
From the Brokers' Broker's segregated traders custodial/trust account. funds are then moved to four locations.
- Location 1: To other Brokers during Cross Broker reconciliation. The portion of funds that Broker's owe to each other are settled. (Daily)
- Location 2: Broker controlled Segregated Trader Funds accounts. The trader deposits less the escrow percentage and amounts owed to other Brokers are transferred to the Broker controlled segregated accounts. (monthly)
- Location 3: Fees that each Broker owes to Coin Maya LTD are paid: (Instantly)
- Location 4: Brokers are paid to their operational accounts. (Instantly) Moving funds from the Brokers' escrow accounts to Brokers' trader accounts are done via a third party. We are currently in talks with banks, accounting firms and regulated treasury services to facilitate this process. The EMI (payment processors partners) both the banking services and facilitates the transfers. In this case the EMI (BITCARD or any payment processor) will provide bank accounts for all our Brokers and would move funds based intra day.

Diagrammed:

Step 1 Deposit

1. Trader deposits in FIAT.
2. PSP settles all funds to the Broker's segregated traders custodial/trust account. accounts held in each Brokers name but managed by either the Broker bank or the accounting firm.

Step 2 Trade Order Flow

1. Trader 1' buys 1 Bitcoin from 'Trader 6' for 100 EUR.
2. Broker A now owes Broker C 100 EUR.
3. Brokers A & C owe Coin Maya LTD 90% of the trading fees user pays.
4. Brokers get 10% revenue share each time a referral make a trade.

Step 3 Reconciliation

Coin Maya LTD provides batched reconciliation files to the reconciliation and Escrow service to clear and settle the escrow accounts of trader's funds. In this reconciliation cycle the purpose to maintain the agreed upon escrow balance and move the traders funds into Brokers segregated trader's funds bank account.

1. Coin Maya LTD provides batched reconciliation files to the reconciliation and Escrow service to settle clear and settle the cross Broker IOU's caused by inter-Broker trading.
2. Coin Maya LTD provides batched reconciliation files to the reconciliation and Escrow service to settle the amounts each Broker owed to Coin Maya LTD in terms of revenue share.

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