



KYC STATEMENT

KYC (Know Your Client) and CDD (Client Due Diligence) are two widely known concepts in the financial sector. **Fund for social and economic development of the regions "Treasury Creator RA"** (hereafter referred to as FUND RA) has adequate policies and procedures in place to ensure that the fund conducts business with acceptable clients and deter criminal activities. These KYC and CDD policies and procedures support the fund to know its clients and obtain, verify and record KYC/CDD-information. This includes information that identifies each natural person and/or business client that enters into a business relationship with the fund. When accepting a new client, KYC/CDD must be completed before or during the course of establishing the business relationship, but in any event prior to starting up any service. Know Your Client The need to know who your clients and your client's business is related to the need to control the risks involved in providing products and services to clients. These risks include, amongst others, money laundering, terrorism financing, fraud, bribery, corruption, tax evasion, capital flight, credit risks and loss of reputation. After all, funds' integrity and reputation are determined in part by the integrity and reputation of their clients. The fund must have a reasonable belief and be confident that it has established and documented the true identity of the client. Establishing the true identity of clients helps to prevent the fund being used for criminal purposes. To enable a proper assessment of the risks involved in a client relationship, funds also need to have insight into the clients' purpose and intended nature of the business relationship as well as their backgrounds, their business and other activities. This may include enquiries to establish why clients use specific products or services and/or where their funds or wealth come

from. Both national and international legislation and regulations are demanding increasingly more with respect to KYC and CDD, and these concepts are a fundamental part of the supervision conducted by the regulators. FUND RA therefore sees 'Know Your Client' as a key element of its client acceptance policy. We therefore ask clients to cooperate with us in providing any information, data or documentation required to ensure that the information is correct and up to date. Integrity and reputation are in the interests of both the client and the fund.