

## **Anti-Money Laundering (AML) Policy for Spend Management Network Ltd.**

### **1. Purpose:**

Our commitment to combating money laundering and terrorist financing is unwavering. This policy outlines our guidelines for preventing, detecting, and reporting these activities, in strict compliance with Canadian laws, including the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA).

### **2. Scope:**

This policy is integral to all operations at Spend Management Network Ltd., encompassing our employees, contractors, third-party service providers, and all activities related to debit card issuance, management, and transactions.

### **3. Compliance Team:**

Our Compliance Team is tasked with the oversight of this policy, ensuring adherence to legal standards, and acting as the primary liaison with FINTRAC (Financial Transactions and Reports Analysis Centre of Canada).

### **4. Risk Assessment:**

- We perform comprehensive risk assessments to pinpoint potential money laundering risks within our debit card services.
- Our risk assessments are updated regularly to reflect changes in our business activities, shifts in customer demographics, or evolutions in the regulatory landscape.

### **5. Customer Due Diligence (CDD):**

- Initial Verification: Before issuing debit cards, we meticulously verify the identity of every customer using government-issued identification or other reliable sources.
- Enhanced Due Diligence (EDD): Customers identified as high-risk are subject to additional scrutiny, including verification of the source of funds and continuous monitoring.
- Politically Exposed Persons (PEP): We have specialized protocols in place to identify and handle accounts associated with PEPs and their close associates.

### **6. Transaction Monitoring:**

- Our sophisticated systems are designed to monitor transactions continuously for any signs of suspicious activities or patterns that may indicate money laundering or terrorist financing.
- We set clear thresholds for large or unusual transactions, which trigger further investigation or mandatory reporting.

### **7. Record-Keeping:**

- We maintain detailed records of all customer identification, transactions, and compliance reviews for a minimum of five years, or as prescribed by law.

- These records are readily accessible to law enforcement and FINTRAC upon request, ensuring transparency and cooperation.

#### 8. Reporting:

- We are committed to filing Suspicious Transaction Reports (STRs) with FINTRAC promptly when a reasonable suspicion of money laundering or terrorist financing arises.
- We also report large cash transactions exceeding \$10,000 CAD, as well as international electronic funds transfers, in line with current regulations.

#### 9. Employee Training:

- Our employees undergo regular training to stay informed about AML laws, this policy, and how to detect suspicious activities, ensuring they are equipped to uphold our standards.

#### 10. Policy Review and Update:

- This policy is reviewed and updated annually, or sooner in response to significant operational changes, the introduction of new products, or shifts in regulatory requirements.

#### 11. Sanctions Compliance:

- We diligently screen all customers against global sanctions lists to prevent any transactions with sanctioned individuals or entities.

#### 12. Whistleblower Protection:

- We foster a culture of vigilance and integrity, encouraging the reporting of suspicious activities with guaranteed protection against any form of retaliation.

#### 13. Contact Information:

- Address: 80 Birmingham St, Unit C6, Toronto, Ontario, Canada, M8V 3W6
- Email: support@spend.net
- Registration Number: 1001017022

This revised policy reflects our commitment to transparency, compliance, and the highest standards of integrity in our fight against money laundering and terrorist financing.

Date of Last Review: 02/01/2025