

# Risk and Compliance Disclosure

This Risk and Compliance Disclosure should be read in conjunction with the Terms & Conditions of GOW Exchange. In plain English, we want you to understand the important risks and compliance matters while you trade on our platform.

## **PURPOSE**

We have established and implemented Anti-Money Laundering, Anti-Terrorist Financing to ensure a robust and compliant digital asset trading platform. We want to promote legal, transparent business activities and maintain a strong reputation among our customers, regulators, and in the digital asset industry.

## **OUR ROLE AND ACTIVITIES**

We are a global digital asset trading platform or marketplace, where traders come as buyers and sellers (commonly referred as market-makers and market-takers). Our Services are available through GOW Exchange, associated application program interfaces and/or mobile applications and through customer onboarding entities, including GOW Exchange.

Disclosure: A digital currency transaction may be unconfirmed for a period of time (usually less than one hour, but up to one day). In cases the transaction raises suspicion as to legality or is in any way possible in violation of this user agreement, you hereby acknowledge the possible delay in the execution of the transaction which is a result of the investigation being made on the concerned transaction. Digital currency purchased using a bank account or credit card may be reversed at a later time, for example, if such a payment is subject to a chargeback, reversal, claim or is otherwise invalidated. Holding digital currency is high risk. The price or value of digital currency can change rapidly, decrease, and potentially even fall to zero, and could cause large losses. Please consider carefully before purchasing or holding digital currency, taking into consideration your financial circumstances.

## **REGULATORY LANDSCAPE**

We understand that regulatory bodies have taken a diverse approach to the laws and regulations regarding digital assets. As a trading platform, we believe that all digital assets available on GOW Exchange are an innovative alternative asset class; and therefore, digital assets should not be called currency or money

Disclosure: Digital assets are not fiat money nor fiat currency. Digital assets are NOT backed by any government or central bank. We may at times have opinions of the different regulatory approaches taken by various government bodies; however, at all times, we will fully abide by rules and regulations of the respective countries we operate in. We regularly communicate with regulators and industry on the best approach to regulating digital asset businesses.

We cooperate with governments and respect regulations and comply with applicable regulations. As good corporate citizens, we may be asked for information from law enforcement authorities and will assist if permissible by law as law enforcement conduct investigations to pursue and thwart illicit activity. What this also means is that our platform is intended for law abiding customers. We welcome the opportunity to earn your business, and in return we require that you act legally and properly on our platform.

## **OUR AML/KYC**

We have designed our AML/KYC structure based on the regulation of Philippine Regulations (BSP and SEC and AMLC) to reasonably prevent money laundering and terrorist financing through a risk-based, multilevel control system.

The first level includes a stringent customer identification program, including verifying the identity of our customers, whether individuals or entities.

The second level includes a risk-based system to warrant enhanced customer due diligence. To accomplish this, we screen our customers (including beneficial owners) against the entities/persons based on the below conditions:

- (1) you are in, under the control of, or a national or resident of Cuba, Iran, North Korea, Sudan or Syria or any other country subject to United States embargo, UN sanctions, HM Treasury's financial sanctions regime, or if you are on the U.S. Treasury Department's Specially Designated Nationals List or the U.S. Commerce Department's Denied Persons List, Unverified List, Entity List HM Treasury's financial sanctions regime; or
- (2) you intend to supply the acquired digital currency or the Corporation's Services to Cuba, Iran, North Korea, Sudan or Syria or any other country subject to United States embargo or UN sanctions (or a national or resident of one of these countries), or to a person on the Specially Designated Nationals List, Denied Persons List, Unverified List, Entity List, or HM Treasury's financial sanctions regime.

The third level includes ongoing monitoring for suspicious activity/transaction. If we suspect or have reason to suspect suspicious activities/transactions have occurred, we will file suspicious activities reports with local regulators (AML Portal). A suspicious transaction is often inconsistent with a customer's known and legitimate business, or personal activities.

These are the primary components of our AML/KYC Structure; however, the most important glue or connection to these levels are our leadership team and staff, including AML/Risk personnel that execute training, oversight and a sound compliance culture.

## **DIFFERENT VERSIONS**

This "Risk & Compliance Disclosure" may be posted in different languages. If there are any discrepancies, the English version shall prevail.