

Anti-Money Laundering (“AML”) and Counter-Terrorist Financing (“CTF”) Policy

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Purpose and Scope

Money laundering refers to activities intended to conceal or disguise the origin of proceeds derived from criminal activity so that such proceeds appear to originate from legitimate sources. Terrorist financing involves the collection or provision of funds or assets for the purpose of supporting terrorist acts or organizations.

Criminal activity may seek to exploit platforms, technologies, and service providers involved in the facilitation of financial services. As a result, effective anti-money laundering and counter-terrorist financing frameworks are essential components of the global financial system.

This AML and CTF Policy outlines the high-level principles and compliance framework applied by **Frascati LLC** (“Frascati”) in connection with the operation of its website and services, and describes how Frascati supports AML and CTF compliance in cooperation with licensed third-party financial institutions and service providers.

Regulatory Status

Frascati is incorporated under the laws of the **Kyrgyz Republic** and operates as a commercial service provider and website operator. Frascati is **not** a bank, payment service provider, electronic money institution, card issuer, custodian, financial intermediary, or other regulated financial institution.

Frascati does **not** perform regulated customer due diligence, know-your-customer (KYC), beneficial ownership identification, transaction monitoring, or suspicious activity reporting as a regulated financial entity.

All regulated AML, CTF, sanctions screening, customer identification, and transaction monitoring activities are performed **exclusively by licensed third-party financial institutions and specialized verification providers** engaged in the provision of services to end users, in accordance with their applicable laws, regulatory obligations, and internal policies.

International Standards and Sanctions Framework

Frascati supports international efforts to combat money laundering and terrorist financing and aligns its compliance framework with widely recognized international standards, including recommendations issued by the **Financial Action Task Force (FATF)**, as implemented by licensed third-party providers and applicable regulatory authorities.

Frascati applies access restrictions and service limitations in relation to sanctioned individuals, entities, and jurisdictions based on applicable international sanctions regimes, including those related to United Nations sanctions and other internationally recognized restrictions, as implemented by its licensed partners. Frascati applies such access restrictions and service

limitations exclusively in order to implement and support the legal, regulatory, and contractual requirements of licensed third-party financial institutions, card issuers, payment service providers, and competent regulatory authorities. Frascati does not exercise regulatory discretion in relation to Users or Transactions.

Compliance Framework

Frascati maintains internal policies and procedures designed to:

- support cooperation with licensed third-party financial institutions and verification providers;
- facilitate the secure transmission of information required for AML and CTF purposes;
- apply risk-based access controls and service restrictions; and
- promote awareness of AML and CTF risks within the scope of Frascati's role as a non-regulated service provider.

Frascati may utilize compliance and monitoring technology provided by its technology and infrastructure partners solely to support coordination, monitoring, and reporting functions in cooperation with licensed third-party providers.

Anti-Money Laundering and Counter-Terrorist Financing Framework

This AML and CTF Policy sets out the high-level principles and compliance framework applied by **Frascati LLC** in order to support the prevention of money laundering, terrorist financing, and other financial crime risks in connection with the operation of the Site and related Services.

Frascati does not design or operate this Policy as a regulated financial institution and does not seek to meet statutory AML obligations applicable to banks, payment institutions, or other licensed financial entities. Instead, this Policy describes how Frascati supports AML and CTF compliance **in cooperation with licensed third-party financial institutions and service providers**.

Governance and Responsibilities

Frascati does **not** appoint a Money Laundering Reporting Officer (MLRO) and does not act as a reporting entity for the purposes of AML or CTF legislation.

Regulated AML, CTF, and sanctions compliance responsibilities, including the appointment of MLROs or equivalent roles, are undertaken exclusively by licensed third-party financial institutions, payment service providers, card issuers, exchanges, and specialized verification providers engaged in servicing end users.

Frascati maintains internal governance structures appropriate to its role as a non-regulated service provider, including designated compliance and operational contacts responsible for coordination with licensed partners and for oversight of internal compliance-related processes.

Risk-Based Approach

A risk-based approach to money laundering and terrorist financing is applied **by licensed third-party providers** in accordance with their regulatory obligations.

Frascati supports this approach by:

- applying access restrictions and service limitations based on geographic, sanctions-related, and policy-based risk factors;
- facilitating the transmission of information required by licensed third-party providers for risk assessment purposes; and
- implementing internal controls designed to mitigate the risk of misuse of the Site and Services within the scope of Frascati's role.

Customer Due Diligence and Verification

Frascati does **not** conduct customer due diligence, beneficial ownership identification, or know-your-customer (KYC) procedures as a regulated entity.

All customer identification, verification, enhanced due diligence (including in relation to politically exposed persons), and ongoing customer review activities are performed **exclusively by licensed third-party financial institutions and verification providers** in accordance with their applicable laws and internal policies.

Frascati's involvement is limited to facilitating the secure collection and transmission of information to such third-party providers and to providing technical and operational support in connection with their verification processes.

Transaction Monitoring and Reporting

Frascati does **not** perform regulated transaction monitoring or suspicious activity reporting.

Monitoring of transactions, detection of suspicious activity, and reporting to competent authorities are carried out solely by licensed third-party financial institutions and service providers acting under their own regulatory obligations.

Where appropriate, Frascati may support such processes by:

- maintaining technical monitoring tools;
- flagging potential anomalies for review by licensed partners; and

- cooperating with third-party providers in connection with lawful investigations or compliance reviews.

Record Retention

Frascati maintains records relating to the operation of the Site and the provision of Services in accordance with applicable laws and internal policies.

Records required for AML, CTF, customer due diligence, transaction monitoring, or regulatory reporting purposes are maintained **by licensed third-party providers** in accordance with their legal and regulatory obligations.

Training and Awareness

Frascati provides internal compliance awareness and training to relevant employees appropriate to its role as a non-regulated service provider. Such training focuses on:

- recognizing potential misuse of the Site or Services;
- understanding AML, CTF, and sanctions-related risks at a high level; and
- cooperating effectively with licensed third-party providers.

Frascati does not provide regulated AML training applicable to financial institutions.

Sanctions Policy

Frascati applies access restrictions and service limitations in relation to individuals, entities, and jurisdictions that are subject to applicable international sanctions regimes.

Frascati does **not** conduct sanctions screening as a regulated financial institution. All sanctions screening, name screening, and transaction-level sanctions controls are performed **exclusively by licensed third-party financial institutions, payment service providers, exchanges, card issuers, and verification providers** in accordance with their applicable legal and regulatory obligations.

Frascati supports sanctions compliance by:

- restricting access to the Site and Services from sanctioned or high-risk jurisdictions;
- cooperating with licensed third-party providers in connection with sanctions-related reviews; and
- implementing technical controls designed to prevent misuse of the Site in violation of applicable sanctions regimes.

Sanctions regimes applied by third-party providers may include, without limitation, restrictions related to United Nations sanctions, FATF high-risk jurisdictions, and other internationally recognized sanctions frameworks, as implemented by such providers.

Virtual Asset Transactions and Travel Rule

Frascati does **not** perform regulated transaction monitoring, wallet ownership verification, or Travel Rule compliance as a virtual asset service provider or other regulated entity.

All Travel Rule obligations, virtual asset transaction monitoring, wallet ownership verification, and related compliance measures are implemented **solely by licensed third-party exchanges, custodians, wallet providers, payment institutions, or other regulated service providers** engaged in executing or processing virtual asset transactions for Users.

Where virtual asset transactions involve external wallets, any requirements relating to proof of control, verification of wallet ownership, or disclosure of originator or beneficiary information are determined and enforced exclusively by the relevant licensed third-party provider in accordance with its regulatory obligations and internal policies.

Frascati's role is limited to:

- facilitating the technical transmission of transaction-related information where required by licensed third-party providers;
- displaying status updates or informational messages made available by such providers; and
- supporting coordination between Users and third-party providers in connection with compliance-related requests.

Frascati does not assign external wallets to User profiles, does not approve or reject wallets, and does not initiate investigations into suspicious transactions. Any investigation, restriction, blocking, or reporting of virtual asset transactions is carried out exclusively by the relevant licensed third-party provider or competent authority.

In cases where Users interact with hosted wallets or custodial services provided by third parties, any identification of wallet holders or beneficial owners is performed solely by such hosted wallet providers or other licensed financial institutions, in accordance with their applicable legal and regulatory requirements.