BREX
CAPITAL

AML/CTF & SANCTIONS POLICY

Version 3.0 | 13 July 2026 | Confidential

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BREX CAPITAL — AML/CTF & SANCTIONS POLICY (Version 3.0) Effective: 13 July 2026

Document	Anti-Money Laundering (AML/CTF) & Sanctions Policy
Version	3.0
Effective	13 July 2026
Supersedes	All previous versions of the Brex Capital Anti-Money Laundering Policy (including Version 01, December 2022)
Review Schedule	Annual — next review due July 2027
Applies To	All Brex Capital clients, applicants, Introducing Brokers, Strategy Providers, partners, employees, and third-party service providers
Related Documents	Brex Capital Client Agreement (v3.0); Brex Capital Trading & Compliance Policy (v3.0) — KYC deposit-tier requirements
Contact	compliance@brexcapital.com
Licence	Mwali International Services Authority (MISA) — Investment Dealer Licence No. T2023349

Subordination. This Policy is incorporated by reference into, and is subordinate to, the Brex Capital Client Agreement; the client-facing KYC deposit-tier requirements are set out in the Brex Capital Trading & Compliance Policy (Section 1) and are cross-referenced, not reproduced, here.

1. Purpose & Regulatory Framework

Brex Capital LLC ("Brex Capital", or "the Company") maintains a zero-tolerance stance toward money laundering, terrorist financing, and financial crime. The Company operates its own AML/CTF and sanctions framework, aligned with:

The Financial Action Task Force (FATF) Recommendations and international AML/CTF standards;

Mwali International Services Authority (MISA) requirements applicable to the Company's licence; and

Financial Commission (FinCom) best practices.

Compliance with this Policy is mandatory for all clients, applicants, Introducing Brokers, partners, and employees. Breach of this Policy may result in restriction, freezing, reversal, or termination as set out in Section 11.

2. Definitions

2.1 Money Laundering. Any act intended to conceal, disguise, convert, transfer, or legitimize proceeds derived from criminal activity so that such proceeds appear to originate from legitimate sources. The process typically involves three stages: (a) **placement** — introducing illicit funds into the financial system; (b) **layering** — conducting multiple transactions to obscure their origin; and (c) **integration** — reintroducing the funds as apparently legitimate assets.

2.2 Terrorist Financing. The provision, collection, or movement of funds — whether legally or illegally obtained — with the intention, or in the knowledge, that such funds be used to support terrorist acts or organisations.

3. Risk-Based Approach

Brex Capital applies a Risk-Based Approach to AML/CTF, assessing and scoring risk across four dimensions: **customer risk** (individual, corporate, nominee, PEP); **geographic risk** (high-risk or sanctioned jurisdictions); **product**

risk (leveraged trading, crypto exposure, rapid-withdrawal products); and **transaction risk** (frequency, size, and pattern inconsistency). Higher assessed risk triggers Enhanced Due Diligence (EDD).

4. Customer Identification & KYC

Brex Capital enforces a strict Customer Identification Program (CIP). No anonymous, fictitious, or nominee-concealed accounts are permitted. Every client must provide and maintain, at minimum: full legal name; date of birth; nationality; residential address; a valid government-issued photo identification; proof of address; and a Source of Funds declaration.

Identity verification is mandatory before any deposit, trade, or withdrawal, and may be re-requested at any time — including on significant change in trading activity, deposits inconsistent with declared income, return from extended inactivity, or request from a competent authority. Where identity or risk cannot be satisfactorily resolved, onboarding or continued account access will be refused or restricted.

Risk-based KYC requirements are calibrated to deposit size and client profile in the **deposit-tier table set out in the Brex Capital Trading & Compliance Policy (Section 1)**, which forms part of this framework by reference.

5. Source of Funds & Source of Wealth

Clients must demonstrate that deposited funds originate from legitimate sources, such as employment income, business revenue, investments, or savings. Brex Capital reserves the right to request supporting evidence at any time, including bank statements, payslips, business records, and — where crypto is involved — crypto transaction history (TXID and proof of wallet ownership). Enhanced Source of Funds / Source of Wealth verification applies to higher-risk clients and to all Politically Exposed Persons (Section 6).

6. Politically Exposed Persons (PEPs)

6.1 Scope. A Politically Exposed Person is an individual who is, or has been, entrusted with a prominent public function, including but not limited to heads of state or government, senior politicians, senior government/judicial/military officials, and executives of state-owned enterprises — together with their immediate family members and close associates.

6.2 Management. Clients who are, become, or are closely associated with a PEP must declare that status at onboarding and on an ongoing basis. PEP relationships require mandatory senior-management approval, Enhanced Due Diligence, enhanced Source of Funds / Source of Wealth verification, ongoing transaction monitoring, and periodic risk reassessment. Brex Capital reserves the right to decline, restrict, or terminate any PEP relationship where AML/CTF risk is deemed excessive.

7. Sanctions & Restricted Jurisdictions

7.1 Canonical Sanctions-List Statement. Brex Capital screens all clients, beneficial owners, and counterparties, at onboarding and on an ongoing basis, against the sanctions, designated-persons, law-enforcement, and regulatory watchlists issued by:

the United States Office of Foreign Assets Control (OFAC — SDN List), the United Nations (UN), the European Union (EU), the United Kingdom Office of Financial Sanctions Implementation (UK OFSI), and the Anti-Money Laundering Office of Thailand (Thailand AMLO) — together with the Company's internal risk databases.

This is the canonical sanctions-list standard for Brex Capital and applies wherever screening, designated persons, or restricted parties are referenced across the Company's policies.

7.2 Restricted & High-Risk Jurisdictions. Clients connected to jurisdictions classified as high-risk, non- cooperative, or sanctioned — including any jurisdiction so identified by FATF — may be subject to Enhanced Due

Diligence, transaction limitations, and account rejection or closure. Brex Capital does not accept funds derived from, or intended to benefit, any sanctioned person or entity, or from the government of any comprehensively sanctioned country.

8. Deposit & Withdrawal Controls

8.1 Channel-Consistency Rule (Critical Control). Funds must be withdrawn via the same channel, and in the same name, as the original deposit. The following patterns constitute classic layering and are prohibited: deposit by bank transfer withdrawn via crypto; deposit from one crypto wallet withdrawn to a different wallet; deposit from a third-party account withdrawn to the client's own account; and deposit of fiat withdrawn to unrelated digital assets.

8.2 Third-Party & Prohibited Sources. Brex Capital does not accept third-party deposits; all funds must originate from a payment account registered in the client's own name. Family-member, business-account, and unregistered payment-processor deposits are all classified as third-party deposits. Third-party funds will be returned to the originating account; any trading activity and any resulting profits funded by such deposits are void, regardless of the client's knowledge; and the account may be suspended pending source-of-funds verification. Deposits derived from criminal activity, from any sanctioned party (Section 7), or from any FATF-identified high-risk or non-cooperative jurisdiction are strictly prohibited and will result in immediate account suspension and reporting to the relevant authorities.

8.3 Crypto & Digital-Asset Controls. Where crypto deposits or withdrawals are permitted: wallet-ownership verification is mandatory; blockchain transaction tracing may be conducted; high-risk chains, mixers, tumblers, and privacy tools may be restricted; and all fiat-crypto conversion must follow the channel-consistency rule in Section 8.1. Brex Capital may reject, freeze, or reverse any crypto-related transaction it deems high-risk.

9. Transaction Monitoring & Red Flags

Brex Capital conducts continuous transaction monitoring, behavioural-pattern analysis, and manual compliance review. Indicators of suspicious activity include, but are not limited to:

Repetitive deposit → trade → withdrawal cycles with no genuine market exposure, or use of the platform as a "pass-through" rather than for investment;

Deposits or withdrawals disproportionate to, or inconsistent with, the client's declared profile or income;

Immediate or near-immediate withdrawals after minimal trading;

Multiple accounts sharing an IP address, device, or coordinated trading pattern;

Funds deposited by an unrelated third party (potential nominee laundering);

Deposits from multiple payment methods without explanation, or from high-risk jurisdictions;

Structuring / smurfing — splitting transactions, or conducting multiple small deposits or withdrawals, to remain below thresholds or to circumvent monitoring or verification requirements; and

Attempts to bypass verification, policy, or AML thresholds.

Abuse of the platform as a money-transfer mechanism is prohibited. The trading platform may not be used for value transfer without genuine market exposure, as a payment intermediary, for pass-through transactions, or for artificial trading designed solely to legitimize funds. Trading activity lacking economic or investment rationale, and any structuring or evasion behaviour, will be treated as intentional AML/CTF evasion and may result in immediate enforcement action.

10. Investigation, Suspicious Activity Reporting & Cooperation

Where suspicion arises, Brex Capital conducts internal AML investigations and may restrict or freeze the account pending resolution. Where reasonable grounds exist to suspect money laundering or terrorist financing, Brex Capital will file a Suspicious Activity Report (SAR) with the relevant authorities. Clients are advised that Brex Capital cannot disclose whether a SAR has been or will be filed: such disclosure ("tipping-off") is strictly prohibited by law. Cooperation with regulators and with FinCom is mandatory, and Brex Capital will provide client information for AML/CTF purposes as required by applicable law.

11. Freezing, Enforcement & Restrictions

Where funds are reasonably suspected to originate from criminal activity, sanctioned sources, or policy violations, Brex Capital reserves the right to freeze accounts, withhold withdrawals, reverse transactions, void profits derived from prohibited activity, and terminate the relationship. These enforcement rights are exercised at the Company's discretion and without prior notice where necessary to protect the integrity of the trading environment and to meet the Company's legal obligations.

12. Third-Party, Nominee & Beneficial Ownership Controls

Brex Capital does not permit deposits from unrelated third parties or withdrawals to accounts not held in the client's own name (Section 8.2). For corporate or structured accounts, Brex Capital requires identification and verification of all Ultimate Beneficial Owners (UBOs) holding **25% or more** of the entity, disclosure of the full ownership and control structure, and verification of all controlling persons, directors, and authorised signatories. Failure to disclose true beneficial ownership constitutes a material breach of this Policy.

13. Record Keeping & Data Retention

All AML/CTF records — including KYC/KYB evidence, sanctions and PEP screening results, transaction records, monitoring alerts, and investigation files

— are retained in strict confidence and in accordance with regulatory requirements, and in any event for a minimum of **seven (7) years after account closure (ten (10) years for Suspicious Activity Reports and breach records)**, subject to applicable law. Tipping-off in respect of any record or report is prohibited (Section 10).

14. Governance, Training & Oversight

Brex Capital appoints a dedicated AML Compliance Officer (AMLCO) with responsibility for this programme. The Company maintains continuous staff training, an annual policy review, internal audit, and full regulatory cooperation. The Board retains ultimate accountability for the AML/CTF and sanctions framework.

15. Final Statement

Brex Capital maintains a zero-tolerance stance toward money laundering, terrorist financing, and financial crime. Compliance with this Policy is mandatory for all clients, applicants, Introducing Brokers, partners, and employees. This Policy is subordinate to, and read together with, the Brex Capital Client Agreement; on any conflict of compliance procedure, this Policy and the Brex Capital Trading & Compliance Policy govern.

Brex Capital LLC · Registration No. 457 LLC 2020 · MISA Investment Dealer Licence No. T2023349 · compliance@brexcapital.com · www.brexcapital.com · Governing law: Union of the Comoros · Disputes: Financial Commission (FinCom)