



**September 12, 2023**

**Re: Banking Circle US Anti-Money Laundering (AML), Bank Secrecy Act (BSA) and Sanctions (OFAC) Compliance Program Letter.**

To Whom it May Concern:

Banking Circle US ('Banking Circle' or the Bank) is a commercial uninsured bank licensed by the Connecticut Department of Banking. The Bank provides banking and payment services to a client base comprised of banks, non-bank financial institutions ('NBFIs') and mid-to-large corporates. The Bank does not provide investment or retail banking services.

Banking Circle is committed to combating money laundering, terrorist financing and other financial crimes (collectively "money laundering") and fully complying with all applicable laws and regulations designed to combat money laundering in jurisdictions in which it does business.

Banking Circle is also fully committed to complying with economic and trade sanctions administered and enforced by governments and supranational bodies including, among others, the sanctions programs and designated sanctions list administered by the US Department of the Treasury's Office of Foreign Assets Control (OFAC), the United Nations Security Council, His Majesty's Treasury and the European Union.

Banking Circle implements a robust and effective risk-based Anti-Money Laundering (AML), Bank Secrecy Act (BSA) and Sanctions (OFAC) Compliance Program designed to comply with AML laws and regulations in the United States including the Bank Secrecy Act (BSA), as amended by the USA PATRIOT ACT of 2001 and other applicable laws and regulations relating to the prevention of money laundering and terrorist financing in jurisdictions where the Bank operates including regulations administered by the U.S. Treasury's OFAC.

Banking Circle has appointed a BSA/Sanctions Compliance Officer who leads a team of qualified employees with experience in this area who oversee the Bank's AML, BSA, OFAC compliance programs. Banking Circle has an extensive written AML, OFAC policies, procedures, internal controls which include but are not limited to:

- AML/OFAC risk assessments at the program, customer and product and services levels;
- A customer identification program and due diligence procedures designed to identify and verify all customers and beneficial owners, source of funds, and the nature and intended purpose of the business relationship;
- Performance of enhanced due diligence on higher risk customers including correspondent banking customers and those assessed to be higher risk industries;

- Procedures to collect and update on a periodic or trigger event basis, customer due diligence information;
- Screening of customers, related parties and transactions against sanctions, internal watchlists and other external watchlists;
- Processes and systems to monitor customer transactions and activity;
- Process and systems to identify and report suspicious activity;
- Training of employees on AML and sanctions requirements;
- Record Retention procedures; and
- Regular independent testing to review and assess the bank for compliance with AML/BSA/OFAC requirements and applicable laws.

Banking Circle does not do business with “shell banks” or institutions without a physical presence. In addition, Banking Circle has a zero-tolerance approach to facilitating tax evasion, fraudulent activities and bribery or corruption.

The AML/BSA/OFAC Program is routinely evaluated, updated and enhanced to reflect changes to our bank’s business activities, as well as ensuring compliance with applicable supervisory standards and legal requirements. The AML/BSA/OFAC Program is approved by the Board of Directors on an annual basis.

Finally, Banking Circle cooperates fully with all law enforcement and regulatory investigations and inquiries. Compliance with all applicable AML laws and regulations and sanctions programs and list is strictly required. Any individual who engages in money laundering, or who fails to comply with all applicable AML laws, regulations and Bank policies, will be subject to disciplinary action. With respect to the Bank’s customers or counterparties, the Bank reserves the right to terminate immediately any business relationship that violates or presents the risk of violating such laws, regulations, or policies of the Bank.

Regards,

*Megan Silvia*

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Chief Compliance Officer and BSA/Sanctions Compliance Officer