Anti-Money Laundering and Counter-Terrorist Financing (AML/CFT) Policy and Manual

InveStar Inc. Delaware corporation — File No. 2819639 (filed 22 December 2023) Silicon Valley, California, USA

Document status	**ADOPTED by the Board of Directors on 10 November 2026**
Version	1.0
Date prepared	10 November 2026
Owner	Money Laundering Reporting Officer (MLRO) — interim: Chief Executive Officer
Review cycle	Annual, and on any material change to the business, products, corridors, or applicable law
Applies to	All directors, officers, employees, contractors, and agents of InveStar Inc. and its subsidiary App Master Ltd (together, "InveStar")

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1. Purpose

This Policy sets out how InveStar prevents, detects, and reports money laundering, terrorist financing, and the financing of the proliferation of weapons of mass destruction in connection with its business.

InveStar is a financial technology platform that enables the Bangladeshi diaspora to send money to Bangladesh and to invest in Bangladesh securities. At the date of this Policy, InveStar is pre-mainnet: no live customer transactions have yet been processed on the production platform, and no customer funds are held. This Policy is adopted before go-live so that controls are in place from the first customer transaction, and it will be reviewed before mainnet launch and at least annually thereafter.

2. Legal and regulatory basis

InveStar's AML/CFT programme is designed to meet the requirements of:

- **United States** — the Bank Secrecy Act (31 U.S.C. 5311 et seq.) and its implementing regulations (31 CFR Chapter X); the USA PATRIOT Act; FinCEN guidance; and the sanctions programmes administered by the Office of Foreign Assets Control (OFAC).
- **Bangladesh** — the Money Laundering Prevention Act, 2012; the Anti Terrorism Act, 2009; and the rules and guidance of Bangladesh Bank's Financial Intelligence Unit (BFIU) and the Bangladesh Securities and Exchange Commission (BSEC), as applicable to InveStar's subsidiary and its brokerage partners.

- **International standards** — the Recommendations of the Financial Action Task Force (FATF), including the risk-based approach and the requirements for customer due diligence, record keeping, and suspicious-transaction reporting.

Where the laws of the United States and Bangladesh differ, InveStar applies the stricter standard.

InveStar does not itself hold a money-transmitter licence. Customer funds are moved exclusively through licensed partners: stablecoin-to-fiat conversion is performed by Bridge (a licensed money service business), and cash payout in Bangladesh is performed by MoneyGram and its licensed agents. InveStar's own regulated activity is the operation of the technology platform and, through its subsidiary's brokerage partners, order routing to the Dhaka Stock Exchange. A separate licensure-and-exemption note is maintained for counterparties that require it. This does not reduce InveStar's own AML/CFT obligations under this Policy.

3. Governance and responsibilities

3.1 Board of Directors

The Board of Directors of InveStar Inc. is ultimately responsible for the AML/CFT programme. The Board:

- approves this Policy and any material amendment;
- receives a compliance report from the MLRO at least quarterly, and immediately on any material incident;
- ensures adequate resources, including staffing and systems, are allocated to AML/CFT compliance;
- records its approval of this Policy in the minutes of the meeting at which it is adopted.

3.2 Money Laundering Reporting Officer (MLRO)

The MLRO is responsible for the day-to-day operation of the AML/CFT programme, including customer due diligence standards, transaction monitoring, suspicious-activity reporting, training, and record keeping. The MLRO reports directly to the Board and has unrestricted access to all customer, transaction, and system records.

Interim arrangement. Until a dedicated MLRO is appointed before mainnet launch, the Chief Executive Officer, Farihan F. Rahman, acts as interim MLRO. A dedicated MLRO appointment, with a named individual and CV, will be made before the first live customer transaction, and this Policy will be updated at that time. The interim MLRO's Board reporting line is direct: the MLRO reports to the Board, not through any commercial or operational function.

3.3 Staffing

At the date of this Policy, InveStar has no dedicated full-time AML staff; the compliance function is performed by the interim MLRO with support from the Chief Operating Officer. Dedicated AML headcount will be added in line with transaction volumes before and after mainnet launch, and the MLRO will report headcount to the Board quarterly. No employee is penalised for raising an AML/CFT concern in good faith.

3.4 All staff

Every director, officer, employee, contractor, and agent must read this Policy, complete AML/CFT training on joining and annually thereafter, and promptly report any suspicion to the MLRO. "Tipping off" — informing a customer or any other person that a report has been made or is being considered — is prohibited.

4. Risk-based approach

InveStar assesses money-laundering and terrorist-financing risk across four dimensions and applies controls proportionate to the risk:

Risk dimension	InveStar position	Risk level
Geography	Operating corridors are the United States and Bangladesh. No services are offered to, or from, any jurisdiction on the high-risk / sanctioned-jurisdictions list maintained under Section 9 of this Policy.	Medium — Bangladesh is a cash-heavy remittance corridor; mitigated by partner-bank and licensed-payout controls
Customers	Individual diaspora customers (retail) and, for the investment product, retail investors. No correspondent banking, no shell banks, no bearer-share entities.	Low–Medium
Products	(a) Remittance: USD to USDC on Stellar, converted to fiat by Bridge, paid out by MoneyGram. (b) Investment: orders routed to the Dhaka Stock Exchange through licensed Bangladeshi brokerages; funds never pass through InveStar's own accounts.	Medium — mitigated by licensed-partner rails and the fact that InveStar never holds customer funds
Delivery channels	Non-face-to-face onboarding through the app, with document verification and sanctions screening; no cash accepted at any point.	Medium — mitigated by electronic identity verification

The risk assessment is reviewed at least annually and whenever a new corridor, product, or partner is added. Higher-risk customers and transactions are subject to enhanced due diligence under Section 6.

5. Customer due diligence (CDD)

5.1 Standard CDD — all customers

Before any transaction, InveStar (or its identity-verification provider acting on its behalf) will:

1. **Identify the customer** — full legal name, date of birth, residential address, nationality, and a government-issued photographic identity document (passport, national identity card, or driving licence).
2. **Verify identity** — by checking the document against independent and reliable sources, including document-authenticity checks and, where available, liveness/ biometric verification.
3. **Identify any beneficial owner** — for legal-person customers, every natural person holding 25% or more of the shares or voting rights, and any person exercising control.
4. **Understand the purpose and intended nature of the relationship** — source of funds, expected transaction volume and frequency, and the corridor used.
5. **Screen** — every customer and beneficial owner against sanctions lists (Section 9) and politically exposed person (PEP) lists at onboarding and on an ongoing basis.

No account is activated and no transaction is processed until CDD is complete. InveStar does not accept cash, third-party payments, or payments from accounts not in the customer's own name.

5.2 Simplified due diligence

Simplified due diligence may be applied only where the customer, product, and corridor are all assessed as low risk under Section 4, and never where there is any suspicion of money laundering or terrorist financing, or where the customer is in a higher-risk category.

5.3 Enhanced due diligence (EDD)

EDD is mandatory where any of the following applies:

- the customer is a PEP, a family member or close associate of a PEP;
- the customer, or any beneficial owner, is resident in, or a national of, a higher-risk jurisdiction;
- the transaction is unusually large, complex, or has no apparent economic purpose;
- the customer is a legal person with a complex or opaque ownership structure;
- any adverse media or sanctions-screening hit requires it.

EDD measures include: obtaining additional identity evidence; establishing the source of wealth as well as the source of funds; senior-management (MLRO) approval before the relationship is established; and enhanced ongoing monitoring.

5.4 Ongoing monitoring and refresh

Customer information is refreshed on a risk-based cycle (at least every three years for standard-risk customers, annually for higher-risk customers) and whenever a trigger event occurs (change of address, new document, unusual transaction pattern, sanctions-list update). Accounts with incomplete or out-of-date CDD are restricted until the information is provided.

5.5 Refusal, exit, and non-onboarding

InveStar will refuse to establish, or will exit, a relationship where CDD cannot be completed, where the customer provides false information, or where the risk cannot be mitigated. The decision and the reasons are recorded. The customer is not told that a suspicious-activity report has been filed.

6. Transaction monitoring

InveStar monitors transactions on a risk-sensitive basis. No automated transaction-monitoring rules engine is in operation today: until automated monitoring is deployed, every transaction is reviewed manually by the MLRO, and a transaction may be placed on hold for compliance review at any time. Automated monitoring will be introduced before transaction volumes make manual review impracticable. Monitoring covers:

- **Velocity and volume rules** — unusual frequency, rapid movement of funds, or amounts inconsistent with the customer's stated profile and source of funds.
- **Structuring** — transactions split to avoid thresholds or reporting.
- **Round amounts and unusual patterns** — repeated round-number transfers, pass-through behaviour, or funds immediately onward-transferred with no economic purpose.
- **Geographic anomalies** — transactions involving jurisdictions outside the customer's profile or the approved corridors.
- **Counterparty risk** — transfers to or from high-risk persons, entities, or wallets.

Alerts are reviewed by the MLRO (or a delegate) within two business days. Each alert is documented with the decision (cleared, escalated, or reported) and the reasoning. Until automated monitoring is fully deployed, monitoring is performed manually by the MLRO on every transaction, which is proportionate to pre-launch and early-stage volumes; automation will be introduced before volumes make manual review impracticable.

6.1 Suspicious-activity reporting

Where the MLRO knows or suspects that a transaction involves the proceeds of crime, terrorist financing, or the evasion of sanctions, a suspicious-activity report will be filed with FinCEN (and, for Bangladesh-facing activity, with the BFIU through the relevant partner) promptly and in any event within the time limits prescribed by law. A report may be filed even where a transaction has been refused. Records of all reports, and of decisions not to

report, are retained under Section 10. No person outside the reporting chain is informed that a report has been made.

7. Safeguarding vulnerable customers, including customers aged 60 and over

InveStar recognises that older customers and other vulnerable customers face a heightened risk of financial exploitation, including authorised-push-payment fraud, romance and investment scams, and coercion by third parties. The following safeguards apply:

1. **Clear, unhurried onboarding** — plain-language explanations of every step, no time pressure, and the option to complete onboarding with the assistance of a trusted person nominated by the customer.
2. **Trusted-contact option** — customers aged 60 and over, and any customer who asks, may nominate a trusted contact whom InveStar may contact if it has concerns about the customer's welfare or about a transaction.
3. **Enhanced monitoring for exploitation indicators** — sudden changes in transaction pattern, new payees, unusually large first transactions, customer confusion or reluctance, or any indication that a third party is directing the transaction. Such indicators trigger a manual review and, where appropriate, a pause and a welfare check call with the customer.
4. **Scam and fraud warnings** — in-app warnings at the point of sending funds, including reminders that InveStar will never ask a customer to move funds to a "safe account" and that investments promising guaranteed high returns are a common fraud.
5. **No pressure selling** — no product is sold to a vulnerable customer on the basis of urgency or limited-time offers.
6. **Staff training** — all customer-facing staff are trained to recognise signs of financial exploitation and to escalate to the MLRO.
7. **Escalation and reporting** — suspected exploitation of a vulnerable customer is escalated to the MLRO immediately and, where required, reported to the relevant authorities. Where the customer appears to lack capacity, InveStar will seek to engage the trusted contact or an appropriate authority rather than proceeding with the transaction.

These safeguards sit alongside, and do not replace, the CDD and transaction-monitoring controls in Sections 5 and 6.

8. Sanctions compliance

InveStar screens every customer, beneficial owner, payee, and counterparty wallet against:

- the OFAC Specially Designated Nationals and Blocked Persons (SDN) List and OFAC's other sanctions lists;
- the United Nations Security Council consolidated sanctions list;

- the European Union consolidated sanctions list;
- HM Treasury's consolidated list (United Kingdom).

Screening is performed at onboarding, at the point of each transaction, and again whenever any list is updated. A confirmed match results in refusal of the transaction and, where required, blocking and reporting to OFAC. A potential match is held for MLRO review before any funds move. InveStar maintains a separate high-risk third countries and sanctioned jurisdictions list (see Section 9) and does not provide services to persons in, or for the benefit of, comprehensively sanctioned jurisdictions.

9. High-risk third countries and sanctioned jurisdictions

InveStar maintains a list of high-risk third countries and sanctioned jurisdictions, reviewed at least quarterly by the MLRO and updated on any change to the FATF lists, the EU list of high-risk third countries, or OFAC programmes. The current list is held as an annex to this Policy ("High-Risk Third Countries and Sanctioned Jurisdictions — Annex A").

The standing position is:

- **Operating corridors only:** the United States and Bangladesh. No other corridor is active.
- **No services** are provided to, from, or for the benefit of any comprehensively sanctioned jurisdiction or any person on a sanctions list.
- **Enhanced due diligence** applies to any customer, transaction, or counterparty with a connection to a jurisdiction on the high-risk list.
- **Prohibited jurisdictions** include, at a minimum, all jurisdictions subject to comprehensive OFAC sanctions and all jurisdictions identified by the FATF as subject to a call for action.

10. Record keeping

InveStar retains, for a minimum of five years after the end of the business relationship or the date of the transaction (whichever is later):

- all CDD material (identity documents, verification results, beneficial-ownership information);
- all transaction records (amount, currency, corridor, counterparties, timestamps, and any related communications);
- all sanctions and PEP screening results;
- all transaction-monitoring alerts and their dispositions;
- all suspicious-activity reports and records of decisions not to report;
- all training records;
- all Board minutes and reports relating to AML/CFT compliance.

Records are stored securely, with access restricted to authorised personnel, and are made available to competent authorities on lawful request.

11. Training

All directors, officers, employees, and contractors complete AML/CFT training on joining and annually thereafter, covering: the offences of money laundering and terrorist financing; CDD and EDD; sanctions screening; transaction monitoring and red flags; vulnerable-customer safeguarding; suspicious-activity reporting; and the prohibition on tipping off. Training completion is recorded, and the MLRO reports completion rates to the Board.

12. Independent review and audit

The AML/CFT programme is subject to independent review at least annually. The review is performed by a person or firm independent of the compliance function, and its findings, together with management's remediation plan and deadlines, are reported to the Board.

First external audit. No independent external AML/CFT audit has yet been performed, because InveStar has not yet processed live customer transactions. The first independent external AML/CFT audit will be commissioned before mainnet launch, and its report (including findings and management's remediation plan) will be made available to counterparties on request.

13. Review and approval

This Policy will be reviewed at least annually by the MLRO and the Board, and immediately on any material change to the business, its corridors, its products, or applicable law.

Board adoption

Adopted by the Board of Directors of InveStar Inc. on	10 November 2026
Director / President	Farihan F. Rahman — signature: ___
Director / Treasurer	Dipro K. Chowdhury — signature: ___
Next scheduled review	10 November 2027

Adopted by the Board of Directors of InveStar Inc. on 10 November 2026, with the agreement of Farihan F. Rahman (President) and Dipro K. Chowdhury (Treasurer). The substance of this Policy was discussed by the Board at its weekly meetings in July 2026, held by video call (see Record of Weekly Meetings — July 2026, held in the data room). The signed original is held with the Board minutes. This Policy is also published on the Company's website at www.investarbd.com.

Annexes - Annex A — High-Risk Third Countries and Sanctioned Jurisdictions (separate document, reviewed quarterly by the MLRO). - Annex B — Licensure and Exemption Note (separate document, maintained for counterparties).