

Know Your Business (KYB)

November 1, 2024

Know Your Business (KYB) is an integral component of CardLinkPro LLC's Anti-Money Laundering (AML) initiatives, designed to adhere to relevant AML/KYC regulations. The KYB process focuses on conducting thorough due diligence on businesses we intend to onboard as clients. By confirming the identity and legitimacy of these entities, we cross-verify their information against our established KYB criteria. CardLinkPro LLC is committed to preventing unlawful activities, with the primary objectives of identity verification, fraud prevention, and combatting money laundering.

Each applicant undergoes the following KYB procedure:

- 1. Data Submission:** The applicant provides information regarding the company and its beneficiaries.
- 2. Document Verification:** CardLinkPro LLC conducts checks on documentation, ownership structures, registry status, AML screening, and automated KYC assessments for beneficiaries.
- 3. Legal Review:** The results of these checks are analyzed by CardLinkPro LLC's legal team.
- 4. Final Report:** Upon completion of the KYB process, applicants receive a detailed report.

The KYB procedures involve the collection and analysis of various data points. Key elements of the KYB process include:

- **Business Identity Verification:** This step validates the legality and legitimacy of a business's operations by examining its registration status and licensing documents. It ensures that we engage with a recognized and lawful entity rather than a fraudulent one. Information verified includes:
 - **Name:** The official registered name of the business.
 - **Address:** The operational address(es) of the business, which may differ from the registered address.
 - **Tax Identification Number (TIN):** For businesses in the U.S., this is typically an Employer Identification Number (EIN), which serves as a unique identifier for tax purposes and banking.
 - **Business Registration Status:** All companies must provide a Certificate of Incorporation.
 - **Licensing Documentation:** An operating license is required for certain businesses to legally conduct their activities.

- **Identification of Directors and Owners:** Documentation that verifies the identities of key individuals and confirms the Ultimate Beneficial Ownership (UBO) of the company.
- **Transaction Monitoring:** Certain transaction patterns may suggest involvement in money laundering or terrorist financing. Indicators such as unusual transaction frequencies, amounts just below reporting thresholds, or dealings with high-risk countries can raise red flags.
- **Sanctions Screening:** We screen businesses and their personnel against international sanctions lists, including those from OFAC, the UN, and the EU.
- **PEP Screening:** Businesses linked to politically exposed persons (PEPs) may pose higher risks for money laundering. Therefore, we assess the PEP status of businesses.
- **Adverse Media Monitoring:** Continuous monitoring for any negative media coverage related to a business helps identify potential criminal involvement. This includes traditional media as well as online sources.

Onboarding Process

During the onboarding phase, KYB checks are crucial as an initial safeguard against fraudulent relationships. Following the preliminary registration and verification of a business, comprehensive KYB assessments are conducted. These include verifying physical addresses, official contact numbers, and sources of funds for onboarding customers. The collected data is cross-referenced for accuracy. Based on this validated information, a risk assessment is performed to evaluate potential risks associated with prospective business partners.

The entire business onboarding process becomes a critically important stage, where strict KYB checks play a key role. The final step in the KYC process is monitoring the client's account for suspicious activity. This may include monitoring transactions for unusual patterns, such as large or frequent transactions, or transactions that do not align with the client's profile. Our KYB procedure ensures that CardLinkPro LLC does not do business with companies involved in:

- Money laundering
- Terrorism financing
- Tax crimes
- Sanction lists
- Fraud and other financial crimes

If you have any questions, please contact us at: compliance@cardlinkpro.com