

CUSTOMER ACCEPTANCE POLICY

CUSTOMER RISK ASSESSMENT PROCEDURE REFERENCES

Peak International Trading L.L.C Company Regulations and Instructions

LBMA Responsible Gold Guidance, v5 18 Jan 2013

OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict- affected and High Risk Areas, Second Edition November 2012

OECD Due Diligence Guidance Gold Supplement, 17 July 2012 WorldGold

Council Conflict- Free-Gold Standard, 01 October 2012

DMCC Practical Guidance for Market Participants in the Gold and Precious Metals Industry v1, April 2012

- **GENERAL**

Peak International Trading L.L.C applies to Know Your Customer- KYC Procedures and Customer Acceptance Policy where the purchase and customer acceptance procedures related to precious metals are kept on the agenda as it is stated below and is applied effectively to protect itself and its employees from being targeted for violations of national and international laws and practices, such as money laundering and terrorism financing.

Compliance transactions and procedures within the scope of the supply chain process are strictly monitored and implemented by all personnel, and the transactions carried out by the Compliance Department are monitored and audited.

Peak International Trading L.L.C accepts the principle that precious metals are from legitimate and ethical sources in the activities in which it participates, cooperates and develops in relation to the supply of precious metals in terms of the purchase and sale of precious metals and they do not constitute a crime and they are not related to armed conflict or human rights violations. The principles of the Customer Acceptance Policy, which have been implemented to protect Peak International Trading L.L.C and its employees from national and international rules of law, money laundering and terrorism financing violations, are based on the following parameters:

- Country of origin of metal,
- The risk of doing business with the customer
- The risk of the product or service which are provided,

- The value of business transactions and the shape/duration of the relationship with the customer.

In accordance with the above parameters, the customer risk profile is updated at least annually. The risk profiles of regular customers are updated as a result of a more thorough review, such as regular company visits at the site and the validity of administrative procedures. Customers are requested to provide evidence of at least the following in terms of administrative procedures:

- A detailed description of the business and its activities,
- References from other companies in the sector to be questioned and confirmed by the compliance officer,
- Detailed evidence of the source of the goods.

- **SCOPE AND ENFORCEMENT:**

This instruction determines the Gold Supply Chain Customer Due Diligence processes, the Customer Know How System requirements and how to do the Risk Analysis in this direction in line with Gold Supply Chain Risks. It is applied by all commercial units of Peak International Trading L.L.C

- **RISK MANAGEMENT:**

Peak International Trading L.L.C is committed to supporting all efforts both in national and international fields in the fight against the laundering of proceeds of crime with all units, money laundering, terrorism financing and other related crimes and to comply with all national and international laws and other legal regulations and legislations. For this purpose, Peak International Trading L.L.C aims to manage the supply chain process and risks effectively and accurately by applying risk-based "Know Your Customer KYC procedures - Customer Due Diligence".

The Company makes an effective risk analysis and management effort by conducting all business relations with its customers through anti-money laundering and terrorism financing by applying ethical business principles in accordance with the legal and national and international certifications to eliminate the risk of damage to its business reputation and not to be involved in money laundering offense or in the financing of terrorism and other related crimes. Peak International Trading L.L.C conducts internal and external audits within the framework of its monitoring and control activities, with the purpose of raising awareness of all its personnel in this respect, refreshing the information through the training provided and monitoring and controlling the practices.

Identification of Risks in the Gold Supply Chain:

Peak International Trading L.L.C has implemented the Company's Gold Supply Chain Responsibility Policy, which was prepared by the OECD to comply with the Guidance on Conflict-affected and High-Risk Situation (Due Diligence) and to meet the requirements of the London Bullion Market Association (LBMA) and the Dubai Commodity Center (DMCC) and has adopted an effective in-house management system and risk control methods in this direction. A supply chain tracking system was created in which the supply chain information of each refined party was collected and stored, the information was recorded and stored; from time to time, personal training was renewed and information and practices were updated and

all Due Diligence procedures for customers have been initiated with appropriate and effective methods.

In the context of Due Diligence, the documents required to be obtained from the customers, the official documents were determined and the application of the customer information form and the decision whether or not to connect to the commercial relationship by making a customer risk assessment following the necessary examinations were put into effect. The first risk assessment in the supply chain begins with the determination of the source of the gold supply. Different risk assessments are made for different sources.

Peak International Trading L.L.C requests for the certification of business and commercial relations by conducting a detailed identification scan of the customer to perform an effective risk assessment starting from the first point of origin where gold is supplied and investigates whether the customers have illegal tendencies and efforts such as money laundering, terrorism financing or not at this stage, reaches the details by controlling business and financial data and develops customer risk analysis with data on mining licenses, mine capacity, mining applications for gold from both mine and small-scale enterprises, documents determining the origin of the mine and additional documents such as gold import / export licenses. The Company takes additional measures for its customers in the high-risk category and, if necessary, conducts on-the-spot visits and further investigations and decides whether to start trading or not in the end. Peak International Trading L.L.C shall require the officially approved notarized power of attorney to be communicated by representatives, and shall report the situation to the relevant authorities when any counterfeiting or deception attempt is identified.

The situations of the customers, with whom a commercial relationship shall be initiated, giving the necessary documents, supplying gold from countries or centers suspected by OECD, UN and other relevant institutions, failing to document the source of the mine, to be in a large amount of money transfer efforts, and not to want to carry out their transactions via the bank as registered and certified are evaluated in the category of suspicious transactions.

In order to follow up in terms of risks that may occur during the transportation of precious metals, documents such as their weight, shipping, and insurance documents are checked by request and thus the tracking of the transport stage of the goods is also monitored. Every new customer in the supply chain is considered as High Risk and followed up every year by regular customer visits and the determination of whether to continue the business relationship.

- Risk of mine/gold resource:

According to the information obtained as a result of country inquiry (www.countrywatch.com), the goods from that customer or country are accepted or rejected. The source of the mine shall be verified in each process to eliminate or reduce the risk of the trade.

In view of current or potential embargoes, Bribery, Financial Action Task Force (FATF) rankings, and political stability, countries at risk are constantly monitored by the Compliance Department and if the country is negative or suspicious as a result of the evaluation, the incoming gold is not accepted directly or it is accepted or rejected after being checked by the Compliance Officer.

- Customer's risk:

Except for the private investors involved in gold investment products (investment bars, bullions, etc.), special services are not provided to persons trading in precious mines/ metals. Peak International Trading L.L.C works with clients who are only professionally working by minimizing the risk of doing business with non-bona fide people. It also does not work with customers who employ child labor against local laws. At the stage of the evaluation of the forms, a risk profile is defined to each customer (low-risk, medium-risk or high-risk) and these are revised regularly. For this purpose, each customer to be commenced commercial transactions is given a reference number (ID) and the transactions are started and a customer file containing the forms and documents that should be declared is kept.

In the ERP system, the current card is opened and the ID number is introduced to the system and it is ensured that the precious metals passing through refining with all commercial transactions belonging to that customer and with the lot and serial numbering system. If the amount of precious metal that is routinely received from customers is increased, the determination of the source of the gold and the plausibility of the description of the customer is decided by making a due diligence. All transactions between Peak International Trading L.L.C and customers are monitored and monitored by the Compliance Officer and the functioning of the Customer Acceptance Policy is checked.

The results of these observations are reported to the board of directors every three months. As a result of this reporting, the risk profile of the customer is re-evaluated and revised if necessary. With the external audits conducted every year, the Compliance Process inspection and reporting of the company is made in the previous year.

- Guarantee on not being related to illegal activities:

Customers must ensure that they are not related to illegal means such as money laundering and tax fraud. They need to verify all precious metals and the source of the money under its control. It is also necessary to prove that the customer also complies with local laws for the use of child labor. Even the slightest doubt on the above issues requires that the relationship with the customer be discontinued immediately or not at all.

- Risk of the provided service:

Each purchased goods are strictly examined by Peak International Trading L.L.C All transactions are subject to goods purchase and compliance procedures. The first customers are required to undergo a full acceptance process. A separate compliance program is also implemented for existing/permanent customers. Continuous customers who are decided to accept goods on a regular basis are subject to internal audit by Peak International Trading L.L.C. In these on-site inspections, customers must provide additional evidence of administrative procedures, at least as a detailed description of the business and its sources of activity and of the origin of the goods.

Risk Categories	Description	Due Diligence level
Low Risk A Low risk (Low profile customer)	Supply gold from safe and clean areas and safe transportation routes Customers with accurate documents and records	Basic due Diligence

	Risk-free zones and countries	
Medium Risk B Medium Risk (Medium profilecustomer)	Transport routes and high-risk areas that are affected by clashes and pass through risky areas High amount of undocumented, unregistered commercial transactions Customers with reasonable and well-intentioned efforts Low risk - Partially safe zones and countries	Enhanced due diligence
High Risk C High risk (High profilecustomer)	Transport routes and high-risk areas that are affected by clashes and pass through risky areas High amount of undocumented, unregistered commercial transactions Customers with reasonable and well-intentioned efforts	Enhanced due diligence
	Highrisk - insecure zones andcountries	

Risk Classification by Country / Customer and Product Schematic

- **CUSTOMER ACCEPTANCE PRINCIPLES:**

A batch sample is accepted from the customer who is decided to start a commercial relationship, and the activities and transactions of the customer are monitored, such as information, documents, references, adjustment results and so on and in case of any inconsistency, the Compliance Officer is contacted immediately.

The customer is authenticated with the world-check app www.world-check.com and in addition to the administrative procedures, on-site visits and inspections are also made (if the presence of mining, refining or production facilities, the capacity of the customer and the accuracy of the market information, the confirmation of the information including the situations where the customer is a mediator) and it is examined and confirmed whether the findings are correct or not.

As a result, it is decided whether trade with that country or customer shall continue or not. If the results of the on-site inspection are consistent with the documents and information provided and the findings identified in the audit, this customer is placed on a regular/permanent customer status and is decided to trade regularly. All professional customers must declare the following documents and fill in the customer information form:

- Copy of passport (color) - minimum

- Photocopy of identity (color) -minimum
- If he/she is an attorney, notarized power of attorney- minimum
- Documents showing the company's latest financial status
- Documents showing bank accounts
- Company's latest electricity bill
- Precious mining license
- Mining license
- Gold import/export license
- Documents on the weight of precious metal
- Documentation for setting results - minimum
- Commercial registration documents
- Shareholding structure
- Documents related to fields of activity
- Documents of the authorized representatives of the Company
- Information about the mining capacity
- Information on mining applications / documentary

Following the receipt of the form and documents, it is checked and verified. If the customer or company cannot be verified, the transaction shall be stopped immediately and the service shall be terminated.

In case of doubt:

In case of doubt, the Compliance Officer requests additional documentation and information for authentication verification. If the suspicion persists and the verification cannot be made, the transactions shall be stopped and trading with that customer shall stop.

Customer identification stages:

Step 1: Customers who wish to communicate over the Internet to initiate a business relationship fill the KYC form on www.peakintltrading.com before starting the process of Know Your Customer-KYC operations of Peak International Trading L.L.C and sign and then scan the document, they can also contact the Compliance Unit via e-mail by completing the Compliance Contact Form on the web site www.peakintltrading.com by adding the required documents.

Step 2: If the information in the Customer Preliminary Information Form corresponds to the policies and procedures of Peak International Trading L.L.C Customer Information Form (KYC form), which contains detailed information for opening the account and opening of the account as a result of the evaluation and all documents related to the customer recognition system, are sent to the customer. The customer submits the relevant documents to the company and submits them to the company or delivers them.

Due diligence and risk analysis procedures take approximately 5-10 business days. Using World-Check (www.world-check.com), a nationwide inquiry (www.countrywatch.com) is conducted to investigate the source of all customers' authentication and gold, and as a result a comprehensive risk assessment is made about that client and the gold's resource location. After the decision on whether to establish a business relationship with the customer and the result is informed to the customer, the transactions are started. All customer information is kept confidential and confidential within the framework of ethical rules. The information that

should not be shared is not shared with third parties. The Company Compliance Officer and the relevant Compliance Officer shall monitor and control all such transactions. Receipt of goods from the customer is not started unless verification of all the information given such as identification documents, references, analysis results and soon. If inconsistency is found in documents and information, the Compliance Officer is informed in the most common way or by using the Compliance transition points system.

Step 3: After the Due Diligence procedure, a current card is opened to each customer and the reference number (customer II) is given. All transactions are followed by this reference number (customer II) in the system after the customer acceptance and precious metals with gold content entering the refining of the customer is monitored in accordance with the lot numbering system and as of the origin of gold or gold-containing precious metals, all commercial transactions, refining and production outputs are made compatible with each other. All these stages of the process are controlled by the relevant units and internal audits of the Compliance Committee. Compliance Agreement Form is signed with the customers who are accepted to the commercial relationship and their declarations about complying with Peak International Trading L.L.C Compliance Procedures, Golden Supply Chain Responsibility Policy and the Declaration of Compliance Agreement are received.

5- SOURCE OF MINERAL / GOLD:

All customers are contacted with questions about the source of gold in the commencement of commercial relations within the framework of the principles of the customer reception system, as well as in the reception/acceptance banks (whether it is the savings of the goods to the bank customers or is the heritage property and so on) and they should give clear and accurate answers to these questions.

The height and value of the transactions also mean that the risk is high, and the monitoring and verification of the transactions in the process is of high importance. According to the information obtained as a result of country inquiry (www.countrywatch.com), the goods from that customer or country are accepted or rejected. The source of the mine is confirmed in every process. If the results of the evaluation are consistent with the notifications of the source of the customer's gold, the customer is started to accept the evaluation process. If there is an inconsistency between the results of the evaluation and the notification of the source of the customer's gold, the relevant customer representative will call the Compliance Officer and ask for help.

- Investment gold or unique gold: The accuracy and accuracy of the statements and documents of customers who want to sell a one-time sale to Peak International Trading L.L.C is well researched and confirmed.

Small amounts of investment goods, such as jewelry or bars are purchased directly from the purchasing office if the customer's description of the origin of the goods is considered reasonable and proportionate to the initial statements (savings, inheritance and so on).

- Unrefined scrap gold: The source of the gold in the hands of the customers who want to sell one-time goods to Peak International Trading L.L.C is determined and evaluated in the interview with the customer.

Adjustment and analysis results of the goods to be taken are checked and determined whether the goods are within the scope of jewelry according to the silver and copper ratio.

- Gold coming from conflict zones/problem areas: If the source of goods offered by the client is not defined as a conflict zone by the United Nations (UN) or OECD, goods from neighboring countries are not accepted in those countries and in certain declared risk situations (except in the case of ratification by other public institutions such as the United Nations or OECD). If any customer declares the property to be of such territory, the investigations should be contacted by the Compliance Officer in all cases of suspicion.
- In case of doubt: In cases of doubt, the Compliance Officer should be consulted. In this case, the Compliance Officer asks for additional documentation and information regarding the verification of the verification. If there is doubt as to the source of the goods/gold as a result of the inspection and the verification cannot be performed, the transactions are stopped and the trade with that customer is terminated.
- Regular Customers: The customers who sell mine/gold to Peak International Trading L.L.C are called regular customers. Customers who are decided to accept goods regularly are subject to internal audit by Peak International Trading L.L.C . These audits take the form of regular company visits with broader administrative procedures. In terms of administrative procedures, customers must at least provide evidence in these audits such as:
 - A detailed description of the business and its activities,
 - References from other companies in the sector to be questioned and confirmed by the compliance officer,
 - Detailed evidence of the origin of the goods,
 - Evidence and documentation that child labor is not used.

Sample verification can be started after verification. If the information is given and the findings of the on-site inspection are compatible, then the customer/company is assigned as a regular customer and the trade starts. Although it is accepted as a regular customer, periodic customer visits are not interrupted and customer information verification processes are performed in the same period.

- **INTERNAL CONTROL MECHANISMS:**

Incompatibility Notification System has been established as a communication mechanism where any non-compliance to be considered as risk within the gold supply chain process will be transferred to senior management and a Compliance Access Point was created for this purpose. With the help of planned personnel compliance training made during the year, the information is refreshed and updated. Implementation of the stages of the procurement process in the relevant units through the identified unit compliance officers, the procedures and procedures to be performed, the compliance system and supply chain disruptions and possible risks are controlled and negative developments are reported.

Peak International Trading L.L.C has also established an internal audit system for its customers with a continuing commercial relationship. It conducts risk control of the trade conducted by controlling the customers with whom it accepts goods at regular intervals, by checking the administrative practices and on-site inspections with different periods in the year.

In this context, inspection and control of the customers are performed in the following issues:

- Confirmation of the detailed explanations of their activities as a company,
- Conducting research by the Compliance Officer and confirming the information,
- Confirmation of detailed documents for proof of origin of goods,
- Providing a guarantee that child labor is not used.

- **APPLICATION METHOD:**

The Customer Acceptance Policy enters into force as soon as it is published. Any changes are published by the Compliance Officer together with the revised number. Unit managers/administrators are responsible for ensuring that the principles and application of this directive are well understood by all unit employees, establishing a functioning manner that fulfills the requirements of the instruction and procedure, and conducting in-unit practices on the subject.