



Know Your Client (KYC), Anti-Money Laundering (AML), and Counter-Terrorism Financing (CTF) Policies

Effective Date: April 13, 2025

Approved by: Michael Evans, President

Organization: The BNIC Network LLC (CPIN)

1. Purpose

The BNIC Network LLC is committed to maintaining the highest standards of integrity, transparency, and regulatory compliance. These policies are established to:

- Prevent and detect money laundering, terrorism financing, fraud, and other illicit activities.
 - Ensure a substantive pre-existing relationship with all CPIN members before offering any investment opportunities.
 - Protect the reputation of CPIN, its Series Investment Clubs (SICs), and Special Purpose Vehicles (SPVs) operated by The BNIC Network LLC ("Parent Investment Club" or PIC).
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2. Scope

These policies apply to:

- All applicants and members of the Closed Private Investment Network (CPIN).
 - All Series Investment Clubs (SICs) operating under the CPIN structure.
 - All Special Purpose Vehicles (SPVs) created and operated by The BNIC Network LLC (the PIC).
 - All Executive Management Team members and third-party service providers involved in onboarding, investment management, and compliance operations.
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3. Know Your Client (KYC) Policy

Objective:

To verify the identity and financial circumstances of all applicants **before approving them to invest** in Investment Opportunities presented through CPIN.

KYC Requirements:

- Full Legal Name
- Date of Birth
- Residential Address
- Government-Issued Photo ID (Driver's License, Passport)
- Tax Identification Number (TIN or SSN)
- Proof of Accreditation Status (if applicable)
- Financial Information (income, assets, liabilities)
- Investment Experience and Objectives
- Source of Funds Verification (if applicable)

KYC Process:

- Applicants complete the **Application Form** and **Intake Form**.
- Applicants submit required identification and financial documents via a secure upload portal (securelivingrei.com).
- Compliance review is conducted manually prior to granting access to view or invest in Investment Opportunities.

Ongoing Monitoring:

- Member KYC records are updated at least every 3 years, or earlier if there is a material change in the member's financial or legal status.

4. Anti-Money Laundering (AML) Policy**Objective:**

To prevent the use of CPIN or its SPVs for money laundering or illicit financial activities.

AML Procedures:

- Conduct initial KYC verification before permitting investment.
- Perform enhanced due diligence (EDD) on high-risk applicants or transactions.
- Monitor investments for unusual or suspicious activity.
- Report suspicious transactions or activities to the appropriate authorities as required by law.

Indicators of Suspicious Activity:

- Inconsistent or unverifiable source of funds.
- Reluctance to provide required documentation.
- Unusually large or complex transactions.
- Payments from or to unrelated third parties.

Recordkeeping:

- Maintain KYC records, transaction history, and any suspicious activity reports for **at least 5 years** from the date of the transaction or account closure.
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5. Counter-Terrorism Financing (CTF) Policy**Objective:**

To prevent and detect any use of CPIN, its SICs, or SPVs for the purpose of financing terrorist activities.

CTF Procedures:

- Screen all applicants against international and U.S. government watchlists (e.g., OFAC Specially Designated Nationals List).
 - Prohibit business dealings with any individual or entity flagged by sanctions lists.
 - Immediately report any suspicious links or matches to the appropriate governmental authority.
 - **All applicants will be screened against the U.S. Department of Treasury's OFAC Specially Designated Nationals (SDN) List and other relevant international sanctions lists. Screening may be conducted manually or through a third-party provider. Applicants with confirmed matches will be rejected and reported to the appropriate authorities as required.**
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6. Training and Compliance

- All Executive Management Team members will complete annual compliance training covering KYC, AML, and CTF policies.
- Compliance training completion will be recorded and monitored.
- Internal audits of onboarding and investment activities will be conducted regularly to ensure adherence to these policies.

7. Enforcement

Failure to comply with these policies may result in:

- Rejection or termination of membership.
- Cancellation of investment privileges.
- Reporting of suspicious activity to regulatory agencies.
- Internal disciplinary action as appropriate.

8. Policy Updates

These policies will be reviewed at least annually and updated as necessary to comply with changes in legal or regulatory requirements.

 **Signed:** *Michael C. Evans*

Michael Evans

President, The BNIC Network LLC

April 13, 2025