

BSA/AML Policy

BANK SECRECY ACT AND ANTI-MONEY LAUNDERING COMPLIANCE PROGRAM

Allegro LLC (“we” or “our”) has developed a Bank Secrecy Act and Anti-Money Laundering Compliance Program (the “BSA/AML Program”) for our financial services platform (collectively, “Allegro”), in an effort to maintain the highest possible compliance with applicable laws and regulations relating to anti-money laundering in the United States and other countries where we conduct business. This includes, but is not limited to:

- Establishing robust internal policies, procedures and controls that combat any attempted use of Allegro for illegal or illicit purposes and that are designed to ensure our customers basic protections under consumer protection laws;
- Complying with the applicable regulations and guidelines set forth by the Financial Crimes Enforcement Network (“FinCEN”);
- Filing Suspicious Activity Reports (“SARs”);
- Filing Currency Transaction Reports (“CTRs”);
- Maintaining comprehensive records of orders and other transfers;
- Employing a Chief Compliance Officer (“CCO”) to act as our Bank Secrecy Act Officer and be responsible for the implementation and oversight of our BSA/AML Program;
- Executing Know Your Customer (“KYC”) procedures on all customers;
- Performing regular, independent audits of our BSA/AML Program;
- Following record retention requirements;
- Implementing a formal and ongoing compliance training program for all new and existing employees and sales agents.

POLICIES AND PROCEDURES

Our BSA/AML Program has been reviewed and approved by our Board of Directors (the “Board”). Our BSA/AML Program is regularly review and, if necessary, revised in an effort to comply with applicable rules, regulations and policies.

INTERNAL CONTROLS

We have developed robust internal policies, procedures, and controls designed to comply with applicable BSA/AML laws and regulations, some of which are outlined here on this page including, but not limited to, our Customer Identification Program (“CIP”), the filing of SARs and CTRs, as well as other reporting requirements and audits.

TRAINING

All of our officers, employees and independent sales agents receive ongoing board-based BSA/AML training, as well as position-specific training. They must repeat this training at least once every twelve (12) months to ensure that they are knowledgeable and in compliance with all pertinent laws and regulations. New employees receive training within thirty (30) days of their start date. All documentation related to compliance training including materials, tests, results, attendance and date are maintained. In addition, our compliance training program is updated as necessary to reflect current laws and regulations.

COMPLIANCE OFFICER

Our CCO is responsible for developing and enforcing the policies and procedures of our BSA/AML Program. Our CCO is required to report any violations of our BSA/AML Program directly to our CEO and our Board. In addition, our CCO is responsible for recording and filings SARs, CTRs and performing a BSA/AML Program audit at least annually.

CUSTOMER IDENTIFICATION

Our Customer Identification Program (“CIP”) is an important part of our BSA/AML Program, and helps us detect suspicious activity in a timely manner and prevent fraud.

ACCOUNT OPENING PROCESS

In order to open an account and use Allegro, your identity must be verified, authenticated and checked against government watchlists, including the Office of Foreign Assets Control (“OFAC”). Failure to complete any of these steps will result in your inability to use Allegro.

Prior to opening an account for a customer, we attempt to collect, verify and authenticate the following information:

- Email Address
- Mobile phone number
- Full Legal Name
- Social Security Number (“SSN”) or any comparable identification number issued by a government
- Date of Birth (“DOB”)
- Physical address (not a mailing address or P.O. Box)
- Additional information or documentation at the discretion of our Compliance Team

If you successfully meet and complete our CIP requirements and do not appear on the OFAC or any other government watchlist, then we will provide you with account opening agreements electronically.

SUSPICIOUS ACTIVITY/CURRENCY TRANSACTION REPORTS

We file SARs if we know, suspect or have reason to suspect suspicious activities have occurred on Allegro. A suspicious transaction is often one that is inconsistent with a customer's known and legitimate business, personal activities or personal means. We leverage our compliance department, which performs transaction monitoring to help identify useful patterns of customer activity. Our CCO reviews and investigates suspicious activity to determine if sufficient information has been collected to justify the filing of a SAR. In addition, all currency transactions over a determined USD value are to be reported to FinCEN via a CTR filing. Our CCO maintains records and supporting documentation of all SARs and CTRs that have been filed.

REPORTING REQUIREMENTS

All records are retained for seven (7) years and are readily available upon official request by an applicable examiner, regulator or law enforcement agency.

BSA/AML PROGRAM AUDIT

Internal

The CCO is responsible for performing an audit of our BSA/AML Program at least annually, and presenting the results to our CEO and Board.

Independent

Our President oversees the performance of an independent test of our BSA/AML Program at least annually. The CCO is not responsible for the independent test, and the CCO's performance is a subject of the test. Results are sent directly to the Board for review.