

INVESTORS EDUCATION - PREVENTION OF MONEY LAUNDERING

1. Summary

Stride Fund Advisors LLP is a limited liability partnership incorporated under the provisions of the Limited Liability Partnership Act, 2008 with its registered office at 103, 1st Floor, Community Center, Naraina Industrial Area, New Delhi -110028, India (the “Stride” or “we” or variations thereof).

Stride is in the business of *inter-alia* management of Alternative Investment Funds (“AIFs”) registered with the Securities and Exchange Board of India (“SEBI”) under the SEBI (Alternative Investment Funds) Regulations, 2012 (the “AIF Regulations”). All references to AIF hereunder shall be deemed to include each scheme of the AIF.

Stride maintains an unwavering commitment to the highest standards of financial integrity and regulatory compliance. In accordance with **The Prevention of Money Laundering Act, 2002 (PMLA)**, and the directives issued by the **Securities and Exchange Board of India (SEBI)**, we have established a robust Anti-Money Laundering and Combating of Financing of Terrorism (CFT) Policy. This framework is designed to detect and prevent the conversion of illegally obtained proceeds into legitimate capital, thereby protecting our investors and ensuring organizational governance.

2. The Mechanics of Money Laundering

Money laundering is the systematic process of concealing the source of funds obtained from illegal activities to project a facade of legitimacy. Consistent with international standards, Stride monitors the three independent stages of the laundering cycle:

- **Placement:** The physical disposal of bulk cash proceeds derived from illicit activity into the financial system.
- **Layering:** The separation of illicit proceeds from their source through complex layers of financial transactions designed to conceal the audit trail and provide anonymity.
- **Integration:** The re-entry of laundered proceeds into the economy as normal business funds, often through investments in the Capital Market.

Stride Fund Advisors LLP

LLPIN: AAW-0367

Regd. Office: E13/29, Harsha Bhawan, Connaught Place, New Delhi 110001

Corp. Office: Block 3B, Ground Floor, DLF Corporate Park, DLF Phase III, Gurugram 122002, India

www.strideventures.in; Phone # 0124 - 4426038

3. International Alignment: FATF Standards

Our internal protocols are aligned with the recommendations of the **Financial Action Task Force (FATF)**, an intergovernmental body established by the G-7 Summit in 1989 to promote policies to combat money laundering globally. As India has been a member of the FATF since June 2010, Stride adheres to these global benchmarks, including the statutory obligation to report specific transaction types to the **Financial Intelligence Unit (FIU)**.

4. Client Due Diligence (CDD)

To mitigate institutional risk and protect genuine investors, we implement a comprehensive CDD process based on three critical pillars:

- **Policy for Acceptance:** Formalized criteria for the onboarding of clients.
- **Client Identification Procedures:** Mandatory verification of identity and legal status.
- **Transaction Monitoring:** Systematic oversight of account activity, with a specific focus on **Suspicious Transactions Reporting (STR)**.

5. Statutory Obligations for Investors

The efficacy of our AML program relies on the transparency and cooperation of our clients to ensure compliance with the requirements under the Act.

For Individual Investors

Clients are requested to ensure the following information is accurate and updated:

- **Identity & Address:** Provide valid supporting documentation for verification.
- **Contact Information:** Maintain current mobile numbers and email IDs.
- **Economic Profile:** Provide accurate details regarding occupation, nature of business, and income.

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- **Ongoing Maintenance:** Update KYC information at least annually or immediately upon any material change.

For Institutional & Non-Individual Entities

Entities must cooperate in the following areas to ensure full regulatory alignment:

- **Ultimate Beneficial Ownership (UBO):** Provide documentation and clarifications to identify the natural persons who ultimately own or control the funds.
- **Constitutive Documents:** Submit all relevant legal formation and governance documents.
- **Financial Disclosures:** Provide accurate information regarding financials, trades, and holdings as required for statutory compliance.

6. Institutional Resources

For further technical information, stakeholders may consult the official portals of the following regulatory authorities:

- **Financial Intelligence Unit (FIU-IND):** www.fiuindia.gov.in
 - **Securities and Exchange Board of India (SEBI):** www.sebi.gov.in
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