



**Kudo**

# **KYC Guide**

**Kudo Trade (Mauritius) Ltd**

COMPANY NUMBER: C215955



## **Kudo Trade (Mauritius) Ltd**

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## **KYC (Know Your Customer) - Kudo Trade (Mauritius) Ltd**

This KYC (Know Your Customer) process outlines the steps taken by Kudo to verify the identity of its clients, assess associated risks, and ensure compliance with Anti-Money Laundering (AML) and Counter-Terrorist Financing (CTF) regulations. The process is essential for safeguarding Kudo's payment ecosystem and fulfilling regulatory obligations.

This process applies to:

- All new clients registering on Kudo whose payments are processed
- Existing clients undergoing periodic review or enhanced due diligence
- Individuals and corporate clients
- Any client flagged by risk-based transaction monitoring

Kudo uses Sumsb, a third-party identity verification provider, to carry out digital customer due diligence (CDD) checks. Sumsb provides real-time document validation, facial biometrics, and compliance screening capabilities.

## **KYC requirements**

All individual users must complete the following steps before their account can be fully activated or allowed to transact:

**Proof of Identity** - Valid government-issued ID such as a passport, national ID card, or driver's license. The document must be unexpired, legible, and clearly show the individual's full name, date of birth, photo, and document number.

**Proof of Address** - A document such as a utility bill, bank statement, or official government correspondence dated within the last 3 months. The document must clearly show the client's full name and residential address.

**Liveness Check** - A real-time biometric check performed via SumSub, which ensures the person submitting documents is physically present and matches the identity in the documents.



## Corporate Clients

Corporate entities must provide:

- Certificate of incorporation or business registration
- List of directors and beneficial owners
- Proof of business address
- KYC documents for all UBOs (Ultimate Beneficial Owners holding 25% or more)

## KYC Process Steps

### Step 1 - Initiation

- Users are prompted to complete verification during registration or before processing their first transaction.
- The KYC workflow is embedded into the Kudo platform via Sumsub's API. Step

### 2 - Document Submission

- Users upload ID and address documents directly through the Sumsub interface.
- Liveness checks are conducted in the same session.

### Step 3 - Automated Verification

- Sumsub validates documents using AI and manual review.
- Sanctions screening and PEP (Politically Exposed Person) checks are performed automatically.

### Step 4 - Review and Appeal

- If all checks pass, the user is approved automatically.
- If anomalies are detected (e.g., mismatched data, blurred images), the case is flagged for manual review by Kudo's compliance team.

### Step 5 - Onboarding Completion

- Approved users are granted full access to services.
- Failed or suspicious applications are denied or escalated for further investigation.

## Risk Based Approach

Users are categorized into Low, Medium, or High risk based on jurisdiction, transaction



volume, and Sumsb screening results.

High-risk users may be subject to Enhanced Due Diligence (EDD), which could include:

- Additional documentation
- Video verification
- Source of funds check

## **Record Keeping**

All KYC data and verification logs are stored securely in accordance with GDPR and applicable data protection laws.

Records are retained for a minimum of 5 years after the client relationship ends or longer where required by law.

## **Reverification and Monitoring**

Clients may be asked to reverify identity if:

- Documents expire
- There is a change in personal information
- The account is flagged during ongoing transaction monitoring

KYC status is monitored in real time and synced with transaction systems (e.g., Praxis) to prevent non-compliant activity.

## **Roles and Responsibilities**

Compliance team - Oversight of the KYC process, handling escalations, performing manual reviews.

Customer support - Assisting users during the verification process and handling inquiries.

## **Compliance and Enforcement**

Clients who fail to complete the KYC process will have restricted or suspended access to services.

Attempts to submit fraudulent or forged documents may be reported to the relevant authorities and could result in permanent bans.



## **Simplified Due Diligence (SDD)**

SDD is a form of reduced Know Your Customer (KYC) and verification procedures applied when:

- The risk of financial crime is demonstrably low, and
- The customer/activity meets clear criteria for low risk, as allowed by relevant regulation
- This process will require clients to simply upload a form of Identification, Proof of address (dated within the last 6 months) and liveness check.

## **Initial Risk Assessment**

- Assess the customer type, geography, product, service, channel, and transaction pattern.
- Ensure no red flags are present.
- Ensure the customer does not match any PEP, sanctions, or adverse media watchlist.

## **Apply Limited Identity Verification**

Individual clients: May verify identity using simplified KYC:

- Basic name, DOB, address (without extensive proof)
- Retail client with small CFD account and consistent low volume - allow for verified identity to use all features of the account.

Corporate clients: May accept registration number, regulated status, website disclosure in place of full corporate structure / beneficial ownership checks (if justified).

## **Transaction Thresholds**

This helps to apply a risk-based approach, with more effort focused on higher-risk clients or activity.

Initial deposits

£/\$/€ 0 - 25,000 = Basic KYC

£/\$/€ 25,000 and above = Full KYC and source of funds, EDD



Single withdrawal request

Over £/\$/€ 10,000 = Confirm bank account match, check red flags.

Frequent High-risk trading

Trigger trade surveillance and EDD if leveraged trades exceed clients risk profile