

# Anti fraud policy

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## Purpose and scope of this policy

Crowd1 has a commitment to high legal and ethical standards and all Affiliates are required to share this commitment. The purpose of this policy is to clarify the responsibilities of all Affiliates with respect to fraud and fraud prevention and the actions that will be taken by Crowd1 towards any Affiliate if fraud is suspected and/or detected vis-à-vis Crowd1 and/or Crowd1's partners.

## Definition of fraud

The legal definition of fraud varies among countries and jurisdictions, but the term is commonly used to describe a wide variety of dishonest practices and misconducts. Fraud comprises both the use of deception to obtain an unjust or illegal financial advantage and intentional misrepresentations affecting the financial statements by one or more individuals. Fraud is commonly perpetrated by parties to obtain money, property, or services; to avoid payment or loss of services, or to secure personal or business advantage. Acts of fraud are not dependent upon the application or threat of violence or of physical force.

### Acts of fraud may involve, but are not limited to:

- Fraudulent use of credit cards;
- Fictitious bookings, orders or purchases of any kind;
- Making of false statements to obtain a financial or other benefit for oneself or another/others;
- Using another person's IT identity or password, or creating false identities/passwords, without consent or authority.

It should be noted that actions taken to instigate, aid, abet, attempt, conspire or cooperate in a fraudulent act, also constitute fraud.

## Investigation of allegations

All allegations of fraud and suspected fraud are taken seriously. Upon receipt of information indicating fraud or suspected fraud, Crowd1 will assess the information and determine if the Affiliate in question will be suspended pending further investigation, or if the membership shall be terminated immediately.

Should the Affiliate be suspended all e-wallet balances, Commissions, Bonuses and Reward funds will be subject to suspension and the Affiliate in question may be blocked from accessing the Crowd1 website.

Should the membership however be terminated immediately, the Affiliate loses all rights to his or her position in the Compensation Plan, i.e., all previous, current and future commissions, bonuses and rewards earnings will be forfeited.

## Disciplinary/legal action

Proven fraud or suspected fraud, which comes to Crowd1's attention, will be referred to the appropriate authorities at the earliest possible opportunity. This may include, but is not limited to, filing a police report.

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Crowd1 reserves the right to take legal action against any Affiliate whom Crowd1 suspects of having committed fraud.

## **Reporting fraud**

Anyone with information regarding fraud or suspected fraud is strongly encouraged to report this information to Crowd1's Compliance Department at [compliance@crowd1.com](mailto:compliance@crowd1.com).

## **Anonymous reports**

Individuals wishing to protect their identity may report fraud anonymously. For anonymous reports, a report number and code are used to allow the individual making a complaint to follow up and to check if the assessing officer has requested further information.

*These Anti Fraud Policy will be translated into different languages. In case of any discrepancies between this English version and the translated versions, the English version of the Anti Fraud Policy shall prevail.*