



# BlackOak Energy LLC

## Anti-Money Laundering (AML) Policy

*Approved by: Executive Leadership Team*

*Effective Date: January 1, 2025*

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### 1. Purpose

BlackOak Energy LLC (“the Company”) is committed to the highest standards of integrity and compliance. This Anti-Money Laundering (AML) Policy outlines the procedures and controls the Company has established to detect, prevent, and report money laundering, terrorist financing, and other financial crimes in accordance with applicable laws and international standards.

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### 2. Scope

This Policy applies to:

- All employees, officers, and directors of BlackOak Energy LLC
- Agents, consultants, contractors, and any third parties acting on the Company’s behalf

It applies to all jurisdictions in which BlackOak Energy LLC operates and covers all business transactions, regardless of the counterparty or geographic region.

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### 3. What is Money Laundering?

Money laundering involves disguising the origins of illegally obtained funds to make them appear legitimate. It typically occurs in three stages:

1. **Placement:** Introducing illegal funds into the financial system
2. **Layering:** Concealing the source through complex transactions or transfers
3. **Integration:** Reintroducing the funds as seemingly legitimate assets or income



The energy sector, given its high-value transactions, international dealings, and commodity trading activities, is particularly vulnerable to misuse by bad actors.

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#### 4. Policy Statement

BlackOak Energy LLC has a **zero-tolerance** approach to money laundering and any activity that facilitates or enables the financing of terrorism or other financial crimes. The Company will:

- Comply with all applicable AML laws and regulations (e.g., Bank Secrecy Act, USA PATRIOT Act, EU AML Directives)
  - Implement risk-based procedures for customer due diligence (CDD) and enhanced due diligence (EDD)
  - Monitor transactions for suspicious activity
  - Report any suspicious transactions to appropriate authorities
  - Maintain AML training for relevant personnel
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#### 5. Customer Due Diligence (CDD)

Prior to establishing a business relationship, BlackOak Energy LLC will:

- Identify and verify the identity of all counterparties, including beneficial owners
- Understand the nature and intended purpose of the business relationship
- Assess the counterparty's risk profile (industry, geography, political exposure, etc.)

Enhanced due diligence (EDD) will be required for high-risk parties, such as:

- Politically exposed persons (PEPs)
  - Parties from high-risk jurisdictions
  - Unusual or complex transaction structures
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#### 6. Monitoring and Reporting

The Company will implement ongoing monitoring of transactions to detect:

- Unusually large payments or cash transactions
- Complex or illogical arrangements lacking clear business rationale
- Inconsistent customer behavior



- Transactions involving high-risk jurisdictions

All employees must promptly report any suspected suspicious activity to the Company's **AML Compliance Officer**. Where legally required, suspicious activity will be reported to the relevant financial intelligence unit (e.g., FinCEN in the U.S.).

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## 7. Recordkeeping

All documentation related to CDD, transactions, and internal reports must be retained for at least **five (5) years**, or longer if required by local laws. Records must be readily retrievable and made available to regulatory or law enforcement authorities upon request.

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## 8. Training and Awareness

AML training will be provided:

- During onboarding for relevant employees
- Annually thereafter, or more frequently if required due to changes in regulation or risk

Training will cover red flags, internal reporting procedures, and regulatory obligations.

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## 9. Responsibilities

- **AML Compliance Officer:** Responsible for overseeing AML efforts, reporting to senior management, and ensuring compliance with applicable laws.
  - **All Employees:** Must be alert to potential money laundering and report concerns without delay.
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## 10. Policy Violations

Any violation of this policy may result in disciplinary action, including termination, and may expose the individual and the Company to civil and criminal penalties.

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## **11. Review and Updates**

This policy will be reviewed at least annually and updated as needed to reflect changes in applicable laws, regulations, and industry best practices.

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