



Mezzarion KYT Charter

Document ID: MZRN-CHR-KYT-PUB-001

Title: Know Your Transaction (KYT) Charter – Transaction Integrity for Mining, Trade, Investment, and Financing Support

Version: v1.1P

Effective Date: 20 December 2025

Applies To: (i) all Mezzarion internal transactions across Mining, Trade, and Investment; and (ii) all external counterparties engaging Mezzarion for transaction coordination and financing readiness support.



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1) Purpose and Dual Use

Mezzarion's KYT Charter serves two purposes:

1. Internal Operating Standard (Mining / Trade / Investment):

A single transaction integrity framework that ensures every Mezzarion deal is coherent end-to-end, deviation-controlled, auditable, and execution-ready.

2. External Financing Readiness Standard (Counterparties / Banks / Insurers / Investors):

A transparent statement of how Mezzarion qualifies and manages transaction files so institutions can review a deal as a bank-grade transaction, not a narrative.

KYT is the control system that separates a “clean-looking file” from a transaction a professional institution can stand behind.

2) What KYT Is (and What It Is Not)

- KYC/KYB establishes who a counterparty is (identity, ownership, baseline eligibility).
- KYT establishes what is happening inside a specific transaction as value moves through documents, logistics, and settlement rails.

A counterparty may pass KYC/KYB and still fail KYT on a given deal. That is not a contradiction; that is the system doing its job.

3) KYT Principles

Mezzarion's KYT approach is built on five principles:

1. Coherence: The commercial story, documents, logistics trail, and settlement path must reinforce each other.
2. Evidence: Material assertions must be supported by verifiable documentation and milestone evidence.



3. Change Control: Material mid-cycle changes must be explained, evidenced, and re-approved.
4. Default-Deny Authorization: Transactions are not authorized to move value until authorization is explicitly granted.
5. Audit-Readiness: Every transaction must be capable of producing a complete, reviewable transaction file (“bank pack”).

4) Where KYT Applies Across Mezzarion’s Pillars

A) Mining (internal):

KYT ensures integrity across origin and performance realities: chain-of-custody, assay/inspection alignment, custody handoffs, export readiness, and the consistency of production claims with documentary evidence.

B) Trade (internal and external):

KYT governs contract-to-cash coherence: Incoterms, quantities, timelines, document packs (invoice/packing list/COO/inspection/insurance), shipping milestones, and routing logic.

C) Investment (internal):

KYT functions as transaction truth management for deal execution: SPV/mandate clarity, use-of-proceeds alignment, disbursement conditions, milestone gating, and enforceable controls over how value moves through counterparties and contracts.

5) KYT Authorization Spine (D0–D5)

Every transaction governed by Mezzarion KYT follows the same authorization states:

- D0 — Draft (No Trust): File exists for information capture. No operational commitments.
- D1 — Pre-Engagement Cleared: Minimum seriousness threshold met; transaction is eligible for active resourcing.
- D2 — Pre-Shipment Authorized: Contract terms, documentary expectations, and logistics plan are coherent and recorded.



- D3 — Shipment Release Authorized: Shipment may be released/loaded/dispatched under the approved plan.
- D4 — Settlement Authorized: Settlement path is locked and coherent (payer/beneficiary/banks/references aligned); settlement instructions may proceed.
- D5 — Closed (Bank Pack Archived): Reconciliation complete; outcome confirmed; transaction file archived.

Control rule:

- No Ship before D3.
- No Settle before D4.

6) Serious Deal Threshold (How We Filter for Seriousness)

Mezzarion engages only when a transaction meets a minimum seriousness standard. Before D1 clearance, we typically require:

- Clear commercial summary (commodity/spec, origin, volumes, Incoterms, timeline)
- Full role disclosure (seller, buyer, end buyer where relevant, agents/intermediaries, logistics and inspection parties)
- Declared settlement approach aligned to transaction terms
- Baseline counterparty due diligence (KYB/KYC and sanctions screening scope appropriate to the transaction)

Mezzarion may pause or decline engagement where transparency is refused, roles are unclear, or the transaction story cannot be validated.

7) Change Control (Material Changes Trigger Re-Validation)

Trade and project execution evolves. KYT exists to control “story drift.”



Material changes—such as late-stage beneficiary or settlement detail changes, unexpected third-party payment behavior, significant route changes, substitutions, or documentary contradictions—trigger stop-and-validate. The transaction may be rolled back to an earlier authorization state until coherence is restored and evidence is provided.

8) Financing Readiness and Payment Handling

Mezzarion's KYT discipline is designed to produce transaction files that are reviewable by banks, insurers, and professional investors.

Mezzarion does not act as a custodian of client funds. Where escrow structures, bank instruments, or settlement rails are used, funds move through appropriately governed channels consistent with the transaction structure and applicable requirements.

9) Records, Confidentiality, and Data Protection

Mezzarion maintains transaction records to support audit readiness, dispute resilience, and institutional review. Data is handled in line with confidentiality obligations and applicable data protection requirements.

10) Outcome

The Mezzarion KYT Charter exists to ensure that transactions are coherent, evidenced, deviation-controlled, and auditable—across our internal mining, trade, and investment execution, and in any external financing readiness context where institutional review is expected.

Annexure A — Serious Deal Pack

Purpose: Required for Mezzarion to activate a transaction at D1 (Pre-Engagement Cleared).

A. Counterparty & Role Disclosure

- Legal entity details (name, registration, jurisdiction, address)
- Authorised signatory + proof of authority
- Role clarity: seller/buyer/end buyer (if relevant)/agents/logistics/inspection/warehouse



- Full disclosure of intermediaries and contractual basis (no undisclosed principals)

B. Deal Summary

- Commodity/spec/grade and assay basis where relevant
- Origin/source and production/control context (high level)
- Volume + shipment plan (partials/batches)
- Incoterms, load/discharge points, intended route/ports
- Pricing basis (formula/benchmark), currency
- Timeline: readiness, shipment window, settlement window

C. Capability Evidence

Suppliers/producers: capacity/control evidence; inspection approach

Buyers/offtakers: proof of purchasing capability; destination/use case (high level)

D. Logistics Readiness

- Forwarder/shipping/trucking plan (if known)
- Warehouse/collateral management approach (if applicable)
- Constraints: permits, export licences, port limitations, special handling

E. Settlement & Payment Intent

- Intended payment approach aligned to transaction terms
- Payer and beneficiary must match roles



- Any third-party payer/beneficiary must be pre-declared with contractual basis

F. Compliance Declarations

- Support KYB/KYC and sanctions screening requests
- Truthful, consistent representation across the deal file
- Agreement that material changes trigger KYT change control

G. What Happens Next

- Mezzarion opens a transaction file and assigns a reference
- Pack is reviewed for coherence and financeability
- If accepted: transaction is activated at D1 and proceeds through D0–D5
- If not: missing information is requested or engagement is declined

Annexure B — D0–D5 Quick Guide + TCT Metrics

A. D0–D5 Quick Guide

- D0: file opened, no commitments
- D1: serious deal, active resourcing
- D2: coherent plan, prepare execution
- D3: authorised to ship
- D4: authorised to settle
- D5: closed and archived



Hard rules:

- No Ship before D3.
- No Settle before D4.

B. Transaction Cycle Time (TCT)

Mezzarion tracks velocity and reliability using KYT timestamps:

- E2S (Engagement-to-Ship): D1 → D3
- S2C (Ship-to-Close): D3 → D5
- E2C (Engagement-to-Close): D1 → D5

TCT is used internally to improve predictability and assess corridor/counterparty reliability over time.