

IBC Broker B.V.

Funds Management and Segregation Policy

Prepared for: Curaçao Gaming Authority (CGA)

Prepared by: Financial Department, IBC Broker B.V.

Date: 15 October 2025

1. Purpose and Scope

This **Funds Management and Segregation Policy** establishes the framework through which **IBC Broker B.V.** manages, monitors, and protects all client and operational funds.

The policy ensures compliance with Curaçao Gaming Authority requirements on the **protection of player balances, segregation of client funds, and financial transparency.**

It applies to all:

- Player deposits, winnings, and withdrawal balances.
- Operational funds used for company expenses.
- Partner and agent commission accounts.

The objective is to maintain a clear and auditable separation between **player funds** and **company operational accounts** at all times.

2. Legal and Regulatory Basis

This policy is guided by:

- **Curaçao Gaming Authority (CGA) Licensing Conditions** on Financial Integrity and Player Protection.
- **AML/CFT Act of Curaçao (2020 Revision).**
- **IBC Broker B.V. internal financial controls and accounting standards.**

IBC Broker B.V. fully recognizes its fiduciary obligation to safeguard player funds against loss, misuse, or co-mingling with operational or third-party assets.

3. Governance and Oversight

The **Compliance Department**, under the supervision of the **Compliance Officer (Mihaela Prida)**, maintains oversight of fund segregation and reconciliation processes.

Financial control responsibilities are shared as follows:

Role	Responsibility
Director (UBO)	Approves financial procedures and ensures regulatory compliance.
Finance Department	Manages daily transactions and reconciliations.
Compliance Department	Monitors adherence to segregation procedures and reports exceptions to management.
External Auditor	Verifies segregation and reconciliation accuracy during periodic audits.

No individual employee may authorize both deposits and withdrawals without dual control verification.

4. Bank and Payment Institution Arrangements

IBC Broker B.V. maintains all accounts exclusively with **licensed and regulated financial institutions** that meet international AML and safeguarding standards.

The primary institution currently used is:

- **Payment Execution s.r.o.** – Czech Republic (regulated payment institution)

Each account is designated by purpose and currency to avoid cross-usage.

Account Type	Financial Institution	Jurisdiction	Purpose
Player Funds Account	Payment Execution s.r.o.	Czech Republic	Receives and holds player deposits and winnings.
Commission Account	Payment Execution s.r.o.	Czech Republic	Used for agent and affiliate commission payments.

All accounts are denominated in **EUR, USD, and GBP** to correspond with client and partner payment preferences.

5. Segregation of Funds

IBC Broker B.V. enforces full segregation of **player funds** from **company operational funds** through the following mechanisms:

1. **Dedicated Player Accounts:**

- All player balances are credited to a designated player funds account held separately from business accounts.
- No operational withdrawals or payments are permitted from these accounts.

2. **Restricted Access:**

- Only the Finance Director and Compliance Officer hold dual authorization rights for transactions involving player funds.

3. **Automated Reconciliation:**

- Daily reconciliation ensures that total player liabilities equal or exceed available balances in the player funds account.
- Monthly reconciliations are reviewed and signed by the Compliance Officer.

4. **Audit Trail:**

- All fund transfers are recorded in the company's accounting system and cross-referenced with transaction IDs.
 - Reports are stored securely for a minimum of **five (5) years**.
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6. Withdrawal and Payout Procedures

IBC Broker B.V. ensures that **player withdrawals** are processed exclusively from segregated accounts.

Key rules include:

- Withdrawals must correspond to verified player balances.
- Funds are released only after KYC verification and approval.
- Processing timelines do not exceed **24 hours** following authorization.
- No company operational expense can be processed from player accounts.

All payout actions require two-step approval (Finance + Compliance).

7. Reconciliation and Record-Keeping

7.1 Daily Reconciliation

- Player balances and account ledgers are reconciled every business day.
- Automated reporting flags any discrepancies exceeding €100.

- Immediate escalation to Compliance is required for any mismatch.

7.2 Monthly Reconciliation

- Conducted at month-end and signed off by the Compliance Officer.
 - Submitted to the Managing Director for verification.
 - Stored in encrypted format and retained for at least five years.
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8. Management of Operational Funds

Operational accounts are maintained separately to cover:

- Payroll and freelancer payments.
- Platform maintenance, hosting, and licensing fees.
- Marketing and advertising.
- Regulatory and audit costs.

Transfers between operational and player accounts are strictly **prohibited** unless:

- A regulatory audit requires reclassification of funds; or
 - Exceptional approval is granted by both the Director and Compliance Officer.
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9. External Auditing and Verification

IBC Broker B.V. engages **independent external auditors** to review:

- Accuracy of fund segregation and reconciliation procedures.
- Compliance with CGA player protection standards.
- Adequacy of internal controls and data integrity.

An annual audit report is made available to the Curaçao Gaming Authority upon request.

10. Incident Management and Breach Reporting

In the unlikely event of a segregation breach or shortfall:

- Immediate notification is made to the **Compliance Officer** and **Managing Director**.
- The CGA is informed within **24 hours**, in accordance with reporting obligations.

- Corrective actions are implemented within **five (5) business days**, including replenishment of player balances.

All breaches are logged in the **Compliance Incident Register** and reviewed quarterly.

11. Policy Review and Maintenance

This policy is reviewed at least **once per year** or upon material change in:

- Banking or payment institution relationships.
- Regulatory requirements or CGA directives.
- Company operational model.

Updates are documented, approved by senior management, and circulated internally to all relevant departments.

12. Approval

This **Funds Management and Segregation Policy** has been formally approved by:

Patrick Edmond Monnissen

Director and UBO, IBC Broker B.V.

Date: 15 October 2025