

Natural Nine B.V. (Shuffle.com) Risk Policy For Crypto

1. Chainalysis: AML/KYC Screening for Transactions

Overview:

Chainalysis is essential to Shuffle.com's approach to maintaining cryptocurrency transaction compliance and security. It provides industry-leading tools for analysing on-chain data and connecting blockchain transactions to real-world entities.

Functionality:

- **Comprehensive Analytics:** Chainalysis maps on-chain activity to real-world identities, offering trusted insights for compliance teams worldwide.
- **Enhanced Oversight:** Used by governments and businesses to monitor and investigate cryptocurrency transactions with confidence.
- **Real-Time Monitoring:** Detects potential risks in transaction flows and escalates flagged activities for review.

Risk Policy:

Severe Risk Categories:

Accounts related to Severe-risk transactions are immediately banned from using Shuffle.com upon review.

- Screening Categories include;
 - **Child Abuse Material**
 - **Sanctioned Entities/Jurisdictions**
 - **Seized/Stolen Funds or Terrorist Financing**
 - **Special Measures/High-Risk Funds**

High Risk Categories:

Accounts related to high-risk transactions are immediately banned from using Shuffle.com upon review.

- Screening Categories include;
 - **Fraud Shops/Illicit Actors**
 - **Malware/Ransomware or Scams**

Medium Risk Categories:

Accounts are monitored for unusual patterns after medium-risk transactions are flagged. Players related to medium-risk screening will with an aggregate of over \$1000 attributed to that risk screening will be banned.

- Screening Categories include;
 - **Mixing Services**
 - **Unverified Exchanges**
 - **Darknet Markets/Online Pharmacies**

Low Risk Categories:

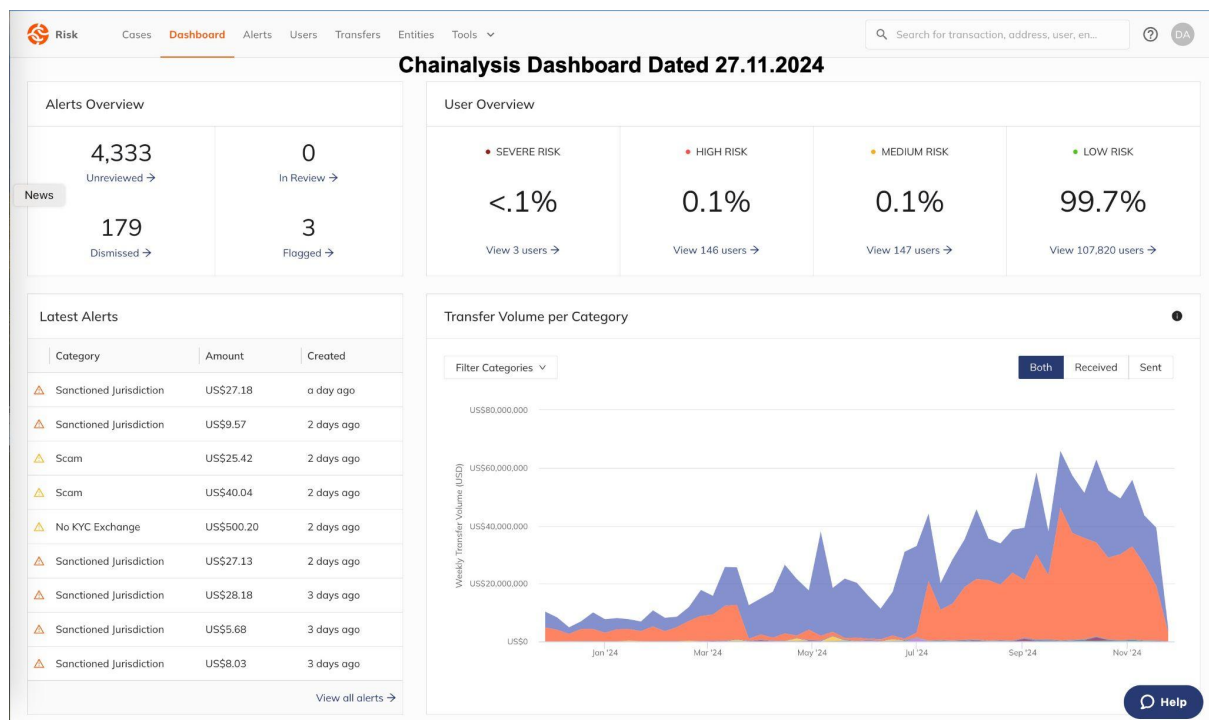
Transactions are recorded without immediate action but remain under monitoring. These transactions make up 99.7% of all shuffle.com's current volume.

- Screening Categories include;
 - **Hosted Wallets/DEX Platforms/NFTs**
 - **Bridge and Mining Services**

Implementation:

- **Escalation Procedures:** Flagged transactions are escalated for compliance review.
- **Blocking and Reporting:** High-risk/severe transactions are blocked
- **Regular Updates:** Risk settings are reviewed regularly to ensure alignment with evolving standards.

Example of the Shuffle.com Chainalysis Dashboard



2. Fireblocks: Crypto Custody Management

Overview:

Fireblocks is an enterprise-grade platform that ensures secure management of digital assets at Shuffle.com. With Multi-Party Computation (MPC)-based wallet infrastructure and distributed governance, Fireblocks mitigates custody risks while maintaining operational efficiency.

Functionality:

- **MPC Wallet Infrastructure:** Ensures private keys are never fully exposed or stored in one location.
- **Decentralised Governance:** A **3/6 quorum policy** prevents unauthorised access.
- **Cold/Hot Wallet Separation:** Minimises exposure by keeping most assets in cold storage.

Risk Policy:

Custody Risk Mitigation:

- **Decentralised Signing:** A 3/6 quorum of Shuffle.com executives located globally, must approve all fund movements.
- **Hot Wallet Management:** Minimal funds kept in hot wallets; transfers require pre-approved addresses.
- **Cold Wallet Strategy:** The bulk of assets are stored securely, with fund movements subject to quorum approval.

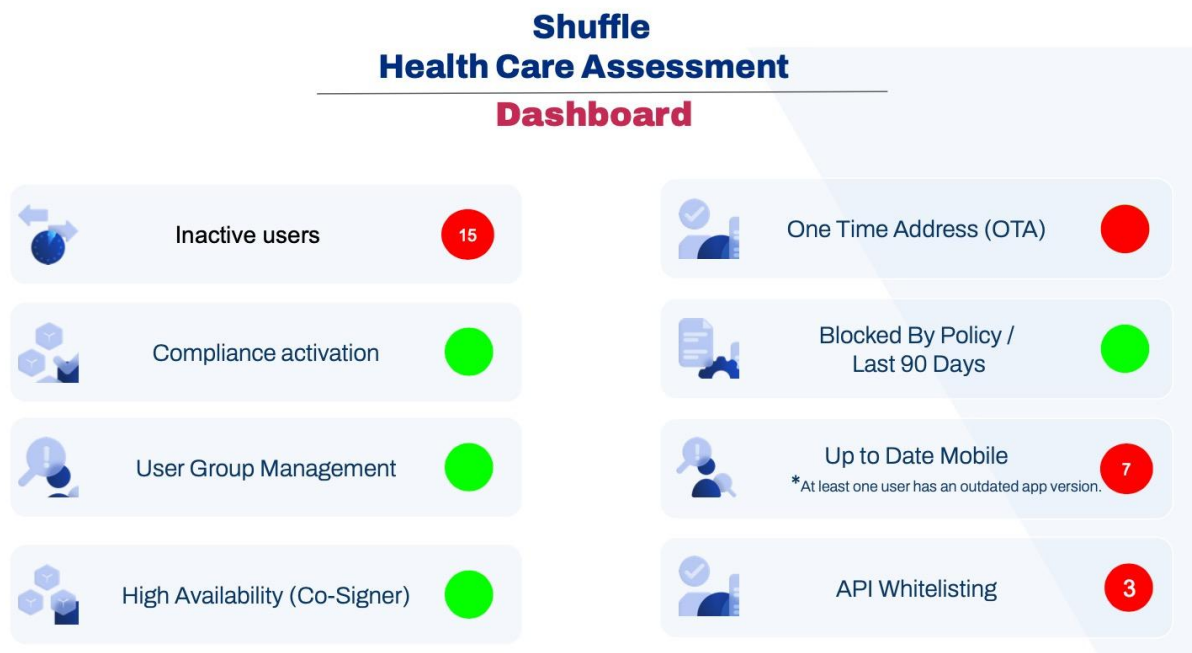
Access Controls and Permissions:

- Role-based permissions ensure only authorised personnel can access wallet management tools.
- Transaction histories are audited regularly to detect and address anomalies.

Real-Time Security Measures:

- Automated alerts flag suspicious activities, freezing fund movements until authorisation.
- All flagged transactions are reviewed before release.

Fireblocks recently provided us with a 'health check' on our currently workspace settings and governance.



We are currently actioning the red indicators by;

- Removing inactive users off the user in admin
- Updating the 'mobile' app for fireblocks 7 of our users
- Removing inactive whitelisted APIs

3. Sumsub: KYC/AML Data Collection and User Verification

Overview:

Sumsub is an AI-powered identity verification solution that supports Shuffle.com's compliance and fraud prevention efforts. With customisable KYC, KYT, and AML tools, Sumsub ensures global coverage and a streamlined onboarding process.

Functionality:

- **Dynamic KYC Levels:** Progressive verification tailored to user activity and jurisdiction.
- **AML Screening:** Real-time analysis of global watchlists, sanctions, and PEP databases.
- **Behavioural Analytics:** AI identifies suspicious patterns for further review.

KYC Verification Levels:

- **KYC1:** Basic information (Full Name, DOB, address).
- **KYC2:** ID verification using government-issued documents.
- **KYC3:** Proof of address via uploaded documents.
- **KYC4:** Source of funds/licenses for high-value users or flagged accounts.

AML and Fraud Prevention:

- **Dynamic Screening:** Identifies high-risk users and blocks suspicious activity.
- **Phased Verification:** Users progress through KYC levels based on activity thresholds and risk levels.
- **Escalation Protocols:** High-risk users are escalated for manual review.

Data Privacy and Security:

- All data is securely stored in compliance with GDPR and other regulations.
- Regular audits ensure compliance and maintain data integrity.

4. Risk Policies for Shuffle Admin Console Operations

Overview:

The Shuffle Admin Console is a proprietary tool designed to enhance player security, monitor platform activity, and ensure compliance with jurisdictional and regulatory requirements. It integrates advanced IP tracking, wallet analysis, and player behaviour analytics to maintain the integrity of Shuffle.com's operations while safeguarding against misuse and fraud.

Risk Policy:

IP and Geo-Blocking Policies:

- **Continuous IP Monitoring:** IP pings and logs are reviewed continuously to ensure player activity remains consistent with allowed jurisdictions.
- **Geo-Blocking Enforcement:** Measures are in place to block access from jurisdictions where the Curaçao licence is not valid, ensuring compliance with regional regulations.
- **Regular System Audits:** The geo-blocking system undergoes regular audits to align with updated regulatory requirements.

Player Behavioural Screening:

- **Bonus Abuse Detection:** Players flagged for exploiting bonuses are subject to review, with potential suspension or account closure if abuse is confirmed.
- **Pattern Analysis:** Sharp players or unusual betting patterns are escalated for manual review, focusing on identifying unfair or illegal gaming practices.
- **Nationality Checks:** Ensures compliance with international laws, particularly in regions with strict gambling regulations.

Event Documentation and Analytics:

- **Detailed Logging:** All IP and player events are logged comprehensively, creating a robust database for compliance reporting and fraud investigations.
- **Automated Analytics:** The admin console generates regular reports highlighting red flags for compliance teams, enabling proactive risk management.

Privacy and Compliance:

- **Data Security:** All data collected through the Shuffle Admin Console is stored securely and in compliance with GDPR and other privacy regulations.
- **Access Control:** Access to player data is restricted to authorised personnel, with regular reviews of access logs to ensure policy adherence.

Key Benefits for Shuffle.com:

By employing the Shuffle Admin Console, the platform achieves:

- **Regulatory Compliance:** Ensures adherence to Curaçao licensing requirements through geo-blocking and jurisdictional enforcement.
 - **Fraud Prevention:** Proactively identifies and mitigates bonus abuse, sharp playing, and suspicious wallet activity.
 - **Operational Transparency:** Provides a clear audit trail for player activity and compliance actions.
 - **Enhanced Security:** Safeguards the platform and its users against fraudulent and non-compliant activities.
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Conclusion

Natural Nine B.V. (Shuffle.com) employs a comprehensive suite of tools to mitigate risks across all aspects of its operations:

- **Chainalysis** ensures AML/KYC compliance for cryptocurrency transactions.
- **Fireblocks** secure custody of digital assets through decentralised governance.
- **Sumsub** streamlines user verification and ensures compliance with global KYC/AML standards.
- **Shuffle Admin Console** enables robust player monitoring, geo-blocking, and behavioural analysis.