

Crypto Risk Policy

1. Purpose and Scope

This policy outlines the company's approach to managing risks associated with the use of cryptocurrency assets, ensuring full compliance with the applicable regulatory framework and alignment with industry best practices.

2. Regulatory Alignment

The company adheres to all relevant local and international regulations concerning cryptocurrencies, including but not limited to AML (Anti-Money Laundering), CFT (Countering the Financing of Terrorism), and data protection laws.

We explicitly comply with the following Curaçao regulatory frameworks:

- National Ordinance on the Prevention and Combating of Money Laundering and Terrorist Financing (NOIS/NAMLCFT)
- National Ordinance on Identification when Rendering Services (NOIS)
- Regulations and guidelines issued by the Curaçao Gaming Control Board (GCB)
- Reporting obligations to the Financial Intelligence Unit (FIU Curaçao)

Where applicable, we also follow guidance from the European Banking Authority (EBA), Financial Action Task Force (FATF), and relevant national financial supervisory bodies.

3. Risk Assessment and Classification

Cryptocurrency-related activities are assessed based on the following risk categories:

- **Operational Risk:** System and process failures associated with custody, transaction execution, and network stability.
- **Market Risk:** Volatility in crypto asset prices.
- **Compliance Risk:** Risk of breaching regulatory obligations.
- **Counterparty Risk:** Exposure to exchanges, custodians, and third-party providers.

Risk levels are periodically reviewed, documented, and updated based on evolving regulatory conditions and internal controls.

4. Governance and Oversight

All cryptocurrency-related activities are subject to approval by the Relevant Department. The committee ensures that:

- Only approved counterparties (e.g. regulated exchanges, custodians) are used.
- Wallet management (hot/cold storage) follows strict internal protocols.
- Transaction limits and access controls are in place and regularly audited.
- Crypto-to-fiat and fiat-to-crypto flows are transparently documented and traceable.

5. AML/CFT Controls

All crypto-related transactions are subject to enhanced due diligence (EDD), including:

- Source of funds verification.

- Blockchain analytics tools for transaction tracing and screening.
- Sanctions and watchlist screening of counterparties.
- Identification and verification of Ultimate Beneficial Owners (UBOs).
- Customer risk scoring and ongoing due diligence for high-risk clients.

All suspicious activities are reported to the **FIU Curaçao** as required by law.

6. KYC/KYB Procedures

- KYC/KYB checks are conducted at onboarding and periodically reviewed.
- Data collected includes government-issued ID, proof of address, wallet ownership evidence, and source of wealth.
- Re-verification is performed upon changes in client behavior or triggering events.
- Risk-rating determines the level of due diligence and monitoring required.

7. Custody and Asset Segregation

Custody of any cryptocurrency assets (if applicable) is maintained via reputable third-party custodians with robust security protocols. Company assets and client funds are segregated to ensure transparency and prevent commingling.

8. Incident Response and Monitoring

Real-time monitoring tools are employed to detect suspicious activity. Any anomalies are escalated to the compliance function and investigated promptly. A formal incident response plan is in place for crypto-specific risks such as private key compromise or platform breach.

9. Data Retention

All transaction data, KYC/KYB records, and internal compliance documentation are retained for a minimum of five (5) years in compliance with Curaçao AML legislation.

10. Training and Awareness

All relevant personnel receive periodic training on cryptocurrency risks, regulatory developments, and the company's internal policies and procedures. Updates are provided following any significant regulatory or risk environment changes.

9. Policy Review

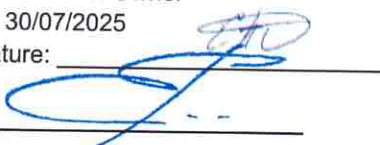
This policy is reviewed at least annually or upon any significant change in the regulatory landscape or the company's risk exposure. Updates are approved by senior management and communicated to all relevant departments.

Approved by: Pavel Evgrafov

Title: Beneficial Owner

Date: 30/07/2025

Signature: _____



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