

Red Lane B.V

13.12.2025

Red Lane – Corporate Governance Arrangement (CGA), Risk Mitigation, and Diversification Policies

(Focus on Turkey and Georgia – Fund Movement Compliance)

1. Corporate Governance Framework

Red Lane maintains a comprehensive corporate governance framework to ensure compliance, operational integrity, and financial transparency. The framework defines authority, accountability, and reporting lines throughout the organization to reduce operational and financial risks.

Key Components:

- **Board Oversight:** The Board approves risk appetite, policy frameworks, and monitors compliance.
- **Executive Management:**
 - **CEO:** Oversees strategic operations and regulatory adherence.
 - **CFO:** Responsible for treasury, liquidity, and fund segregation.
 - **MLRO:** Monitors AML compliance and reports suspicious activity.
- **Compliance and Internal Audit:** Regular reviews of internal controls, agent operations, and financial processes.
- **Reporting Lines:** Structured daily, weekly, and monthly reporting on liquidity, exposures, and operational risk metrics.

2. Risk Mitigation Measures

Red Lane implements a robust risk management framework to protect funds, minimize exposure, and ensure responsible operations in international markets.

2.1 Operational and Liquidity Risk

- **Segregated Accounts:** Player deposits are held separately from operational funds.
- **Cash Flow Forecasting:** Daily and weekly projections ensure liquidity for payouts and operations.

- **Reserve Maintenance:** Minimum reserves are maintained to cover up to 10–15 days of expected withdrawals.

2.2 Counterparty and Credit Risk

- **Agent Due Diligence:** All agents undergo thorough vetting and KYC checks.
- **Transaction Surveillance:** All player and agent transactions are monitored for irregularities.
- **Exposure Limits:** Betting and agent transaction limits are strictly enforced.

2.3 Fraud and AML Controls

- **AML Screening:** Regular checks against sanctions, PEP lists, and suspicious activity indicators.
- **Fraud Detection:** Automated monitoring for abnormal betting patterns or collusion.
- **Reporting:** SAR/STR submissions are prepared and sent to regulators as required.

3. Diversification Strategies

Red Lane minimizes market and currency risk through a diversified operational approach:

1. **Geographical Diversification:** Presence in multiple jurisdictions, including Turkey and Georgia, each with tailored compliance protocols.
2. **Product Diversification:** Offers sportsbook, casino, and slot games across online and retail channels.
3. **Currency and Payment Diversification:** Transactions in multiple currencies (EUR, USD, GEL, TRY) via licensed banks and PSPs. Funds are transferred using compliant international channels to mitigate FX and regulatory risks.

4. Funds Movement – Turkey

Regulatory Context:

- Gambling in Turkey is heavily restricted; private online gambling is generally prohibited.

Policies for Compliance:

- Red Lane does not accept local Turkish player funds.

- Legitimate fund movement (salaries, vendor payments, international transfers) is conducted via licensed PSPs or banking channels outside Turkey.
- All transfers are logged and monitored for compliance and transparency.

5. Funds Movement – Georgia

Regulatory Context:

- Georgia has a regulated gambling market, and licensed operators can legally accept player funds.

Policies for Compliance:

- KYC and AML checks are mandatory for Georgian players and agents.
- Payments processed through licensed Georgian banks or PSPs.
- Segregated accounts ensure separation of player funds from operational funds.
- Daily reconciliations and exception reporting are performed to ensure financial integrity.

6. Summary

Red Lane's governance and risk framework ensures:

- Funds are segregated, reconciled, and monitored daily.
- Exposure is minimized through liquidity management, credit limits, fraud controls, and AML procedures.
- Diversification reduces dependence on a single market or currency.
- Turkey operations are limited to legitimate international transfers, while Georgian operations are fully compliant with local regulations.

This framework allows Red Lane to maintain compliance with Curaçao licensing standards and international AML regulations while enabling secure, responsible operations in multiple territories.