

Conflict of Interest Management

The management of conflicts of interest is ensured by the Conflict-of-Interest Management Policy (the Policy). The primary purpose of the Policy is to establish guidelines for identifying, preventing, managing, and disclosing conflicts of interest in the Company's operations as a crypto-asset service provider, in line with Regulation (EU) 2023/1114 (MiCA Regulation). It aims to protect clients, maintain the Company's reputation, and ensure regulatory compliance. The Policy applies to all employees, management, and related parties and covers conflicts between the Company and clients, connected persons, multiple clients, and related entities.

General Principles

The Company prioritizes clients' interests over its own or those of connected persons, ensuring conflicts are mitigated.

Transparency is key, with material conflicts disclosed so clients can make informed decisions. All clients receive fair, equal access to services, without preferential treatment. Employees in conflict-prone roles are independently supervised and separated from conflicting tasks.

Unresolved or serious conflicts are escalated to senior management or regulators, with the Compliance Officer overseeing identification and resolution. A monitored list of employees and related parties ensures real-time conflict detection in transactions.

Identification of Conflicts of Interest

Conflicts of interest in the Company's operations fall into two categories: those harming clients and those harming the Company.

Conflicts of Interest Potentially Detrimental to Clients

Conflicts of interest may arise when the Company, Related Entities, or Connected Persons have financial or strategic incentives that could disadvantage Clients. These include offering preferential terms to certain Clients, delaying withdrawals or transfers for financial gain, manipulating exchange rates, or promoting specific crypto-assets for self-interest.

Additionally, prioritizing high-volume Clients over retail Clients or influencing asset management decisions can create unfair advantages. The Company must ensure services are provided fairly and impartially, preventing conflicts that could harm Clients.

Conflicts of Interest Potentially Detrimental to the Company

Conflicts may arise when Related Entities or Connected Persons have financial, personal, or contractual ties that conflict with the Company's interests. This includes holding stakes in competing firms, influencing vendor selection for personal gain, or having relationships that bias decision-making.

Additionally, conflicts can stem from dual roles within the Company, prioritizing certain Clients, or external agreements that compromise the Company's objectives.

Measures to identify, prevent, manage and disclose conflicts of interest

The Company implements procedures to identify, prevent, and manage conflicts of interest:

- **Reporting & Communication:** Employees, Related Entities, and Connected Persons must report conflicts to the Compliance Officer.

- **Information Control & Segregation:** Access to sensitive data is restricted based on roles, and conflicting activities are assigned to separate individuals.
- **Transaction Monitoring:** Automated tools track personal and Client transactions to detect conflicts.
- **Remuneration & Role Restrictions:** Compensation policies prevent conflicts, and individuals cannot hold conflicting roles or stakes in competing firms.
- **COI Questionnaire:** New employees and key stakeholders must disclose conflicts upon onboarding and update annually.
- **Client Protections:** Services are provided fairly, and unavoidable conflicts are transparently disclosed.
- **Governance & Decision-Making:** Management must disclose conflicts, abstain from decisions where applicable, and follow clear guidelines.
- **Escalation Procedures:** Unresolved conflicts escalate from the Compliance Officer to senior management, the Risk Committee, or regulators if necessary.

These measures ensure transparency, fairness, and compliance with MiCA regulations.

Disclosure of Conflicts of Interest

If conflicts of interest cannot be prevented or adequately managed, the Company will disclose them to Clients, ensuring they can make informed decisions. Disclosures will be clear, specific, and provided before or at the time of service. Clients must acknowledge receipt and understanding of the disclosure, which will be documented.

The Company will continuously review and update disclosures as new conflicts arise or regulations change. To ensure transparency, an up-to-date section on the Company's website will provide accessible information on conflicts of interest and mitigation measures.

Reporting to the Management Board

The Management Board is responsible for defining, implementing, and monitoring compliance with the Conflict-of-Interest Management Policy, ensuring its effectiveness and addressing any deficiencies.

The Company will keep an updated register of conflicts, including identified conflicts, mitigation measures, and Client disclosures, reviewed regularly by the Compliance Officer. All employees, Management Board members, and Connected Persons must acknowledge and adhere to this Policy, with records maintained for compliance.