



SUMMARY OF VIVID MONEY BV'S CUSTODY POLICY IN RELATION TO CRYPTO-ASSETS

Vivid Money B.V. (Netherlands)

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1. SUMMARY OF VIVID MONEY BV'S CUSTODY POLICY IN RELATION TO CRYPTO-ASSETS

In connection with the so-called brokerage services Vivid Money BV (**VMBV**) provides to its customers (the **Customers**), it may receive funds and crypto-assets belonging to its Customers. In order to ensure that these funds and assets are at all times available to be withdrawn by Customers, and to ensure that these funds and assets are at all times segregated from VMBV's own funds and other assets in accordance with the requirements of art. 70 MiCAR, VMBV and Stichting Vivid Money Crypto ("**VM Foundation Crypto**") have adhered to a safeguarding policy, a summary of which is set out below.

2. SET-UP

In order to safeguard Customer funds and crypto-assets, VMBV has set up an independent foundation, Stichting Vivid Money Crypto (**VM Foundation Crypto**). We have included a description of both VMBV and VM Foundation Crypto below.

2.1. Vivid Money BV

VMBV, is a crypto-asset service provider, licensed pursuant to Regulation (EU) 2023/1114 on markets in crypto-assets (**MiCAR**), by the Netherlands Authority for the Financial Markets, (**AFM**) as of the 1st of May 2025 and authorised under Dutch legislation to offer crypto-asset related services to customers in The Netherlands and throughout the EEA.

2.2. Stichting Vivid Money Crypto

VM Foundation Crypto is a foundation (*stichting*) incorporated pursuant to the laws of the Netherlands and having its seat in Amsterdam, the Netherlands and with its registered office at Strawinskylaan 4117, 1077 ZX Amsterdam, the Netherlands. VM Foundation Crypto is registered with the Dutch Chamber of Commerce under number 95608109.

VM Foundation Crypto has been incorporated with the sole purpose of acting as an independent and bankruptcy remote customer accounts foundation (*stichting derdengelden*) safeguarding funds and crypto-assets of customers that have been entrusted to it in connection with the crypto-asset services provided by VMBV.

3. OVERVIEW OF THE SAFEGUARDING POLICY

VMBV and the VM Foundation Crypto will at all times safeguard Customer funds and crypto-assets appropriately and in line with applicable regulatory requirements. This means, amongst others, that they will always segregate any Customers funds and crypto-assets from the own funds and assets of VMBV, and that Customer funds and crypto-assets will be clearly identifiable as such.

VMBV and the VM Foundation Crypto implemented the appropriate processes and procedures in conjunction with strong controls and governance to deliver compliant safeguarding and segregation of Customer funds and crypto-assets and to minimise the risk of the loss of diminution of such funds and crypto-assets through fraud, misuse, negligence, poor administration or other (human) errors.

3.1. Segregation and Safeguarding of Customer Funds and Crypto-Assets

- To ensure the segregation and clear identification of customer funds, the VM Foundation Crypto will maintain separate omnibus accounts with an EU-licensed credit institution (the "Sponsor Bank") and other licensed crypto-asset service providers. These "Customer Funds Accounts" will be used solely for receiving, managing, and distributing customer funds related to VMBV's investment services and will not handle any funds belonging to VMBV, the Foundation, or non-VMBV customers, except for transaction fees payable to VMBV, which will be taken out and transferred to VMBV's account at least weekly.
- To safeguard customer crypto-assets, they will be held in legally segregated omnibus accounts in the name of VM Foundation Crypto on distributed ledger systems, with a limited portion also maintained in legally segregated sub-custodian omnibus accounts.
- VMBV will work only with authorized crypto-asset service providers that maintain legally and operationally segregated accounts. A register of positions will be kept to track each customer's rights to the funds and crypto-assets, ensuring their holdings are clearly identifiable.
- The VM Foundation Crypto will not engage in commercial activities, issue loans, or take on financial obligations that could result in third-party claims against it.
- To ensure continuity of the VM Foundation Crypto, also in case of insolvency or bankruptcy of VMBV, the Foundation has its own capital in place. This capital provides sufficient funds to orderly wind-down its activities and transfer user's assets back to the users.

3.2. Customer Funds and Crypto-Assets Protection and Risk Management

- VMBV maintains a comprehensive framework for protecting customer funds and crypto-assets that prioritizes security, compliance, and risk management. At its core, the framework ensures proper segregation of customer funds and crypto-assets while maintaining robust security measures across all operations.
- The foundation of this protection lies in a multi-layered approach to risk management. VMBV conducts risk assessments that encompass all potential threats from operational risks to cybersecurity challenges. This is supported by a multi-leveled monitoring system that provides early warnings and ensures compliance with regulatory requirements, particularly those outlined in MiCAR.
- To ensure operational resilience, VMBV has established clear protocols for business continuity and disaster recovery. This includes recovery and exit planning frameworks that protect customer funds and crypto-assets even in extreme scenarios. The company maintains strict access controls and employs multiple layers of security to protect against unauthorized access or manipulation of these funds and assets.
- In managing relationships with third-party providers and sub-custodians, VMBV implements due diligence and ongoing monitoring processes. This includes regular assessments of their operational capabilities, financial stability, and compliance with regulatory requirements. The company maintains a diversified approach to reduce concentration risk and ensure continuous service availability.

3.3. Access Management

- VMBV maintains a robust access management system that combines multi-factor authentication, role-based access controls, and monitoring protocols to ensure the security of customer funds and crypto-assets. The system implements authentication requirements, regular access reviews, and detailed activity logging. For crypto-asset operations, additional security measures include multi-signature requirements for transactions and secure key storage. All access controls are continuously updated to comply with MiCAR regulations and industry best practices, to ensure maximum protection of customer funds and crypto-assets.