

## Information about Custody and Administration

**Definitions.** All capitalised terms used in this Summary shall have the following meaning:

<b>Credit Institution</b>	any credit institution which is established in a Member State and holds authorization in accordance with Directive 2013/36/EU
<b>Company</b>	Teroxx Digital Asset Ltd
<b>Customer</b>	means individuals or entities that utilize the Company's services for the custody and administration of crypto-assets or of the means of access to crypto-assets on their behalf
<b>Crypto-Assets</b>	means digital representations of value or rights that can be transferred, stored, or traded electronically, including cryptocurrencies, utility tokens, and stablecoins.
<b>Funds</b>	means legal tender or fiat money that is recognized by a government and used as a medium of exchange (other than e-money tokens).
<b>MiCA (Markets in Crypto-Assets Regulation)</b>	Regulation (EU) 2023/114 on Markets in Crypto-Assets Regulation
<b>Policy</b>	Custody and Administration Policy
<b>Summary</b>	Summary of Custody and Administration

This Information is prepared in accordance with the Article 75(3) of the Markets in Crypto-Assets Regulation and outlines the main principles of how the Company manages the custody and administration of its customers crypto-assets and funds.

### **Common principles applicable for safekeeping and custody of the Company Customers' crypto-assets and funds:**

**Information and Accounting Systems** - the information and accounting systems used by the Company enable it at any time and without delay to distinguish the assets held for one Customer from the assets held for any other Customer and from the Company's own assets.

**Record-keeping** - the records and accounts are maintained in a way that ensures their accuracy, in particular by ensuring the accuracy and correctness of records of crypto assets and funds held for the Customers, thus enabling audit procedures to be carried out properly.

**Organisational Arrangements** - the Company has adequate organizational arrangements to minimize the risk of loss or diminution of Customers' assets or of rights in connection with those assets as a result of their misuse, fraud, poor administration, inadequate record-keeping or negligence.

#### **Principles applicable for safekeeping and custody of Customers' crypto-assets:**

**Crypto-assets Segregation** - the Company is taking following necessary steps to ensure that Customers' crypto assets are separately identifiable.

- **Operational Segregation** – the Company has established and maintains a register of positions, opened in the name of each Customer, corresponding to each Customer's rights to the crypto-assets.
- **Technological Segregation** - on the distributed ledger, Customers' crypto-assets are held separately from the Company's' crypto-assets. Different blockchain addresses are used to hold Customers' and the Company's own crypto-assets.
- **Legal Segregation** - custodial crypto-assets are legally segregated from the estate of the Company. The desired effect of this segregation is that in case of insolvency, creditors of the Company have no recourse to crypto-assets held in custody.

**No Reuse of Customers' Crypto-assets** - crypto-assets belonging to the Company's Customers are not pledged or otherwise used for the Company's own account.

**Quarterly Statements.** The Company will provide their customers at least quarterly statements detailing the crypto-assets registered in their name.

#### **Principles applicable for safekeeping of customers' funds:**

**Funds Segregations** - Customers' funds held with a Credit Institution are held in an account or accounts identified separately from any accounts in which the Company's funds are held.

**No Reuse of Customers' Funds - funds** belonging to Customers are not pledged or otherwise used for the Company's own account.

**Reconciliation** - the Company is conducting, on a regular basis, reconciliations between the Company's internal accounts and records and those of any third parties who hold the Customers' funds.