

# Bits of Gold<sup>TM</sup>

The largest Bitcoin and Ethereum broker in israel

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ביטס אוף גולד בע"מ (ח.פ 514866607)



# **AML and self-regulation as a tool for crypto companies and banks to facilitate their work interaction**

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## What banks say?

# High Risk Activity

- Unregulated - Money Laundering
- Impossible to understand or manage the risk
- No transparency
- Impossible to understand or manage the source or the destination of the funds



**Former Fintec State of Mind:  
Regulation does not allow  
business**



**Bits of Gold State of Mind:**  
**Regulation is Crypto startups'**  
**best friend**



# Bits of Gold is the first to file for FAP license

- ✓ Certification
- ✓ Check-list for risk management
- ✓ Get the Regulator on Board
- ✓ Dialogue regarding the policy and legislation
- ✓ Ability to file SAR reports



# Corporate Governance The Same as The Banks

- ✓ Detailed Policy & Procedures
- ✓ Board & Management Responsibility
- ✓ Nomination of Compliance Officer
- ✓ Annual Risk Assessment
- ✓ External Audit & Compliance Testing
- ✓ Training and Oversight



# Onboarding Requirements Again- Same as The Banks

- ✓ Thorough KYC & Customer Identification Program
- ✓ Detailed Documentation Requirements
- ✓ “Face to Face” or Technologically Equivalent Authentication
- ✓ Customer Due Diligence
- ✓ Proof for “Source of Funds”
- ✓ Verification of Taxation Compliance





# Monitoring & Reporting Better than Banks

- ✓ Risk Based Approach
- ✓ Rule and Behavior-Based Transaction Monitoring
- ✓ IP Geo-Location, Device Signature Monitoring
- ✓ Real-Time Analysis, Post-Query Alerts, and Data Points
- ✓ Screening During Onboarding & Prior to Each Transaction
- ✓ Screening Against Sanction, PEP, Blacklists
- ✓ Reporting SAR & CTR to FIU



# Banking Compliance Doesn't Have Blockchain Monitoring

- ✓ Real-Time Analysis of the Blockchain
- ✓ Connect Bitcoin Addresses to Real World Services
- ✓ Test Transactions with Bitcoin Exchanges and Darknet Markets
- ✓ Sophisticated In-Depth Real-Time Blockchain Transaction Analysis
- ✓ De-Anonymize Bitcoin Users
- ✓ Used to Identify Illegal Gambling, Dark Markets, Ransomware, Mixers, Fraud



# Summary

Cryptocurrency risk is much lower than  
cash

Regulators are onboard

Embrace technology – RegTech solutions

AML risk management with **US** is equal to



Bits of Gold

# We Make The Risk Manageable




Bits of Gold

# Thank you!

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