

Proof of Reserves audit

Finst

Auditor(s) Mr. Daniël Waknine, Mr. Alejandro Gutiérrez
Date: 4 August 2023
Date audit: 13 July 2023

AuditNow, from its position as an independent auditor, declares through the following statement that, as a result of the Proof of Reserves audit conducted for Finst on 13 July 2023, the company demonstrates sufficient solvency to process a massive withdrawal of funds by its users, holds the entirety of its clients' assets on a full-reserve basis and does not allocate such assets for any additional use.

In the execution of the audit, AuditNow has adhered to the principles of the NEN Norm for compliance and has prepared a final audit report that encompasses all the findings resulting from the review of existing policies and procedures, interviews with the operations department personnel, and examination of Finst's accounting documentation.

Below are described, for illustrative purposes, the conclusions and results obtained by the auditors after evaluating the internal policies and procedures, reviewing the company's bank accounts and associated on-chain wallets, and examining the documentation requested by AuditNow:

1. Finst has in place policies and procedures to correctly safeguard the assets of the users and such documents are well-structured and enable the achievement of the expected objectives.
2. The roles and functions of each participant in Finst's internal procedures are being fulfilled, and the permissions of each responsible party have been verified.
3. Finst strictly adheres to its internal policies, ensuring that no additional money flows occur beyond those explicitly established.
4. The assets of Finst's users are held in custody according to their users' instructions and are not allocated for any additional use.
5. The crypto assets and money of the Finst's users are stored by a separate bankruptcy-remote vehicle (Stichting Finst Custody) with an effective segregation of assets, which permits the assets to be held in a separate legal entity entirely devoted to safeguarding their interests.
6. Finst holds the assets of its users on a 1-1 basis (full reserve), which ensures that an exact and equivalent reserve is set aside to back each asset.

7. Finst implements an overcollateralization procedure for every coin it trades, aiming to minimise risks in case of market fluctuations. The excess liquidity of each cryptocurrency has been meticulously verified one by one.
8. The flows of money from both Finst B.V. and Stichting Finst Custody from dates prior to the audit have been assessed and it can be stated that their assets originate from the users' deposits without any loans being requested to achieve such asset collateralization.
9. The assets of Finst's users are entirely available at their discretion and are not transferred to any other person, bank account or wallet, nor are they subject to any accessibility restrictions imposed by Finst.
10. Due to the carefully designed procedures in place, Finst has the capability to efficiently process a massive withdrawal of funds, should it be requested by its users.
11. Finst can guarantee the effective withdrawal of funds by users within a maximum period of two business days.
12. All cryptocurrencies listed on the Finst platform were included in the scope of this Proof of Reserves audit.

For AuditNow B.V.

DocuSigned by:
Daniël Waknine
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Daniël Waknine - CEO

Date: 4 August 2023
Place: Waddinxveen

For Finst B.V.

DocuSigned by:
Julien Vallet
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Julien Vallet - CEO

Date: 4 August 2023
Place: Amsterdam