

# **Conflict of Interest Policy**

**Validvent Technology GmbH**



# 1. Company Ownership and Other Ownership Structures

Validvent Technology GmbH ("Validvent") is committed to maintaining the highest standards of transparency, professionalism, and compliance with Article 72 of MiCAR. This policy defines the internal framework for identifying, preventing, managing, and disclosing conflicts of interest in accordance with the ESMA Regulatory Technical Standards (RTS).

As a service provider specializing in crypto strategic advice, crypto tax accounting, crypto tax compliance and risk advisory, as well as crypto optimization and managed account services, Validvent acknowledges the potential for conflicts of interest within its diverse business model. To address this, the company has implemented robust internal processes designed to effectively identify, manage, and mitigate these risks, ensuring transparency and integrity across all its service offerings.

## Definition and Types of Conflicts of Interest

A **conflict of interest** arises when the personal, financial, or other interests of Validvent, its employees, or affiliated parties could compromise objectivity or the protection of client interests. Potential conflicts of interest include:

- Between Validvent and its clients
- Between Validvent and its shareholders, executives, or employees
- Between different clients
- Between Validvent and partner companies
- Between Validvent and any person directly or indirectly linked to the crypto-asset service providers or their shareholders or members by control

## 2. Scope of the Policy

This policy applies to all employees, directors, consultants, and representatives of Validvent, as well as any third parties acting on its behalf. It encompasses all services provided within the crypto-asset ecosystem, ensuring that potential conflicts arising from business relationships, advisory functions, or remuneration structures are systematically identified and effectively mitigated.

Conflicts of interest may arise in different scenarios, including:

- Situations where Validvent's interests conflict with those of its clients
- Cases where different clients of Validvent may have competing interests
- Conflicts arising due to Validvent's business partnerships, fee structures, or advisory recommendations

Given these possibilities, Validvent implements preventive measures that allow for impartial decision-making and regulatory compliance at all times.

### **3. Identification, Prevention, and Management of Conflicts**

To systematically identify conflicts of interest, Validvent employs a multi-layered monitoring system, ensuring that all potential risks are flagged and addressed before they impact decision-making.

The Customer Relationship Management (CRM) system, is used to monitor client engagements and business relationships, detecting overlaps, dependencies, or any situations that could result in a conflict of interest.

To further strengthen conflict management, Validvent assesses potential conflict-of-interest risks as part of the client onboarding process. These assessments examine:

- The nature of the requested service
- The potential for intersecting interests
- Regulatory considerations that could create conflicts

Validvent also enforces structural safeguards, including role-based access controls.

To maintain the effectiveness of the conflict-of-interest framework, internal reviews are conducted during which the policy is evaluated, and, if necessary, adjustments are made to ensure that transparency and integrity are upheld across all business operations.

Employees at Validvent are required to participate in a comprehensive introduction to the Conflict-of-Interest Policy as part of their onboarding process. This ensures they develop a thorough understanding of potential conflicts, their implications, and the necessary steps to uphold transparency and integrity in their work. Additionally, employees are expected to engage in proactive reporting whenever they identify a potential or perceived conflict, ensuring that such situations are addressed promptly and appropriately.

Beyond their introduction to conflict-of-interest principles, all employees are required to adhere to clearly defined service delivery standards. These emphasize professional integrity, impartiality, and a client-first mindset. Employees are also expected to apply their expertise and industry knowledge to deliver tailored advice that aligns with each client's unique needs.

### **4. Disclosure of Conflicts of Interest**

Where a conflict cannot be fully mitigated, Validvent ensures compliance with MiCAR Article 72(2) by following a structured disclosure process. Clients receive written notifications outlining:

- The nature of the conflict
- The potential impact on their business
- The mitigation measures taken to limit any negative consequences

Clients have the right to opt out of services or request alternative arrangements where conflicts exist. Every disclosure is recorded in Validvent's internal system, with all relevant documentation retained for at least 2 years.

## **5. Conflict of Interest Measures Across Validvent's Services**

As outlined at the beginning Validvent provides a broad range of services, including crypto strategic advisory, crypto tax accounting, crypto tax compliance and risk advisory, and crypto optimization and managed account services. Given the wide scope of these services, Validvent's conflict of interest framework is designed to ensure that all recommendations and advisory processes remain objective, client-focused, and free from undue influence.

As Validvent engages in partnerships, such as with specific tax reporting software providers, there is a potential risk that recommendations regarding accounting tools, investment strategies, or service providers could be influenced by these relationships, thereby limiting client choices. To prevent such conflicts, Validvent has established a series of proactive mitigation measures that uphold the neutrality, fairness, and transparency of its advisory processes.

### **Mitigation Measures**

- Validvent ensures that all recommendations are based on objective due diligence and tailored to individual client needs rather than pre-existing partnerships. Before suggesting any service provider, Validvent conducts a comprehensive evaluation to assess suitability, security, and regulatory compliance, ensuring that recommendations align solely with the client's best interests. The advisory process is structured to prioritize client needs over commercial relationships, reinforcing a commitment to neutrality.
- Validvent follows a structured and well-documented decision-making process when advising on service providers. All evaluations and recommendations are based on predefined, neutral criteria, ensuring that service selections are impartial, fair, and data-driven. By maintaining comprehensive records of advisory decisions, Validvent

guarantees full transparency and allows clients to review the rationale behind recommendations.

- Clients retain full autonomy over their choice of tax reporting software or other financial tools. While Validvent provides guidance on industry-leading solutions based on security, efficiency, and compliance, clients are not obligated to use any specific provider. This ensures that advisory services enhance client decision-making rather than restrict their options.
- Validvent does not engage in crypto trading, execution, or asset management on behalf of clients. This ensures that its guidance remains independent, unbiased, and free from conflicts of interest related to market execution.

## 6. Remuneration Policy

Validvent has designed its compensation structure to prevent conflicts of interest, ensuring that employees are not incentivized to favor specific services, products, or providers.

The company follows a value-based model with transparent pricing, removing the possibility of bias toward high-margin services. Additionally, employees in advisory roles do not receive sales-based compensation, preventing recommendation bias toward specific financial products or service providers.

Performance evaluations prioritize client satisfaction and the employee's progress in their individual development plan, and are based on objective, transparent criteria—unaffected by transactional volume, referral incentives, or the sale or recommendation of specific crypto-assets.

Compensation models are tied to long-term corporate goals and compliance policies.

Employee commitments to independence and integrity in the interest of clients are strictly enforced

## 7. Monitoring, Evaluation, and Documentation

Validvent ensures ongoing compliance with RTS Article 4(9) through a structured monitoring and evaluation process, ensuring that conflict-of-interest policies remain effective and up to date.

To ensure accountability and compliance, Validvent implements:

- **Policy Review:** This structured review assesses the effectiveness of internal conflict management measures, ensuring alignment with regulatory requirements and

business needs.

- **Ongoing Conflict Risk Evaluations:** Regular assessments identify potential risks in business activities and client relationships, review existing mitigation strategies, and highlight areas for improvement.
- **Escalation and Incident-Based Review Process:** A structured escalation procedure ensures timely internal review and resolution of flagged conflicts. When a conflict is identified—whether through internal monitoring or client reporting—a targeted assessment is conducted to implement corrective measures and prevent recurrence.

Validvent also maintains a centralized Conflict Register, recording details on the conflicts.

These records are stored securely and retained for at least five years, ensuring compliance with audit and legal requirements.

## **8. Reporting Procedure and Escalation Mechanism**

Employees are obligated to report potential conflicts of interest to the Compliance Department via an internal reporting system. An anonymous reporting channel is also available. All reports are promptly investigated and documented.

## **9. Conclusion**

Validvent remains committed to maintaining a transparent, ethical, and regulation-compliant approach to managing conflicts of interest. Through robust internal controls, transparent disclosure mechanisms, and strong compliance oversight, the company can ensure that all clients receive fair, unbiased, and high-quality services. The Conflict of Interest Policy is regularly reviewed and updated to reflect industry best practices and maintain alignment with regulatory frameworks such as MiCAR, ESMA guidelines, and global standards. By adhering to these principles, Validvent fosters trust, accountability, and the highest ethical standards across all business operations.