INFORMATION ON THE PROTECTION OF ENTRUSTED CRYPTO-ASSETS AND FUNDS

Version: 5.0 · Published on: 15 May 2026

The Czech version of this document is binding; the English version is for information only.
Závazná je česká verze tohoto dokumentu; anglická verze je pouze informativní.

1. INTRODUCTION

1.1. MipSoftware s.r.o., Company ID No.: 24667021, with its registered office at Na příkopě 848/6, Nové Město, 110 00 Prague 1, Czech Republic, a company registered in the Commercial Register kept by the Municipal Court in Prague under File No. C 164643 (the "Company"), is a crypto-asset service provider. The provision of crypto-asset services is subject to Regulation (EU) 2023/1114 of the European Parliament and of the Council of 31 May 2023 on markets in crypto-assets, and amending Regulations (EU) No 1093/2010 and (EU) No 1095/2010 and Directives 2013/36/EU and (EU) 2019/1937 (the "MiCA Regulation").

1.2. In accordance with the MiCA Regulation, the Company has adopted internal policies and operational procedures for the protection of clients' entrusted crypto-assets and clients' funds. Essential information on the protection of entrusted crypto-assets and funds is publicly available on the website www.coinero.cz, and the Company will provide it in electronic form at the client's request.

2. SCOPE

2.1. This summary is intended for all existing and prospective clients of the Company who use or are interested in using crypto-asset services. It serves to provide awareness of the essential information on the policies governing the manner in which entrusted crypto-assets and funds are protected.

3. PROTECTION OF CRYPTO-ASSETS

3.1. Separate accounts and wallets. The Company uses separate accounts and wallets in order to distinguish between clients' crypto-assets and its own crypto-assets. Clients' crypto-assets are held only in wallets designated exclusively for this purpose. The Company's own crypto-assets are held in different wallets. Wallets containing clients' crypto-assets must not under any circumstances be commingled with wallets containing the Company's crypto-assets.

3.2. Prohibition of use. Clients' crypto-assets are the exclusive property of the clients and must never be used for the Company's own account.

3.3. Orders. Clients' crypto-assets are used exclusively for the purpose of providing crypto-asset services on the basis of clients' orders, in particular for the purpose of executing clients' orders, transfers of crypto-assets and placing crypto-assets in staking, where the client gives an explicit order via the Application. Clients' crypto-assets cannot under any circumstances be used for the Company's own account or for any other purpose unrelated to the provision of services to the client.

3.4. Register of positions. The Company keeps detailed internal records, which include a register of all client crypto-assets (the register of positions). Every transaction carried out in connection with clients' crypto-assets is recorded in this register. The register of positions allocates specific crypto-assets to individual clients, records changes and shows the current balance of each client.

3.5. Omnibus wallets. Custody and administration are, as a rule, carried out through the Company's technical infrastructure in the form of omnibus wallets, which means that the Company holds the crypto-assets of several clients in a single wallet at the same time. The crypto-assets of individual clients in omnibus wallets are separated by means of virtual sub-accounts, which ensure logical segregation. The crypto-assets of individual clients are identifiable through the records kept in the register of positions.

3.6. Clients' crypto-assets are generally held in a combination of hot and cold wallets so as to ensure their protection and liquidity. The information below provides a basic overview of the wallet system used by the Company:

a. Hot wallets. Hot wallets are omnibus wallets intended primarily for deposits and withdrawals and for the execution of clients' orders. These wallets are separated from the cold wallets described below. Once a hot wallet reaches a certain threshold of crypto-assets, crypto-assets are transferred to a cold wallet. A wallet with a trading platform is also considered a hot wallet.

The Company may hold client crypto-assets in wallets with trading platforms in particular for the purpose of settling clients' orders, ensuring short-term liquidity and, where the client gives an explicit order, also for the purpose of staking. The volume of client crypto-assets held in wallets with trading platforms is limited by the Company's internal limits. Crypto-assets placed in staking are tracked separately for record-keeping purposes.

b. Cold wallets. Cold wallets are omnibus wallets intended primarily for the long-term custody of crypto-assets. Cold wallets are also referred to as "offline wallets", as they place emphasis on the maximum level of security.

3.7. No interest. Clients' crypto-assets in omnibus wallets do not bear any interest. Clients are not entitled to any interest on entrusted crypto-assets.

3.8. Records. Given the specific nature of crypto-assets, for which standard legal solutions cannot be used to legally separate the Company's assets from clients' assets, the Company keeps records of all omnibus wallets in which it holds clients' crypto-assets. An integral part of these records is a complete inventory of the hardware security modules (HW wallets) used to access clients' crypto-assets, including the serial numbers of these hardware security modules enabling their unambiguous identification.

3.9. Insolvency. In the event of the Company's insolvency, the managing director is obliged to inform the insolvency administrator without delay of the fact that the Company holds clients' crypto-assets, i.e. assets which, under legal regulations, do not form part of the debtor's insolvency estate. In this connection, the managing director shall inform the insolvency administrator of the existence of all omnibus wallets and hand over to the insolvency administrator the records of these wallets, detailed records enabling the identification of the crypto-assets of individual clients held in them, as well as all related documentation and information necessary for the identification, protection and return of these crypto-assets to the clients entitled to them.

3.10. Staking. If a client uses staking, the client's crypto-assets may also be held through a trading platform or another third party used by the Company for this purpose; even in such a case, the Company maintains records of client positions and the segregation of client crypto-assets from the Company's own crypto-assets.

4. PROTECTION OF FUNDS

4.1. Accounts under a special regime. Clients' funds are accepted by cashless transfer and are held exclusively in separate accounts maintained with banks in accordance with Section 41f of Act No. 21/1992 Coll., on Banks (the "Banking Act").

4.2. Placement with a credit institution. The Company does not accept clients' funds other than by cashless transfer to accounts maintained with banks in accordance with Section 41f of the Banking Act. However, should the Company receive a client's funds in any other way, the Company shall place those funds in an account with a credit institution or a central bank no later than the day following the day on which it received them.

4.3. Prohibition of use. Clients' funds entrusted to the Company for the provision of crypto-asset services are not the property of the Company and must always be treated as entrusted funds. Clients' funds are the exclusive property of the clients and must never be used for the Company's own account.

4.4. No interest. Clients' funds in separate accounts do not bear any interest. Clients are not entitled to any interest on entrusted funds.

4.5. Insolvency. In the event of the Company's insolvency, the managing director is obliged to inform the insolvency administrator without delay of which bank accounts are separate accounts in which clients' funds are recorded, i.e. assets which, under legal regulations, do not form part of the debtor's insolvency estate.

5. CHANGES TO THE INFORMATION

5.1. If there are material changes affecting this essential information, an updated version, together with an explanation of these changes, will be published on the websites coinero.cz and trader.coinero.cz. The previous version will remain available on the websites for 3 months after publication of the new version.