

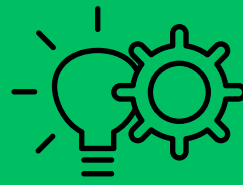


# TOKEN LAWS AND REGULATIONS

## HOW TO STAY COMPLIANT

### 1. CLASSIFY YOUR TOKENS

TOKENS CAN BE CLASSIFIED AS SECURITIES, COMMODITIES, CURRENCIES, OR UTILITY TOKENS, DEPENDING ON THEIR FUNCTIONALITY AND PURPOSE.



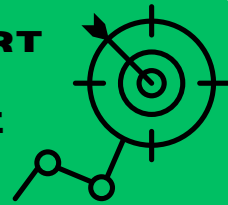
### 2. TAX COMPLIANCE:

KEEP ACCURATE RECORDS OF ALL TRANSACTIONS AND CONSULT WITH A TAX PROFESSIONAL TO ENSURE COMPLIANCE.



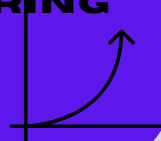
### 3. SMART CONTRACT

IF YOU ARE INVOLVED IN CREATING SMART CONTRACTS FOR TOKENS, CONSIDER HAVING THEM AUDITED BY A REPUTABLE THIRD-PARTY TO IDENTIFY AND FIX VULNERABILITIES THAT MAY LEAD TO LEGAL ISSUES.



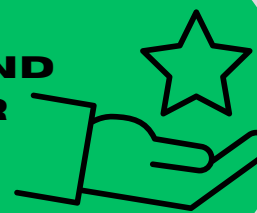
### 4. AML/KYC

IMPLEMENT STRONG ANTI-MONEY LAUNDERING (AML) AND KNOW YOUR CUSTOMER (KYC) PROCEDURES TO VERIFY THE IDENTITIES OF YOUR USERS OR CUSTOMERS.



### 5. DATA PRIVACY

IMPLEMENT ROBUST DATA PRIVACY AND SECURITY MEASURES TO PROTECT USER INFORMATION AND MAINTAIN COMPLIANCE WITH DATA PROTECTION LAWS SUCH AS GDPR.



### 6. TOKEN SALES

IF YOU PLAN TO CONDUCT A TOKEN SALE OR INITIAL COIN OFFERING (ICO), ENSURE IT COMPLIES WITH RELEVANT SECURITIES LAWS.



### 7. COMPLIANCE TEST

CONDUCT REGULAR INTERNAL COMPLIANCE TESTING AND AUDITS TO ENSURE THAT YOUR OPERATIONS ADHERE TO THE APPLICABLE REGULATIONS.



### 8. LICENSING

DEPENDING ON YOUR JURISDICTION, YOU MAY NEED TO OBTAIN LICENSES OR REGISTRATIONS TO OPERATE LEGALLY, ESPECIALLY IF YOU ARE INVOLVED IN TOKEN EXCHANGES OR OTHER FINANCIAL ACTIVITIES.

