

Cheat Sheet: Navigating the Complexities of Transaction Approval and Validation Flows

Whitelisting Addresses

- ✓ Enhances security by creating a list of approved addresses.Reduces the risk of fraud and unauthorized transactions.
- ✓ Simplifies monitoring and spotting unusual activities.
- ✓ Prevent human errors when copying/pasting addresses.
- ✓ Know Your Customers/Partners (KYC) processes.
- ✓ Prevents interaction with malicious Smart Contracts.

Internal Transaction Validation & Security Approvals

- ✓ Provides crucial safeguards against unauthorized access and fraud.
- ✓ Establishes rules for transaction approval based on factors like asset type, amount, and destination.
- ✓ Divides responsibilities between different wallets to prevent fraudulent activities.
- ✓ Helps to frame the business activity logics in terms of volumes.
- ✓ Defines clear hierarchy for internal operators.

Automation

- ✓ Streamlines operations but requires careful security management.
- ✓ Implements checks to detect unusual activities and put necessary approvals in place.
- ✓ Securely manages API keys and access rights for automated processes.
- ✓ Defines clear flows for fully automated/ semi-automated/manual procedures according to the business activities.

Blockchain Products Compliance Flow

- ✓ Compliance with Anti-Money Laundering (AML) and Know Your Transaction (KYT) standards is essential.
- ✓ AML practices, including the Travel Rule and KYT flows, reduce the risk of illegal financial activities.
- ✓ Integration with AML and KYT providers strengthens compliance efforts, which keeps you and your clients safe.

Segregation Of Duties

- ✓ Segregates responsibilities between different operators to enhance security and control.
- ✓ Divides tasks and decisions among multiple individuals to prevent errors and fraud.
- ✓ Defines different quorums per business activity
- ✓ Applies to both automated and manual processes.



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