



CORE VALUES & CODE OF CONDUCT

VERSION 1 (FINAL)

October 2021



Preamble

The CAASA core values and code of conduct provide a common set of guidelines and professional standards of conduct to promote the integrity, fairness, and efficiency of the local crypto asset market. CAASA Members will adhere to these principles in their business activities, believing these principles should guide the conduct of local crypto asset service providers.

In addition, the core values and codes of conduct provides a framework in which to pursue the CAASA mission, protecting the reputation of CAASA, its members and the public as it seeks to create lasting value.

By joining CAASA, each member acknowledges having read and understood the core values and code of conduct, and that it will conduct its business consistent with the values and principles outlined herein. The declaration being affirmation that the member did not breach the codes and is to be renewed annually.

CAASA may, from time to time, amend the core values and code of conduct as trading practices, business models, and regulations evolve. Furthermore, it may promulgate rules to interpret or carry into effect the principles of these core values and code of conduct or develop best practices for adhering to the principles of this Code.

CAASA Core Values

Core values are what supports CAASA's vision and mission, shaping its culture and reflecting the beliefs and behavioural traits that CAASA members project. The essential core values are:

#	Core Value	Description
1	Trust	<ul style="list-style-type: none">• We understand the value of trusted relationships at all levels of society and the economy and strive to earn and keep the trust of all those with whom we interact.
2	Integrity	<ul style="list-style-type: none">• We are honest in everything we do and take great care to maintain our integrity within our organization and in our dealings with others.
3	Collaboration	<ul style="list-style-type: none">• We believe in the strength of enthusiastic cooperation and work to foster collaboration while guarding against collusion, within our sector and the wider community.
4	Fairness	<ul style="list-style-type: none">• We conduct our business and treat our customers, partners, suppliers, employees and competitors fairly.
5	Respect	<ul style="list-style-type: none">• We respect each other as individuals of equal value and we respect the right for members to share their views, even if we disagree with them.
6	Self-Regulation	<ul style="list-style-type: none">• Members support CAASA's self-regulatory Code of Conduct, including taking the appropriate measures to know their customers, maintain operational standards, and prevent financial crime.

Members' Code of Conduct

In order to promote industry best practice, all CAASA members are expected to subscribe to its core values above and self-regulatory Code of Conduct as set out below. CAASA members are committed to working together to proactively update the code of conduct and ensure it remains fit for purpose in delivering best practice amongst its members.

1. General Conduct and Reputation

- a. CAASA members must act with integrity, transparency, competence, diligence, respect and in an ethical manner with its customers, employees, members of the public, government regulators and enforcement agencies and other members of the crypto asset sector and must not act in a way that may bring into disrepute CAASA or any of its members.
- b. CAASA members shall not discriminate on the basis of race, colour, religion, gender, age (if over 18), origin, disability, marital status or sexual orientation in any of their activities or operations. These activities include, but are not limited to, acquiring and maintaining customer relationships, hiring and firing of staff, selection of volunteers, contractors or vendors, and the provision of products and/or services.
- c. CAASA members will conduct appropriate employee screening, including investigation of any prior disciplinary proceedings related to financial market conduct.
- d. CAASA members will avoid making inaccurate or misleading statements about their respective regulatory status, or the status of any regulatory approvals or licenses they have obtained or are required to possess.
- e. CAASA members will take reasonable actions to detect and deter, corruption, money-laundering, terrorist financing or sanctions risk, including adopting an AML/CFT program and risk-based policies.

- f. CAASA members will adopt information security programs commensurate with the nature, size and complexity of their crypto asset market activities, and the risks associated with their role in the crypto asset markets. This may include, as appropriate, risk assessments, physical safeguards, secure authentication, encryption, redundancy measures, penetration testing, employee background checks, 3rd party audits...etc)

2. Ethics

- a. CAASA members will observe high standards of commercial practice and just and equitable principles of trade. They will act honestly and fairly in dealings with other market participants, and will act with integrity by exercising judgment in avoiding questionable and or unethical practices.
- b. CAASA members will act professionally and adhere to practices, in line with their respective roles in the market, designed to promote market integrity and identify, detect, and deter illegal or unethical trading practices.
- c. CAASA members will maintain a high degree of professionalism and high standards of business conduct. High standards of business conduct include but are not limited to:
 - i. Having sufficient knowledge of, and complying with, applicable laws and regulations.
 - ii. Acting with competence and skill and applying professional judgement.
 - iii. Having personnel who are appropriately trained and who have the necessary experience to discharge their employment duties in a professional manner.
- d. CAASA members operating platforms must protect against the misuse of client information or knowledge of client positions.

3. Consumer Protection

- a. CAASA members must maintain customer privacy consistent with the POPI Act and employ reasonable safeguards to protect customer data and any transfer thereof.
- b. CAASA members must inform their customers of the risks associated crypto assets and the various products and services they provide and be objective in doing so.
- c. CAASA Members will provide clear communication regarding pricing, fees, and other information reasonably necessary to enable customers to make informed decisions about whether to do, or continue to do, business with them.
- d. CAASA members must provide their customers with a mechanism for raising complaints and must put in place procedures for reasonably dealing with such complaints.
- e. CAASA members that provide information regarding trades executed on their platforms, are to do so on a non-discriminatory basis to all clients.
- f. Where a CAASA member provides a service of storing, holding or controlling crypto assets on behalf of a customer, it will:
 - i. Hold crypto assets of the same type and amount as that which is owed or obligated to the customer, and provide evidence of this upon request by the customer;
 - ii. Not sell, transfer, assign, lend, hypothecate, pledge, encumber or otherwise use the crypto assets except in accordance with the express directions of the customer.
- g. Where a CAASA member provides custody services, it will:
 - i. Maintain a robust system of internal controls, including a complete audit trail of the movement of crypto assets and other Client property (including fiat currency) between the member, its clients, and any third parties, that ensures that a client's crypto assets and other property (including fiat currency) are accurately accounted for and appropriately segregated from assets belonging to the member;
- h. CAASA members will provide reasonable notice to clients prior to changing any material terms and conditions, including without limitation fees, segregation of assets, or rights to distributions. This is to ensure clients will have a reasonable opportunity to withdraw their crypto assets and other property from the member and seek alternative arrangements prior to the effectiveness of any such changes if they wish to do so.
- i. CAASA members will provide reasonably timeous notice, in accordance with applicable laws and regulations and taking into account any requests by regulators or law enforcement or any risks of disclosure, to affected parties of breaches, hacks, or other security incidents that have resulted in or are reasonably likely to result in exposure of sensitive information or loss, theft or inaccessibility of a client's crypto assets or other property

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4. Statement of Commitment.

CAASA members are to annually sign, as a condition of membership renewal, the following statement, demonstrating their recognition of, and commitment to, adopting the practices set forth in this Code:

[Name of institution] (the “Institution”) has read and understood the CAASA Core Values and Code of Conduct, agreeing to be bound by these principles as set out above. The Institution confirms that it is a member in good standing and is committed to conducting its crypto asset market activities in a manner consistent with these principles, including the adoption of all necessary policies, procedures, and controls.

Representative: _____ Signed: _____ Date: _____

5. Remedies for Code Violations.

CAASA, by way of the CAASA committee, reserves the right to expel any members for:

- a. Serious or repeated misconduct in violation of the CAASA core values or the CAASA code of conduct,
- b. Refusal to undertake remedies requested by CAASA in response to violations of the code of conduct.