

Switzerland for UNHCR

ADA Treasury Policy

VERSION 2.0

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1 Purpose and Application

This ada Treasury Policy constitutes a statement of the policies of Switzerland for UNHCR (hereafter CH4U) with respect to the management of its treasury of ada, the cryptocurrency obtained through rewards generated by the “With Refugees” Charity Stakepool (ticker: WRFGS) established in collaboration with the Cardano Foundation.

The purpose of this Policy is to

- a) describe and precise the framework through which all revenue streams generated through or around the stakepool project will be managed
- b) ensure management of the following risks:
 - Counterparty exposure risk
 - Ada/Fiat exchange risk

This document is approved by CH4U leadership^[1] and no part of the document may be amended without CH4U leadership approval. The policy is to be reviewed and approved on an annual basis.

All CH4U personnel must comply with this Policy. On a day-to-day basis, this Policy will be maintained by the Chief Operating and Financial Officer, and in his absence, by the Executive Director.

This Policy comes into force on February 1st, 2023, and may be amended from time to time. The latest amendment is as of September 25th, 2023.

At this time, it will – or not – be amended based on the evolution of the stakepool to ensure the best management of the stakepool and the absence of any speculation dynamics.

2 Optimization of the stakepool’s revenue and success

The stakepool is composed of three main sources of revenue:

- **Rewards** from ada delegation to the stakepool by third parties: 100% will be transferred to Fiat as per the below described modalities.
- **Donations** from corporate partnerships and individuals¹. The success of the stakepool is linked to its adoption as a means of resource mobilisation through staking rewards, which are optimised by the level of stakepool saturation. CH4U will for this purpose commit donations from donations earmarked to the stakepool by its

¹ As per its legal status, CH4U can provide tax exemption certificates to eligible donors in Switzerland and Liechtenstein.

donors. This earmarked revenue will be set to the stakepool's pledge parameter to optimise for saturation as per the below described modalities.

- **Other sources of revenue**, such as NFT sales. CH4U will, for this purpose – and to this purpose only -pledge some of the revenue created through other sources into the stakepool. The total amount pledged will be limited in time and amount. As of September 25th, 2023, the limit will be of ada 200,000 (Two Hundred Thousand) and might be revisited linked to the traction it will create.

3 Counterparty exposure risk

CH4U will at all times ensure that ada is custodied with, and all transactions are undertaken with, an approved and regulated creditworthy counterparty.

The following counterparty for custody and brokerage has been approved: TAURUS AG, a Swiss securities firm duly regulated with the Swiss Financial Market Supervisory Authority (FINMA).

4 Regulatory risk

As legal framework around blockchain might evolve with time, CH4U will monitor the evolving legal and regulatory environment and adjust this policy accordingly.

5 ADA/Fiat exchange risk

All ada rewards generated through the Charity Stakepool and held by the approved counterparty will be converted to Swiss Francs (CHF):

- at the end of every epoch (5 days) if it has reached the equivalent of CHF 10,000;
- on the 20th day of every month^[2] from January to November, in case the equivalent CHF amount is lower than CHF 10,000;
- in December, the last CH4U working day.

All revenue generated through **donations** and earmarked to the stakepool's pledge parameter held by the approved counterparty will be converted to ada on the 20th day of every month^[2], in case the equivalent CHF amount is higher than CHF 50,000.

All revenue generated through **other sources of revenue** and not earmarked to the stakepool's pledge parameter will be converted to ada on the 20th day of every month^[2], in case the equivalent CHF amount is higher than CHF 50,000 up to the limit described under chapter 2.

6 Escalation and extraordinary circumstances

It is recognized that the cryptocurrency markets are highly volatile and from time to time, circumstances may occur that justify a change in the frequency of ada to Fiat conversion and of Fiat to ADA conversion.

In the event CH4U deems that extraordinary circumstances have occurred to justify an immediate change in these policies, it may temporarily amend these (add or miss one conversion period) with the written approval of at least 2 members of the leadership (that can be replaced by member of the Board in case of absences).

7 Version control

Version	Date	Author / Reviewer
Final version 1.0	31.01.2023	COO / CFO, Legal advisor
Version 2.0	06.10.2023	COO / CFO, Legal advisor

[\[1\]](#) CH4U's executive director and COO / CFO

[\[2\]](#) If the 20th falls on a weekend or public holiday, conversion will take place on the following working day.