Quantoz Payments B.V.

EURQ White Paper (Version 1.3)

(Articles 51 to 53 of MiCAR regulation)

This crypto-asset white paper was notified to *De Autoriteit Financiële Markten (AFM)* on October 10th, 2024, and amended on March 3rd, 2025, on March 24th, 2025, August 22th, 2025 and November 4th 2025.

This crypto-asset white paper has not been approved by any competent authority in any Member State of the European Union. The issuer of the crypto-asset is solely responsible for the content of this crypto-asset white paper.

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I.01	Date of notification	2024-10-01. This white paper was notified to *De Autoriteit Financiële Markten (AFM)* on October 10, 2024.
I.02	Regulation (EU) 2023/1114	This e-money token ("**EMT**") white paper ("**White Paper**") has not been approved by any competent authority in any Member State of the European Union ("**EU**"). The issuer of the crypto-asset is solely responsiblole for the content of this White Paper.
I.03	Compliance statement in accordance with Article 51(5) of Regulation (EU) 2023/1114	This White Paper complies with Title IV of Regulation (EU) 2023/1114 and to the best of the knowledge of the management body, the information presented in the White Paper is fair, clear and not misleading and the White Paper makes no omission likely to affect its import.
I.04	Warning in accordance with Article 51(4), points (a) and (b) of Regulation (EU) 2023/1114	The e-money token EURQ ("**EURQ**") issued by Quantoz Payments B.V. ("**Quantoz Payments**") is not covered by the investor compensation schemes under Directive 97/9/EC. EURQ is not covered by the deposit guarantee schemes under Directive 2014/49/EU.

	Executive Summary	

I.05	Warning in accordance with Article 51(6), second subparagraph of Regulation (EU) 2023/1114s	This executive summary should be read as an introduction to the White Paper. The prospective holder should base any decision to purchase EURQ on the content of the White Paper as a whole and not on this summary alone. The offer to the public of EURQ does not constitute an offer or solicitation to purchase financial instruments and any such offer or solicitation can be made only by means of a prospectus or other offer documents pursuant to the applicable national law. This White Paper does not constitute a prospectus as referred to in Regulation (EU) 2017/1129 of the European Parliament and of the

		Council (36) or any other offer document pursuant to EU or national law.
I.06	Characteristics of the crypto-asset	EURQ is a euro-backed stablecoin issued by Quantoz Payments. It is classified as both electronic money and an electronic money token, designed to maintain a stable value equivalent to the euro. This stability is achieved through a pegging mechanism, with each EURQ token fully backed by an equivalent of 1 euro fiat reserve. To ensure that the funds are segregated from Quantoz Payments' assets, the funds are held by Stichting Quantoz (hereafter Quantoz Foundation), a bankruptcy remote setup which will ensure that customer funds are fully protected from any potential liquidation of Quantoz Payments. Both Quantoz Payments and Quantoz Foundation are prudentially supervised by the Dutch Central Bank ("**DNB**"), subject to the EMI license of Quantoz Payments. EURQ will be issued on multiple blockchains. EURQ is issued as an ERC-20 token on the Ethereum ("**ETH**") and Polygon ("**POL**") blockchains, ensuring broad compatibility with various wallets and exchanges. EURQ is also issued on the Algorand ("**ALG**") blockchain as an ASA-Token. In addition EURQ is also issued on the XRP ledger ("**XRPL**") and on the Xahau ("**XAH")** network, a federated sidechain of the XRP Ledger. EURQ will be pegged to the euro (EUR) on a 1:1 basis.
I.07	Right of redemption	Registered holders of the EURQ e-money tokens, resident in the EEA, have the right of redemption at any time and at par value, under the conditions that the holder signed up to create an EURQ account with Quantoz Payments ("**EURQ Account Holder**" and "**EURQ Account**") and provided valid KYC/AML and bank details. This EURQ Account is purely for administrative purposes and does not create a wallet on which EURQ can be held, as EURQ can only be held in self-hosted or third-party CASP wallets. Registered EURQ Account Holders must submit their redemption requests directly to Quantoz Payments via tokendesk@quantozpay.com or other agreed communication channel. Quantoz Payments will acknowledge receipt of the redemption request within two (2) business days, contingent on the completion of compliance checks. Once confirmed, EURQ Account Holders should initiate a transfer of EURQ from their self-hosted or third-party CASP wallet to the public address managed by Quantoz Payments. Quantoz Payments will send the corresponding amount in euros to the EURQ Account Holder's bank account, within two business days after receipt of EURQ on the public address.

		Holders of EURQ tokens who do not have an EURQ Account with Quantoz Payments, or are not resident in the EEA, can exchange their EURQ tokens for fiat euros via third parties offering EURQ to the public ("**Partners**"), listed in Section D.1 “Holder’s rights and Obligations”.
I.08	Key information about the offer and/ or admission to trading	EURQ is an e-money token (EMT) within the meaning of Article 3 (1)(7) MiCAR, issued exclusively by Quantoz Payments. Pursuant to Article 48(2) MiCAR, all EMTs representing the value of an official currency of a Member State of the European Union are automatically deemed to be offered to the public upon issuance. Therefore, EURQ is always considered to be offered to the public in the European Union, regardless of where a potential holder might purchase or receive it. EURQ is issued on the Ethereum, Polygon, Algorand (“ALG”), the XRP Ledger and on the Xahau, a federated sidechain of the XRP Ledger. In the future, EURQ may be issued on other networks. There is no limit to the total amount of EURQ available for public offering, ensuring flexibility in supply. The issue price of EURQ will always maintain a 1:1 parity with the Euro, meaning that each EURQ token is issued to, or redeemed by, EURQ Account Holders for exactly one Euro. Quantoz Payments has set a minimum funding threshold of 100,000 Euro to purchase EURQ. Information on all current third parties ("Partners") offering EURQ to the public, as well as any future authorizations or trading admissions of EURQ, will be made available on this page of the Quantoz Payments website: https://quantozpay.com/ThirdParties Before purchasing EURQ from any source, Quantoz Payments strongly recommends prospective purchasers to visit the Quantoz Payments website to verify that the entity offering EURQ is a partner. If EURQ is purchased from sources not listed on this page, Quantoz Payments cannot guarantee the legitimacy or reliability of those providers. This white paper will be updated as necessary to reflect any material developments.

	PART F - INFORMATION ON THE RISKS	

F.1	Issuer-Related Risks	**Regulatory Risk**

		The legal and regulatory landscape surrounding e-money tokens is still evolving, potentially subjecting customers to uncertain or fluctuating rules and requirements. To mitigate this risk, Quantoz Payments is committed to maintaining transparent communication with relevant regulatory authorities and advisors, seeking guidance and clarification on evolving regulations. By closely monitoring regulatory changes, Quantoz Payments can stay informed about any new rules or requirements that may impact its operations. In addition, there is also a risk of potential regulatory arbitrage, wherein competitors may exploit differences in regulatory requirements across jurisdictions to gain a competitive advantage. This could pose challenges for Quantoz Payments in terms of maintaining a level playing field. To address this risk, Quantoz Payments will closely monitor regulatory developments in various jurisdictions and proactively engage with regulatory authorities to ensure compliance with the current regulations. Quantoz Payments will assess the regulatory frameworks to identify any potential gaps or inconsistencies that could be exploited by competitors and will take appropriate measures to mitigate such risks. Quantoz Payments engages reputable independent legal counsel to seek advice and ensure continued compliance with applicable regulations. **Conflict of Interest risk** In addition to EURQ, Quantoz Payments issues two other electronic money tokens, EURD and USDQ, which may lead to potential conflicts of interest between the tokens. The introduction of more e-money tokens in the future could further amplify these risks. To address this, Quantoz Payments must ensure careful management and balance of its commitments, so that the interests of each token holder are fairly represented. **Bankruptcy risk** Although the risk is very small given that Quantoz Payments and the financial partners it works with are supervised by DNB and meet strict prudential requirements, Quantoz Payments could go bankrupt, or face problems if one of its partner banks goes bankrupt. The management team runs the company in a professional manner, acts honestly and fairly and is assessed by the supervisory board and has implemented procedures to monitor the financial performance of the company and its financial partners. **Treasury Risk** Treasury risk encompasses the potential for adverse financial impacts resulting from fluctuations in interest rates, foreign

		exchange rates, credit spreads, and other financial variables. For e-money issuers, treasury risk primarily relates to the management of their asset portfolios and exposure to various financial instruments. Given that Quantoz Payments is required to comply with MiCAR requirements regarding the safeguarding of funds received in exchange for e-money tokens, Quantoz Payments may only invest in secure, low-risk assets that qualify as highly liquid financial instruments with minimal market risk, credit risk and concentration risk and denominated in euros. However, for instance, fluctuations in interest rates could impact the value of such financial instruments (including bonds), potentially resulting in situations where instruments will be sold at a loss. This risk is particularly pertinent during scenarios like a bank run, where customers seek to liquidate all of their EURQ simultaneously. In such instances, Quantoz Payments may be forced to liquidate the relevant assets at a loss or temporarily set daily redemption limits. **Reputation Risk** There exists the potential for negative public perception or a loss of trust in Quantoz Payments or EURQ itself, which could adversely affect its reputation and credibility. To mitigate this risk, Quantoz Payments maintains a robust governance framework and adheres to high ethical standards across all aspects of its business operations. This includes a commitment to transparency and full compliance with all relevant regulations, ensuring accountability and trustworthiness in its practices. Quantoz Payments engages reputable third-party auditors to conduct regular audits, verifying its adherence to industry standards and best practices. This not only adds credibility to the Issuer but also enhances its reputation in the eyes of stakeholders. Furthermore, Quantoz Payments recognizes the inherent risks associated with conducting business with customers or third parties engaged in money laundering or corrupt practices. Such associations can significantly damage Quantoz Payments' reputation and credibility. To mitigate this risk effectively, Quantoz Payments has implemented rigorous Know Your Customer (KYC) and Anti-Money Laundering (AML) rules and practices. **Compliance Risk** In the context of banking and financial services, compliance risk encompasses various regulatory requirements related to anti-money laundering (AML), know-your-customer (KYC) rules, counter terrorism financing (CTF), consumer protection laws, data privacy regulations, and other applicable statutes. To mitigate compliance risk, Quantoz Payments implements robust compliance programs, including regular monitoring, risk assessments, and the establishment of effective control mechanisms. Additionally,

		maintaining open communication with regulators, staying abreast of regulatory developments, and conducting periodic compliance audits are essential components of managing compliance risk effectively. When using public blockchains each transaction on a new block requires a small transaction fee in the native blockchain currency. The fees are collected by the mining/validator nodes. Based on the used decentralized protocol, in theory the mining of a new block could be done by a sanctioned entity. In that case these transaction fees are paid to a sanctioned entity. **Counterparty Risk** Counterparty risk refers to the risk that one party in a financial transaction may default or fail to fulfil their obligations, leading to financial losses for the other party. If Quantoz Payments would become insolvent, the EURQ backed fiat currency remains available in Quantoz Foundation. The Quantoz Foundation is exposed to banking risk for the fiat euro deposits held on the bank, wherein its operations rely on the bank's ability to meet its obligations. To mitigate such risk, the Issuer has accounts with multiple banks and conducts regular audits and thorough due diligence of its counterparties to assess their financial stability and risk profiles, ensuring engagement only with reliable and trustworthy entities. Professional legal advisors are also engaged to establish or review contractual agreements with counterparties, clearly outlining terms, conditions, and dispute resolution mechanisms in case of defaults or insolvencies. These measures form part of a comprehensive risk management framework established to identify, monitor, and mitigate counterparty risk, including the development of contingency plans for potential defaults or insolvencies. **Third party Risk** Quantoz Payments relies on various external service providers, such as banks, to perform essential functions like safeguarding assets and facilitating settlements. This reliance means that if these third parties encounter issues, it could directly impact Quantoz Payments ability to operate effectively. Potential Issues: If a third-party service provider fails to deliver its services (e.g., due to technical problems, insolvency, or regulatory issues), this could hinder Quantoz Payments ability to issue, manage, or redeem EURQ. This creates a vulnerability where Quantoz Payments operations are contingent on the performance of others. Lack of Control Over Third Parties: Third parties can choose to support EURQ on their platforms without any authorization from

		Quantoz Payments. This means that Quantoz Payments has no control over how EURQ is managed or represented by these external platforms. No Endorsement: Just because a third party supports EURQ does not mean Quantoz Payments endorses that platform. This lack of endorsement indicates that Quantoz Payments does not guarantee the legality, stability, or suitability of services provided by these third parties. Liability Disclaimer: Quantoz Payments explicitly states that it is not responsible for any losses or problems Holders may encounter when using EURQ on platforms that are not directly managed by Quantoz Payments. This disclaimer limits Quantoz Payments liability concerning any issues arising from third-party interactions. **Market Risk** Regarding investments (excluding the fiat reserves of at least 30% which are held with credit institutions), their value may vary according to market conditions. As a result, there is a possibility that the 1:1 coverage may no longer be assured. EURQ reserves may consist of assets that are not guaranteed to be readily realizable, including certain short-term financial assets. Consequently, if there is an unusually high demand for EURQ redemptions, Quantoz Payments may not be able to meet all redemption requests within the timeframe set out in the Redemption Policy. **Technology Risk** The technology behind EURQ, including smart contracts and blockchain networks, might be exposed to potential vulnerabilities and cyber threats. While independent audits have validated the security of these systems, unforeseen vulnerabilities or cyber-attacks could still pose risks to EURQ's integrity. Quantoz Payments conducts regular security audits, continuously monitors for vulnerabilities, and utilizes advanced cybersecurity measures to safeguard the system. **Risk of privacy/GDPR breach** Personal data of Quantoz Payments customers may be leaked or stolen due to a security breach. **Operational Risk** Quantoz Payments' efficient operation depends on strong internal processes and systems. Failures or disruptions, such as human errors, system breakdowns, or insufficient internal controls, could negatively impact the issuance and redemption of EURQ tokens.

		Mitigation strategies include regular audits, comprehensive employee training programs, and the deployment of advanced internal control systems. **Environmental, Social, and Governance (ESG) Risk** With the growing global focus on ESG factors, failing to uphold sustainable and ethical practices could harm Quantoz Payments' reputation and operations. This encompasses the environmental impact of blockchain activities, social responsibility, and governance standards. To address these risks, Quantoz Payments will adopt sustainable business practices, maintain transparency in governance, and actively engage in social responsibility initiatives.
F.2	Token-Related Risks	**Liquidity Risk** Liquidity risk refers to the possibility that an e-money issuer may encounter difficulties in meeting its short-term financial obligations due to a lack of sufficient liquid assets or the marketability of its assets. For an e-money issuer, liquidity risk primarily arises from the need to fulfil redemption requests from customers who want to convert their e-money tokens back into fiat currency. As Quantoz Payments holds the backed e-money in assets like Euro-backed bonds, in addition to funds that are deposited in separate accounts in credit institutions (amounting at least 30% of the funds received, as required by MiCAR), there may be challenges in quickly liquidating these bonds to fulfil withdrawal requests from customers simultaneously. However, government bonds issued by stable governments in major currencies like the Euro are typically highly liquid and can be sold swiftly in active markets. **Risk of Under-Collateralization** The Risk of Under-Collateralization refers to the possibility that the assets backing EURQ become insufficient to meet redemption obligations when the reserves intended to support its value fall below the total amount issued and in circulation. This situation may arise due to factors such as fraud, where malicious activities like embezzlement or financial manipulation lead to improper reporting or depletion of reserves, and mismanagement, where poor financial practices by Quantoz Payments or its third-party providers result in inadequate oversight of the backing assets. If the market perceives that Quantoz Payments might fail to redeem EURQ at its promised value, it could trigger a loss of confidence, causing the market value of EURQ to drop significantly and create a disparity between its issued value and trading price. Ultimately, insufficient collateral could prevent Quantoz Payments from redeeming EURQ holders at the promised rate or within a reasonable timeframe, resulting in dissatisfaction and eroding trust among users.

		Technological Risk Any technical issues, vulnerabilities, or failures within the Ethereum, Polygon, or Algorand blockchains, or within the XRP Ledger or its federated sidechain Xahau could affect the functionality, security, or transferability of EURQ tokens. Additionally, smart contract vulnerabilities could lead to security breaches or malfunctioning of EURQ operations. Quantoz Payments performs regular audits and security reviews of the smart contracts and continuously monitors of the Ethereum network. **Market Risk** EURQ value and demand may be affected by overall market conditions, such as fluctuations in the cryptocurrency market, shifts in investor sentiment, and macroeconomic factors. The market value of EURQ on the secondary market might not be stable compared to the EUR. These dynamics may affect the liquidity and stability of EURQ. **Taxation Risk** The taxation regime that applies to EURQ transactions will depend on each holder's jurisdiction. Transactions involving EURQ may have tax consequences. **Scam Risks** EURQ holders may suffer scam or fraud actions including phishing, identity theft, fake EURQ tokens from malicious actors. **Smart Contract Risk** The smart contracts used on Ethereum and Polygon are critical for EURQ functionality. Vulnerabilities in a smart contract might lead to security breaches, unauthorized transactions, or loss of tokens and have a negative impact on the market value of EURQ. Quantoz Payments uses audited and reviewed smart contracts.
F.3	Technology-Related Risks	**Reliance on third-party infrastructure** EURQ relies on third-party blockchain networks and service providers to operate. Disruptions, outages, or security breaches in these third-party services could impact EURQ's functionality and security. Forging strong partnerships with reputable third-party providers and developing contingency plans to address potential disruptions mitigates these risks. **Blockchain Risk** The most important risk Quantoz Payments is subject to is blockchain risk. Blockchain risk for an e-money issuer refers to the

		potential challenges, vulnerabilities, and uncertainties associated with utilizing blockchain technology in the issuance, management, and transfer of e-money tokens. The blockchain risk consists of several components: • *Operational availability*: As any technology application a blockchain could experience technical issues that disrupt availability. However, because of the distributed nature (preventing cyberattacks) and strict review process on the source code (preventing software bugs) blockchains in general show a very robust availability. In practice blockchain applications are typically more reliable than traditional banking applications (availability >> 99,9%). • *Blockchain hack*: Although the risk is very low, a hack of the Ethereum, Polygon, Algorand blockchain would lead to a loss of trust in the respective blockchain. It would also hinder Quantoz Payments' EURQ operations. • *Discontinuation of service*: Theoretically a public blockchain could lose community support with decreasing development effort and foundation funding, and a decreasing number of validator nodes as result. The public blockchain consensus will no longer be reliable. A possible exit scenario could be to start running the blockchain privately (Quantoz Payments forks the public blockchain and starts running private blockchain nodes). • *Risk of malicious use of software bugs*: The core code of the blockchain nodes is open source and follows a strict review process before being published for production. At the same time a bug in a blockchain can be very attractive for hackers and there will be continuous attempts to find weaknesses. As a result, blockchain applications are one of the best tested and best reviewed software in existence, and all stakeholders have incentives and means to check, prevent and fix vulnerabilities. Almost all known past blockchain exploits have not been on the core blockchain code, but in smart contract applications running on the core. Quantoz Payments uses audited and battlefield tested smart contract templates for its EURQ e-money token on Ethereum and Polygon. Quantoz Payments does not use smart contracts for the issuance of EURQ on Algorand, XRPL or Xahau but instead leverages the native support for tokenized assets in its core code. • *Risk of blockchain scalability and economics*: Public blockchains have a limitation on the maximum transaction

		throughput. When a blockchain is very popular it could reach its technical limits. This will result in rising transaction fee costs for getting transactions on the next blockchain block. The Ethereum community has addressed this topic and works on increasing the transaction processing capacity. To overcome scalability challenges, Quantoz Payments employs layer-2 solutions like Polygon, throughput blockchains such as Algorand, XRPL and Xahau enhancing transaction speed and efficiency. • *Loss of keys by Quantoz Payments*: Quantoz Payments has certified security and backup procedures in place. Keys are only accessible by security assigned personnel. Furthermore, Quantoz Payments uses deterministic key generation. Therefore, the original (offline held) seed codes can be used to reconstruct all private keys. • *Forking Risk:* The Ethereum and Polygon blockchains might "fork" and the blockchain splits into two separate blockchains with a different consensus. Quantoz Payments will follow the one that is supported by the respective blockchain foundation. To mitigate this risk, Quantoz Payments monitors developments in blockchain communities to anticipate potential hard forks. • *Risk of 51% attack*: At all-time a "51% attack" needs to be prevented where a single entity dominates the validation and can influence the addition (and rejection) of new transactions. This risk is small for the reputational blockchains with a well-established governing foundation, active and diverse user community and substantial transaction volume. In that case all blockchain participants and stakeholders are motivated to support the consensus model. During the last 10 years of blockchain applications no successful 51%-attack on such blockchain is known of. • *Risk of (continued) use of tokens by blacklisted customers*: The e-money tokens of Quantoz Payments should not be used from blacklisted addresses. Therefore it should be possible for Quantoz Payments to freeze the EURQ tokens on such addresses and preferably also to be able to clawback (recover) these tokens to the issuing account of Quantoz Payments itself if required by applicable laws and regulations or at the instruction of a competent (supervisory) authority. To mitigate this risk Quantoz Payments will enable the (un)freeze, blacklisting addresses, and recovery functionality in the EURQ ERC-20 smart

		contract for tokens issued on Ethereum and Polygon, as well as for the EURQ on Algorand (ASA) and Xahau (XAH). **Quantum Computing Risk** Future advancements in quantum computing may pose a threat to the cryptographic algorithms that secure blockchain transactions, including those underpinning EURQ. A sufficiently powerful quantum computer could, in theory, break widely used encryption standards and compromise private keys, leading to unauthorized transfers of tokens. While practical, large-scale quantum computers capable of such attacks do not yet exist, the risk grows with rapid developments in quantum technology. **AI-Related Risk** Artificial Intelligence (AI) technologies, while beneficial for fraud detection and operational efficiency, can also be leveraged by malicious actors to conduct sophisticated phishing attacks, generate deepfakes for social engineering, or automate exploit discovery in smart contracts. Such uses of AI could increase the risk of fraud, misinformation, or targeted attacks against EURQ holders and related infrastructure. **Layer Zero Risk** Layer Zero is a cross-chain messaging protocol designed to connect different blockchain networks in a secure and trust-minimized way. Layer Zero facilitates EURQ transactions and interoperability between Ethereum Virtual Machine (EVM) blockchains, such as Ethereum and Polygon. While this enables efficient cross-chain functionality, it also introduces specific security and operational risks. Vulnerabilities in the Layer Zero protocol, its smart contracts, or its validator network could be exploited to intercept, misroute, or duplicate transactions, potentially resulting in token loss or system-wide disruption. As Layer Zero is a relatively new interoperability framework, its long term resilience against advanced exploits or coordinated attacks remains unproven.
F.4	Mitigation measures	Regarding the different risks identified in Sections F.1, F.2 and F.3, Quantoz Payments implements appropriate measures to mitigate these risks and protect EURQ holders: **Mitigation measures concerning issuer-related risks** • In the event of Quantoz Payments' bankruptcy, EURQ holders' rights are protected by law, ensuring that EURQ

		reserves remain untouched by other creditors and will be refunded during bankruptcy proceedings. • The company conducts extensive vendor assessments for third-party service providers per ISO 27001 standards. • Despite market volatility, EURQ redemptions are guaranteed according to the Redemption Policy. • EURQ holders retain their redemption rights even if the company incurs losses, with contingency plans in place for extreme situations. • To combat AML/CFT risks, EURQ issuance to, and redemption from, is limited to known self-hosted and third-party CASP wallets, with the ability to freeze suspicious transactions as per legal requirements or instructions of a competent (supervisory) authority. • Quantoz Payments also adheres to GDPR, ensuring the security and integrity of personal data against unauthorized access or damage. **Mitigation measures concerning EURQ-related risks** • Quantoz Payments has outlined several key risks associated with the use of EURQ. • To ensure financial stability, our internal procedures aim to maintain reliability under all market conditions. • In cases of under-collateralization, measures from the Quantoz Payments Recovery or Redemption Plan will be implemented to resolve any deficits, potentially by strengthening our capital position. • A Redemption Policy addresses liquidity risks by ensuring prompt redemption, even under extreme demand and unfavorable market conditions. • While Quantoz Payments cannot prevent scams, our terms specify no liability for losses due to fraud, though we can freeze affected EURQ. • Taxation risks are the responsibility of individual EURQ holders, who should seek independent advice, as Quantoz Payments does not provide legal, tax, or accounting guidance. **Mitigation measures concerning technology-related risks** • Blockchain related risks: While risks exist for all blockchain networks, the Ethereum, Polygon, Algorand and Xahau

		networks are among the most widely used distributed ledger infrastructures, featuring strong security protocols.

	PART A - INFORMATION ABOUT THE ISSUER OF THE E-MONEY TOKEN	

A.1	Statutory Name	Quantoz Payments B.V.
A.2	Trading Name	Quantoz Payments
A.3	Legal form	54M6 - Besloten Vennootschap
A.4	Registered Address	Europalaan 100, 3526 KS Utrecht, The Netherlands
A.5	Head Office	Europalaan 100, 3526 KS Utrecht, The Netherlands
A.6	Registration Date	September 30, 2021
A.7	Legal Entity Identifier	7245008P1HPUPVM7XL94
A.8	Another Identifier	Company Registration Number: 84071745
A.9	Contact telephone number	+31 30 2272621
A.10	Contact email address	contact@quantozpay.com
A.11	Response time (days)	7
A.12	Parent Company	Quantoz N.V., having its registered office located at Europalaan 100, 3526 KS Utrecht, The Netherlands

A.13	Members of the management body	Quantoz Payments has a Board of Directors consisting of four directors being the decision makers for the Company: A. Star Busmann *CEO (General Management)* N. Haasnoot, *CFRO (, Finance, HR, Legal, Compliance)* H. de Jong, *COO (Business Development, Marketing and Sales)* G. Hendriks, *CTO (Technology, Systems and Operations)* Quantoz Payments has installed a Supervisory Board, consisting of two members: one independent expert in the field of payments and related regulations, and one representing the shareholders. R. Berndsen, the independent expert, chairs the Supervisory Board. E. Dekkers, represents the shareholders The Supervisory Board oversees the functioning of Quantoz Payments and its Board of Directors. All members of the Quantoz Payments Management team and the Quantoz Payments shareholders have been non-objected and passed fit & proper assessments by the DNB. The shareholders have DNOs (declarations of no objection) granted by DNB. The business address of the members of the Board of Directors and the members of the Supervisory Board is: Europalaan 100, 3526 KS Utrecht, The Netherlands.
A.14	Business Activity	Quantoz Payments has an E-money license in the EEA with De Nederlandsche Bank N.V. (DNB) and issues EMTs under this license, and specializes in developing and delivering secure, efficient, and compliant digital financial solutions for these EMTs. Every EMT is pegged to one official currency. The funds received by Quantoz Payments in exchange for the EMTs are safeguarded in compliance with the relevant requirements under Article 54 MiCAR. At least 30 % of the funds received are always deposited in separate accounts in credit institutions to meet anticipated redemptions. The remaining funds received are invested in secure, low-risk assets that qualify as highly liquid financial instruments with minimal market risk, credit risk and concentration risk and are denominated in euros. The funds are safeguarded through a bankruptcy-remote structure in the form of the Quantoz Foundation. Such a structure is common in the Netherlands for electronic money institutions and payment service providers. Reference is made to the DNB register, in which the Quantoz Foundation is mentioned in relation to the registration of Quantoz Payments, with the following explanation: “Stichting Quantoz is as escrow party related to Quantoz Payments and in that matter supervised by De Nederlandsche Bank”. The European Economic Area is Quantoz Payments’ principal market. The company’s primary revenue-generating activities are derived from the interest

		generated by the asset-reserves backing the issued EMTs along with offering additional services related to EMTs. Besides EURQ, Quantoz Payments issues two other electronic money tokens, EURD EMT and USDQ. EURD EMT is used for Payments. For payment applications, involving payment ecosystems of traditional corporate entities, users of the tokens typically do not touch or own cryptocurrencies and prefer to limit token distribution to self-hosted or third-party CASP wallets only. The primary goal of EURQ and USDQ is to offer a digital alternative to traditional money that is more efficient, secure, and accessible. Quantoz Payments envisions EURQ and USDQ to have applications ranging from online transactions and cross-border payments to trading liquidity and decentralized finance (DeFi) solutions. Key customers of Quantoz Payments include financial institutions, Crypto Asset Service Providers, Market Makers, and businesses improving their operations by using regulated programmable EMTs. By leveraging advanced blockchain technology and robust security measures, Quantoz Payments aims to position itself as a leader in the digital finance sector by being committed to innovation, transparency, and regulatory compliance.
A.15	Parent Company Business Activity	Quantoz N.V. is the holding company for the three entities of the Quantoz group: Quantoz Technology BV employs most of the staff and develops the NEXUS EMI platform, a gateway between fiat money and public and private blockchains. Through NEXUS, Quantoz Technology's partners can manage their custom token ecosystem without the need to deal with the technical aspects. The NEXUS EMI platform supports technical processes, such as, for example, know-your-customer registration, ledger reconciliation and mint and/or burn execution. Quantoz Blockchain Services BV operates the NEXUS EMI platform, developed by Quantoz Technology BV, as a SaaS to third parties for the support of their technical processes. Quantoz Blockchain Services BV facilitates both internal (intragroup) and external partners. Quantoz Payments issues Electronic Money Tokens under its EMI license with DNB.
A.16	Conflicts of Interest Disclosure	The entities in the Quantoz group are interdependent and reliant on each other, but also have external customers and their own (corporate) responsibilities. Should these relationships have a direct impact on the activities of Quantoz Payments, the impact would be identified, disclosed and managed transparently to avoid any undue influence on operations.

		Quantoz Payments issues two additional electronic money tokens, USDQ and EURD EMT, which may lead to potential conflicts of interest in terms of resource allocation, marketing focus, and strategic direction between the tokens. In order to describe how Quantoz Payments identifies and manages possible Conflicts of Interest within its organization, a 'Conflicts of Interest Policy' has been adopted. This policy applies to everyone working for, or on behalf of, the Company.
A.17	Issuance of other crypto-assets	Yes. The Company also issues USDQ, a US dollar backed EMT, and EURD EMT a Euro-backed EMT within the EEA.
A.18	Activities related to other crypto-assets	Quantoz Payments also provides services related to the issuance of its USDQ EMTs and EURD EMTs.
A.19	Connection between the Issuer and the entity running the DLT	No
A.20	Description of the connection between the Issuer and the entity running the DLT	No
A.21	Newly Established	No
A.22	Financial conditions for the past three years.	Quantoz Payments has consistently maintained a robust and regulatory-compliant reserve. All EMTs issued by Quantoz Payments are fully backed by equivalent reserves held in regulated financial institutions. These reserves are kept separate from Quantoz Payments' own funds to protect the assets of the EMT holders, ensuring their security even in the event of Quantoz Payments' insolvency.

<table>
<tr><td></td><td></td><td>Quantoz Payments has maintained capital reserves ensuring robust backing for its organisation. As Quantoz Payments is in early stage, modest starting costs dominated the profit & loss account. The license was granted in October 2023. Before that time revenue was not allowed.

<table>
<tr><td>Year</td><td>2021</td><td>2022</td><td>2023</td><td>2024</td></tr>
<tr><td>Revenue</td><td>0</td><td>0</td><td>0</td><td>51</td></tr>
<tr><td>Equity (Tier 1 capital)</td><td>502</td><td>430</td><td>592</td><td>2.100</td></tr>
<tr><td>Capital requirement</td><td>350</td><td>350</td><td>350</td><td>350</td></tr>
</table>
All values 1.000 €

Remarkable events:
• 2021
30th September: Foundation of the company to enable the application for an EMI license.
• 2022
Year dedicated to license application
Installation of Supervisory Board
Engagement of external advisor
• 2023
13th October: EMI-license granted by the Dutch Central Bank
The company has ample liquidity and sufficient capital resources from its existing shareholders, with financial statements detailing its performance reported to authorities without issues. Quantoz Payments' commitment to transparency, regulatory compliance, and sound financial practices has positioned it well in the digital finance sector, particularly with EMTs. The company focuses on innovation, expansion, financial health, and stakeholder value.</td></tr>
<tr><td>A.23</td><td>Financial conditions since registration</td><td>N/A</td></tr>
<tr><td>A.24</td><td>Exemption from</td><td>No</td></tr>
</table>

	authorisation	
A.25	E-money Token Authorisation	Electronic Money Institution license (EMI) License granted: 13 October 2023 License relation number: R186418
A.26	Authorisation Authority	De Nederlandsche Bank (DNB). *Dutch Central Bank*
A.27	Persons other than the issuer offering to the public or seeking admission to trading of the e-money token according to Article 51(1), second subparagraph of Regulation (EU) 2023/1114	EURQ is made available to the public through third parties ("Partners"). The Quantoz Payments website https://quantozpay.com/ThirdParties displays a current list of third parties that offer one or more EMTs issued by Quantoz Payments. Before purchasing EURQ from any provider, Quantoz Payments strongly advises potential buyers to verify that the entity offering EURQ is included on this list. This list may change over time.
A.28	Reason for offering to the public or seeking admission to trading of the e-money token by persons referred to in Article 51(1), second subparagra	Allowing Partners to offer EURQ to the public can expand its availability across multiple platforms, enhancing liquidity and accessibility. This makes it easier for users to buy, sell, and trade EURQ. Offering EURQ on established platforms also helps build trust and credibility among (potential) users, fostering wider adoption. Moreover, listing EURQ on trading platforms can create new revenue opportunities.

	ph of Regulation (EU) 2023/1114	

	PART B - INFORMATION ABOUT THE E-MONEY TOKEN	

B.1	Name	Quantoz EURQ
B.2	Abbreviation	EURQ
B.3	Details of all natural or legal persons involved in design and development	Legal: Finnius Advocaten. Jollemanhof 20 A, 1019 GW Amsterdam, The Netherlands Technology: Quantoz Technology B.V. Europalaan 100, 3526 KS Utrecht, The Netherlands Quantoz Blockchain Services B.V. Europalaan 100, 3526 KS Utrecht, The Netherlands
B.3	Partners	Design and development of EURQ was done by subsidiaries of Quantoz NV. The relevant business entities of Quantoz N.V. are: • Quantoz Technology BV, employs most of the staff • Quantoz Blockchain Services BV, providing the backend platform (“NEXUS”) as a SaaS solution to its partners • Quantoz Payments BV, issuer of the EURQ and providing a licensed e-money solution All business entities within the Quantoz NV group are ISO 27001 certified.
B.4	Type of white paper	EMTW (Electronic-Money Token White Paper)
B.5	The type of submission	MODI (modified)
B.6	Crypto-Asset Characteristics	EURQ classifies as a crypto-asset under Article 3(1)(7) of MiCAR, more specifically the category of electronic money tokens or e-money tokens (EMTs).

		EURQ is a euro-backed regulated stablecoin issued by Quantoz Payments. Quantoz Payments is supervised by the Dutch Central Bank. EURQ is fully backed by equivalent reserves in euros, managed by the independent Quantoz Foundation and is legally considered as electronic money and as an EMT. EURQ is a digital alternative to traditional money that is more efficient, secure, and accessible. Quantoz Payments envisions EMTs used in applications ranging from online transactions and cross-border payments to trading liquidity and decentralized finance (DeFi) solutions. The tokens are initially issued to primary institutional customers (EURQ Account Holders) to self-hosted or third party CASP wallets and can be further distributed by third parties like Crypto Asset Service Providers (CASPs), that list the token in their trading pairs to users on the secondary market. Quantoz Payments may, at its discretion and without requiring the consent of EURQ holders, mint and issue additional EURQs that carry the same rights as described in this White Paper. These new EURQs will be treated the same as the existing EURQs and will be fully fungible with them immediately upon issuance. The issue price of new EURQ will always maintain a 1:1 parity with the Euro, meaning that each EURQ token always is valued at one Euro. EURQ Account holders can always redeem their EMT at par value.
B.7	Website of the Issuer	www.quantozpay.com
B.8	Starting date of offer to the public or admission to trading	2024-11-18
B.9	Publication date	2024-11-15
B.10	Any other services provided by the Issuer	No
B.11	Identifier of operator of the trading platform	N/A

B.12	Language or languages of the white paper	English
B.13	Digital Token Identifier Code	EURQ 's Digital Token Identifier (DTI) code can be found on the Digital Token Identifier Foundation website: https://dtif.org/token-registry-search/ Ethereum: G8GJ8R47H Polygon: DRVJRN9WZ Algorand: WMVQRBFKK Xahau: Henri check
B.14	Functionally Fungible Group Digital Token Identifier	Token Type: Auxiliary Digital Token Auxiliary Digital Token Mechanisms: • Ethereum ERC-20 • Algorand Standard Asset (ASA)
B.15	Personal data flag	YES
B.16	LEI eligibility	YES
B.17	Home Member state	Netherlands
B.18	Host Member states	Austria Belgium Bulgaria Croatia Cyprus Czech Republic Denmark Estonia Finland France Germany

		Greece Hungary Iceland Ireland Italy Latvia Liechtenstein Lithuania Luxembourg Malta Norway Poland Portugal Romania Slovakia Slovenia Spain Sweden

	PART C - INFORMATION ABOUT THE OFFER TO THE PUBLIC OF THE E-MONEY TOKEN OR ITS ADMISSION TO TRADING	

C.1	Public Offering or Trading	This White Paper concerns the Admission to Trading (ATTR) and Offer to the Public (OTP) of EURQ.
C.2	Number of units	There is no limit to the amount of EURQ that may be issued by Quantoz Payments. The total number of EURQ to be issued will depend on market demand and will correspond directly to the amount of euros held in reserve, maintaining a 1:1 backing ratio. This method ensures flexibility in addressing user needs while preserving EURQ's stability.

		Only Quantoz Payments can change the amount of EURQ in circulation. Information about the total number of EURQ in circulation on a blockchain is available through the following links: Ethereum: https://etherscan.io/token/0x8dF723295214Ea6f21026eeEb4382d475f146F9f Polygon: https://polygonscan.com/token/0xD571Edb2EF29DF10fcd6200fd6D0Ed2389983db3 Algorand: https://allo.info/asset/2768422954/token Xahau:
C.3	Trading Platforms name	A list of CASPs, supporting EURQ is available on the Quantoz Payments website: https://quantozpay.com/ThirdParties Before purchasing EURQ from any trading platform, Quantoz Payments strongly advises potential buyers to visit https://www.quantoz.com/products/eurq-usdq to verify that the entity offering EURQ is authorized by Quantoz Payments. Quantoz Payments intends to keep these listings active as long as these Partners comply with relevant laws and will actively pursue additional trading admissions for EURQ through other CASPs.
C.4	Trading Platforms Market Identifier Code (MIC)	N.A.
C.5	Applicable law	The use of EURQ is subject to the laws of the Netherlands (the "**Applicable Laws**").
C.6	Competent court	Any legal action or proceeding arising from using EURQ shall be initiated before the District Court of Midden-Nederland in Utrecht, the Netherlands, except where Applicable Laws require providing for an alternative form of dispute resolution.

	PART D - INFORMATION ON THE RIGHTS AND OBLIGATIONS ATTACHED TO E-MONEY TOKENS	

D.1	Holder's rights and Obligations	**Holders' Rights** **1.1 Right to Use the Service** • **Eligibility:** Holders who are legally recognized entities or individuals within eligible regions (EEA, UK, Switzerland) can register and use the EURQ services provided they comply with all KYC/AML requirements and relevant legal capacities. • **Fees**: Holders should be aware that fees associated with the Service may apply. Fees are determined in accordance with the Fee Schedule available at https://www.quantoz.com/fees. **1.2 Right to request the issuance of EURQ** • **Issuance of EURQ:** Holders have the right to request the issuance of EURQ, and once issued, the EURQ are owned solely by the EURQ Account holder. • To initiate the issuance of EURQ, the customer must notify Quantoz Payments of their intention by providing details of the token type, amount, and the receiving blockchain address. • **Minimum Threshold**: Holders must meet a minimum funding threshold of 100,000 euros per transaction to purchase EURQ. **1.3 Right to Redemption** • **Redemption:** Holders of EURQ shall have the right to redeem EURQ at their nominal or face value at any time, subject to compliance with all applicable policies, provided that no regulatory restrictions are in effect. • **Registered EURQ Account Holders:** Redemption directly through Quantoz Payments shall be available to Registered EURQ Account Holders. For the purposes of this document, an "Registered EURQ Account Holder" is defined as any Holder who: ○ Is a resident of the European Economic Area (EEA), Switzerland, or the United Kingdom; and ○ Has minted a minimum of €100,000 worth of EURQ for each transaction; and ○ Has established an EURQ account with Quantoz Payments by completing the required onboarding procedures, including but not limited to the successful verification of Know Your Customer (KYC) and Anti-Money Laundering (AML) compliance, as well as bank account verification; and

		○ Has a bank account validated by our designated banking partner. • **Non-Registered EURQ Account Holders:** Holders who do not qualify as Registered EURQ Account Holders, including those residing outside of the EEA, Switzerland, or the United Kingdom, may initiate their redemption of EURQ through: ○ A partner institution of Quantoz Payments or; ○ The submission of a redemption form provided by Quantoz Payments. ○ Non-Registered EURQ Account Holders must undergo onboarding procedures as required by the Partner before any redemption request can be processed. A list of exchanges listing EURQ is maintained on the Quantoz Payments website, available at: https://www.quantoz.com/products/eurq-usdq ○ Non-Registered EURQ Account Holders are advised to initiate their redemption through an exchange where EURQ is listed, as this results in the fastest way to redeem EURQ. • **Submission Process**: Registered EURQ Account Holders shall have the right to submit redemption requests directly to Quantoz Payments through designated communication channels, such as email or any other communication medium agreed to by both parties. Redemption requests shall be processed within the specific redemption timing corresponding with the specific account Tier chosen. https://www.quantoz.com/fees. • **Execution of Redemption**: Following the acknowledgment and compliance verification of the redemption request, Registered EURQ Account Holders shall initiate the transfer of their EURQ TOKENS from their self-hosted or third-party CASP wallets to the public address managed by Quantoz Payments. Upon receipt of the EURQ at the designated public address, Quantoz Payments shall remit the equivalent value in euros to the Registered EURQ Account Holder's verified bank account within two (2) business days • **Redemption Thresholds**: Redemption requests for EURQ that equal or are less than one (1) euro will not be processed and will be ignored without further notice. • **Redemption Timing**: The processing times for redemption requests vary based on the amount redeemed, as follows: ○ Less than €1M: Processed within 1 business day.

		○ Between €1M and €10M: Processed within 3 business days. ○ Between €10M and €100M: Processed within 5 business days. ○ Exceeding €100M: Processed within 20 business days. • **Notice Periods:** Registered EURQ Account Holders must adhere to the following notice periods for timely redemption: ○ Less than €1M: No advance notice required. ○ Between €1M and €10M: Submit requests 2 business days in advance. ○ Exceeding €10M: Submit requests 5 business days in advance. **1.4 Right to Terminate the Agreement** • **Account Termination**: Registered EURQ Account Holders may terminate their relationship with Quantoz Payments at any time by closing their account, subject to redeeming or transferring any remaining EURQ from their self-hosted or third-party CASP wallet. Upon termination, all account privileges and access to services cease. **1.5 Right to Access Information** • **Transaction Information**: Quantoz Payments will provide holders with details of their EURQ issuances or redemptions through the Service or in writing. **1.6 Right to Privacy and Fair Treatment** • **Data Privacy:** Holders have the right to expect that any personal information provided to Quantoz Payments during registration and account use will be handled securely and confidentially. • **Fair use policy**: To ensure operational resilience and counter spam redemption requests, Quantoz Payments reserves the right to process a maximum number of redemption requests per day per individual to prevent system overload. **1.7 Right to Third-Party Interactions and Content Responsibility** • **Third-Party Interactions**: Holders may interact with third-party platforms through Quantoz Payments' services. However, Quantoz Payments assumes no responsibility for the content or actions of these third-party platforms. Holders bear full responsibility for their interactions with such platforms and the accuracy of the information they disclose.

		1.8 Protection Against Unlawful Actions • **Liability Limitations**: Holders are entitled to know that Quantoz Payments is not liable for damages arising from circumstances beyond its control, such as compliance with conflicting laws or force majeure events. Liability is also limited to the amount paid for the Service in the preceding month. **2. Holders' Obligations** **2.1 Compliance with Legal and Regulatory Obligations** • **Adhering to Laws**: Holders must comply with all applicable laws and regulations, including AML and CTF requirements, and fulfil any tax obligations arising from holding or using EURQ. Holders are solely responsible for ensuring EURQ use complies with legal requirements. If EURQ use involves activities needing a financial license or regulatory approval, Holders must secure it. • **Sanction Compliance**: Holders represent that they are not restricted persons appearing on OFAC, UN, EU, or Dutch Sanction lists and are not holding EURQ on behalf of a restricted person. They are also obligated not to offer, sell, trade, pledge, convert, transfer, or deliver EURQ, either directly or indirectly, within the United States. • **U.S. Persons Restriction**: Holders affirm that they are not classified as a U.S. Person under Regulation S of the U.S. Securities Act of 1933, do not fall under any definition of a U.S. Person according to the U.S. Commodity Exchange Act of 1936, or any related rules or orders issued by the Commodity Futures Trading Commission (CFTC). They are not considered a U.S. Person under the final rules implementing the credit risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934. **2.2 Providing Accurate Information** • **Information Obligations**: Holders must provide accurate, sufficient, and up-to-date information during registration and throughout their use of the Service. Changes to personal details, such as name or address, must be reported to Quantoz Payments immediately. Any failure may result in penalties or account termination. **2.3 Account Security and Proper Use**

- **Account Ownership**: Accounts are strictly personal and non-transferable. Holders must take responsibility for preventing unauthorized access to their account.
- **Device Security**: Holders are responsible for maintaining the security of their electronic devices, ensuring they are free from malware, updated, and secure.
- **Holder Conduct**: Holders must diligently act in their interactions with Quantoz Payments, take responsibility for their actions, and ensure they sign out of their account after use to maintain security.

2.4 Use of the Service

- **Issuance or Redemption Execution**: EURQ issuance or redemption will only be executed when sufficient information, explicit consent, and applicable fees are provided. Holders must ensure the accuracy of transaction details. Quantoz Payments may refuse issuing or redeeming EURQ if the required information is incomplete or there is another justified reason.
- **Interest disclaimer:** Although Quantoz Payments may place the EURQ reserves in interest-bearing accounts or other yield-generating instruments, Holders agree that they have no claim to any interest or returns earned from these funds. EURQ itself does not generate interest or returns for Holders; it solely represents the right to redeem EURQ for an equivalent amount in euros, as outlined in this white paper
- **Service Tiers:** Holders may select from a range of service tiers tailored to their minting and redemption needs. The specific limits, fees, and redemption timings applicable to each tier are detailed in the Pricing List: https://www.quantoz.com/fees.

2.5 Redemption Process

- **Redemption via exchanges:** EURQ Holders can complete onboarding with an exchange where EURQ is listed for redemption. Such Holders are responsible for ensuring that appropriate due diligence is performed on the selected exchange to evaluate reliability and suitability.
- **Redemption via Quantoz Payments**: Holders must submit their redemption requests through designated communication channels specified by Quantoz Payments.

		Requests made outside of these channels shall not be accepted. Non-registered EURQ account holders are subject to the following requirements: ○ Each redemption request requires a €0.01 bank transaction for verification purposes. ○ Each redemption request must include the completion of a redemption form and is subject to Tier 3 Enhanced Customer Due Diligence procedures. This includes but is not limited to KYC (Know Your Customer) and AML (Anti-Money Laundering) verification to ensure compliance with regulatory standards. For more details see our CDD Redemption policy. • **Transfer Obligations:** Registered EURQ Account Holders are required to initiate a transfer of the specified EURQ from their self-hosted or third-party CASP wallet to the designated public address managed by Quantoz Payments as part of the redemption process. Non-compliance with this requirement shall lead to delays or the cancellation of the redemption request. • **Bank Account Requirements:** Registered EURQ Account Holders must fund their EURQ accounts solely through a euro-denominated bank account registered in their name. Only SEPA-compliant, Swiss, and/or UK bank accounts are accepted, and all transactions must be conducted in euros. **2.6 Prohibited Activities** • **Interference with Services**: Holders must not engage in actions that interfere with or disrupt the proper functioning of the EURQ services, servers, or networks (e.g. spam redemptions) • **Illegal Activities and Intellectual Property**: Holders are strictly prohibited from engaging in illegal activities, including fraud and money laundering. They must respect intellectual property rights, refraining from unauthorized use, reproduction, or modification of proprietary content. **2.7 Wallet Blacklisting and Freezing of TOKENS** • **Wallet Blacklisting**: Quantoz Payments reserves the right to blacklist addresses or freeze EURQ if they are linked to illegal activities or violations of the Terms. This may be done either at Quantoz Payments' discretion or as directed by the FIU. Any

		EURQ involved in blacklisted wallets may be frozen, EURQ Accounts terminated (if applicable), and related rights forfeited if required by a competent (supervisory) authority. **2.8 Compliance monitoring and Enforcement** • **General compliance**: Quantoz Payments may proactively monitor EURQ transactions to ensure compliance with relevant laws, including AML and Sanction Law. In case of violations, Quantoz Payments may block EURQ addresses or terminate Holder EURQ Accounts without prior notice if required by applicable laws and regulations or at the instruction of competent (supervisory) authorities. Depending on the severity of the violation, measures can include suspension, blocking, or full termination to maintain the integrity of the service and comply with applicable regulations. • **Redemption Compliance**: Redemption requests are subject to compliance checks, which must be successfully completed before the request is acknowledged. Registered EURQ Account Holders must transfer the specified EURQ TOKENS from their self-hosted or third-party CASP wallet to the public address managed by Quantoz Payments. Upon receipt of the TOKENS, the equivalent fiat value will be remitted to the Holder's verified bank account. **2.9 Restriction on Use and Distribution of EURQ** • **EURQ Use**: Holders may use TOKENS solely for their purposes and must not act as distributors unless they have a formal agreement with Quantoz Payments. This restriction is in place to ensure TOKENS are not misused for unauthorized purposes. **2.10. Reversibility of EURQ Transactions** • **Transaction Irreversibility**: EURQ transactions carried out by Holders are irreversible. Once a Holder sends EURQ to a specific address, they accept the risk of permanently or indefinitely losing access to or any claim on that EURQ. This may occur due to the following reasons: • The address was entered incorrectly, and the rightful owner cannot be identified; • The Holder loses or never had the private key associated with that address; • The address belongs to an entity unwilling to return the EURQ or;

		• The entity may be willing to return the EURQ but requires certain actions, such as verifying the Holder's identity. • Quantoz Payments has no obligation to track, verify, or determine the origin of EURQ balances or any associated security claims, unless explicitly required by applicable laws. • Quantoz does not initiate or execute any EURQ transactions other than issuance or redemption. For more details regarding the rights and obligations of EURQ holders, please refer to: https://quantozpay.com/terms/EURQ
D-2	Conditions of modifications of rights and obligations	Quantoz Payments reserves the right to periodically amend these rights and obligations. EURQ holders will be informed of such changes via updates to this white paper, the Redemption Policy on Quantoz' website, or any other valid communication channel. The rights and obligations of EURQ users may be subject to modification for example under the following conditions: • Compliance with applicable laws and regulations: changes may occur to ensure adherence to the prevailing laws and regulations within the operational territory of Quantoz Payments. • Improvement of services: modifications may be made to enhance the quality and efficiency of services provided to EURQ users, ensuring a better user experience and satisfaction. • Enhancing Security Measures: updates may be implemented to bolster security protocols, safeguarding user assets and data against evolving threats in the digital landscape. • A Force Majeure Event. As a result, it becomes impossible for Quantoz Payments to fulfil its obligations and the continuation of EURQ becomes definitively impossible. Notification of a force majeure event may be communicated through the Service, the official website, media outlets, or other appropriate channels. Proposed changes will be announced to holders with a 30-day notice period, allowing them time to review and prepare for the updates. However, if changes are required by a legally binding request from a competent authority or deemed necessary by Quantoz Payments to meet regulatory, legal, or compliance obligations, they will take effect immediately. Such immediate modifications will be communicated promptly, just as with other changes.

D.3	Description of the rights of the holders	Quantoz Payments upholds high standards for safe and sound financial management to mitigate risks of insolvency. In situations of financial distress or economic uncertainty, Quantoz Payments has established contingency plans to ensure the continuity of its operations, including the issuance of EURQ, and to protect the rights of EURQ holders. If Quantoz Payments is unable to meet its obligations or faces insolvency, EURQ reserves are safeguarded in full compliance with applicable laws. Specifically, funds received in exchange for the issuance of EURQ are shielded from any claims by other creditors of Quantoz Payments, including during enforcement or insolvency proceedings. In the event of financial distress or insolvency, Quantoz Payments will activate its Recovery and/or Redemption Plan, enabling EURQ holders to exercise their redemption rights, as detailed in Sections D.4 and D.5 below.
D.4	Rights in implementation of recovery plan	Quantoz Payments might take the following measurements to execute the recovery plan. • Restriction on Inflow of new customers As part of the recovery plan, Quantoz Payments might limit the number of new customers. This will help Quantoz Payments manage its resources better and keep the operations stable during challenging times. • Limitation on customer volume Quantoz Payments has the contractual right to limit the amount of funding its customers can do. This helps Quantoz Payments to manage its financial responsibilities and reduce potential risks. Quantoz Payments is committed to quickly inform customers about any such limits to ensure transparency and support effective cooperation. Other measurements may include • Liquidity fees on redemptions • Daily limits on the amount of EURQ that can be redeemed, set both at an aggregate level (e.g., as a percentage of the total tokens issued) and at the individual wallet level • Suspension of redemptions, as a last resort EURQ holders will be promptly informed of any such restrictions via the Quantoz Payments website.

		The recovery plan will be published within six months after publication of this white paper. This white paper will be updated to reflect the approved recovery plan, once regulatory authorization has been received.
D.5	Rights in implementation of redemption plan	Depending on the specific circumstances under which the redemption plan is triggered, Quantoz Payments may need to impose restrictions on the redemption of EURQ. EURQ holders will be notified of any such restrictions on the Quantoz Payments website. If the Redemption Plan is initiated, individual claims, as noted in Section D.1, will be temporarily suspended. Instead, Quantoz Payments will begin an organized redemption process for all token holders, conducted equitably, in accordance with the Redemption Plan and in cooperation with relevant authorities. As part of this process, a notice will be issued to inform all EURQ holders about the procedures and deadlines for submitting redemption claims. The notice will outline the main steps of the redemption process, including the exact date and time of the plan's activation, the required information for filing a claim, the submission location, and the timeframe within which EURQ holders must submit their claims. It will also provide essential details about redemption conditions and available technical support. Redemption requests submitted through the claim form will need to meet certain eligibility criteria, such as proof of identity, token holdings, AML/CFT compliance, bank account information, and other necessary details to complete the request. The redemption plan will be published within six months after publication of this white paper. The processes described in the Redemption Plan will be designed to ensure fair treatment for all EURQ holders and to protect their redemption rights. This white paper will be updated to reflect the approved redemption plan, once regulatory authorization has been received.
D.6	Complaint Submission Contact	Customers can file a complaint by sending an email to the following email address: support@quantozpay.com, with the word "complaint" in the subject. To handle complaints in the best possible way, the following information will be requested: • Full name of the Customer • The Customer Account Code provided by the Quantoz Payments • E-mail address • A description of the complaint

D.7	Complaints Handling Procedures	Upon receipt of a complaint the Staff involved with customer support will: • Assess the information sent by the Customer and confirm receipt of the complaint by email and informs the Customer within which period the complaint will be dealt with (which timeframe will in principle be 15 working days from the date of receipt of the complaint, save in exceptional circumstances). • The confirmation of receipt may – if applicable – comprise a request for additional information required to complete and commence handling the complaint. In such case the timeframe will commence after Quantoz Payments has received the additional information. • The complaint will be analyzed by the Customer support desk and relevant departments of Quantoz Payments. • Ultimately within 15 working days from the date of receipt of the complaint (or receipt of the additional information as applicable), inform the Customer of the outcome thereof, including possible compensation of damages incurred. This period may be extended up to 35 working days (in total) in exceptional circumstances which are not a result of an act or omission by Quantoz Payments, provided the Customer has been informed on the reasons for extension of the response period and agreed thereto. • The Customer will be given the opportunity to respond to the outcome of the complaints process within 10 working days. In case such response requires additional research or analysis into the complaint, the complaint will be re-assessed taking into account the information provided by the Customer. Quantoz Payments will send a final response to the Customer within 10 working days after having received the Customer's response. • The Customer will be informed that Quantoz Payments has finalized handling the complaint and that the complaints handling procedure will be closed. The Customer will also be informed and about the possibility of initiating legal proceedings through a civil court. • Close the complaint handling process and record the information and correspondence with respect to the complaint. Quantoz Payments has a complaints procedure in place with a view to resolve complaints in an efficient, effective, and professional manner and to minimize complaints and claims. The complaints

		procedure is available on the Quantoz Payments' website: https://www.quantoz.com/complaints
D.8	Dispute Resolution Mechanism	Quantoz Payments has a clear dispute resolution process for EURQ holders. In the event of a dispute, holders should submit their concerns in writing via email or official channels. The dispute will be promptly acknowledged and documented by a designated team member and then thoroughly investigated with input from relevant departments. Quantoz Payments' goal is to provide an initial response within ten business days outlining the steps being taken. If further investigation is required, holders will be kept informed of progress and timelines. If dissatisfied with the initial resolution, holders may escalate the matter to senior management for further review, ensuring higher level involvement for a fair outcome. If internal efforts fail to resolve the issue, holders may seek external resolution through legal channels or alternative dispute resolution methods, such as arbitration or mediation, as set forth in Quantoz Payments' EURQ Terms of Service. Committed to transparency, fairness and efficiency, Quantoz Payments maintains detailed records of each dispute in order to improve service and address systemic issues. This structured approach ensures that all disputes are handled professionally and promptly, and that the rights and interests of EURQ holders are protected.
D.9	Token Value Protection Schemes	YES
D.10	Token Value Protection Schemes Description	The amount of issued EURQ has a 1:1 correspondence with the fiat euro amounts and backed by a 100% reserve of which at least 30% is always deposited in a trusted bank account managed by the Quantoz Foundation. The remaining funds are invested in secure, low-risk assets that qualify as highly liquid financial instruments with minimal market risk, credit risk and concentration risk, in accordance with Article 54(b) in connection with Article 38(1) MiCAR and are denominated in euros. In the event of insolvency or financial instability of Quantoz Payments, these reserves are specifically designated to meet EURQ holders' redemption requests at par value, thereby protecting the value of the EURQ. Regular certifications verify the adequacy of these reserves, increasing transparency and trust.
D.11	Compensation Schemes	No

D.12	Compensation Schemes Description	N/A
D.13	Applicable law	The use of EURQ is subject to the laws of the Netherlands (the "**Applicable Laws**").
D.14	Competent court	Any legal action or proceeding arising from using EURQ shall be initiated before the District Court of Midden-Nederland in Utrecht, the Netherlands, except where Applicable Laws require providing for an alternative form of dispute resolution.

	PART E - INFORMATION ON THE UNDERLYING TECHNOLOGY	

E.1	Distributed ledger technology	Quantoz Payments issues EURQ on Ethereum and Polygon, two decentralized, open-source blockchains that enable smart contracts and decentralized applications (dApps). Launched in 2015 by Vitalik Buterin, Ethereum revolutionized blockchain technology by allowing developers to build and execute code through the Ethereum Virtual Machine (EVM), a runtime environment that ensures consistent execution of smart contracts across all EVM-compatible blockchains. Polygon, a Layer 2 scaling solution for Ethereum, enhances the scalability and efficiency of the Ethereum network by offering faster transactions and lower fees, while maintaining full compatibility with Ethereum's ecosystem. Ethereum's native cryptocurrency, Ether (ETH), powers both networks, compensating participants for validating transactions and running applications. Smart contracts on both Ethereum and Polygon are self-executing programs stored on the blockchain, automatically enforcing the terms of an agreement. By removing intermediaries, these contracts improve efficiency and transparency. Transactions on Ethereum incur "gas" fees, paid in ETH, while transactions on Polygon incur gas fees, paid in MATIC, to compensate network participants for the computational work needed to process and validate them. Gas fees fluctuate depending on network demand and can prioritize higher-fee transactions during times of congestion. With Ethereum's transition to Proof of Stake (PoS) ~~in~~ 2022, validators, rather than miners, now secure the network and confirm transactions, making it more energy-efficient and scalable. Overall, Ethereum and Polygon together serve as the backbone for a diverse range of decentralized finance (DeFi), non-fungible in tokens (NFTs), and other blockchain-based innovations

		EURQ is also issued on the Algorand blockchain, a highly scalable, secure, and energy-efficient platform designed to support decentralized applications and a wide range of digital assets. Founded by cryptographer and MIT professor Silvio Micali, Algorand aims to address the "blockchain trilemma"—achieving security, scalability, and decentralization simultaneously. Key Features of the Algorand Blockchain: • **Pure Proof-of-Stake (PPoS) Consensus**: Algorand uses a unique consensus mechanism called Pure Proof-of-Stake, which ensures security and decentralization without sacrificing speed. PPoS relies on the random selection of network participants to propose and validate new blocks, making it highly resistant to malicious activity while reducing the computational burden compared to traditional Proof-of-Work systems. • **Fast and Scalable Transactions**: Algorand is known for its low transaction latency and high throughput, capable of handling thousands of transactions per second. Block finality is achieved within seconds, providing users with confidence that transactions are completed without delay or risk of reversal. • **Energy Efficiency**: Thanks to its PPoS mechanism, Algorand is environmentally friendly, requiring minimal energy compared to other blockchains like Bitcoin and Ethereum. This efficiency supports Algorand's commitment to a sustainable blockchain ecosystem. EURQ is also issued on the XRP Ledger, a decentralized and energy-efficient distributed ledger designed for fast, low-cost, and secure value transfer. Originally launched in 2012, the XRP Ledger uses a federated consensus mechanism — the Unique Node List (UNL) model — to validate transactions deterministically without mining or staking. Its architecture enables near-instant settlement, high throughput, and minimal energy consumption, making it well-suited for payments and tokenized assets. **Key features of the XRP Ledger:** • **Federated consensus (UNL model):** Transactions are validated by a trusted set of nodes — the Unique Node List — that collectively agree on transaction order and validity, ensuring deterministic finality and network integrity. • **Native tokenization framework:** Assets such as USDQ are issued directly within the XRP Ledger's core protocol, eliminating the need for external smart contracts and reducing operational risk.

		• **Low transaction costs:** Transaction fees are paid in XRP, the network's native token, and are typically fractions of a cent, ensuring cost-efficient value transfer. • **Energy efficiency:** The absence of mining or staking results in minimal energy use, aligning with Quantoz Payments' sustainability objectives. EURQ is also issued on the Xahau network, a federated sidechain of the XRP Ledger, designed for secure and deterministic settlement. The network uses a Unique Node List (UNL) consensus mechanism that achieves fast and final transaction validation without mining or staking. Key Features of the Xahau Network: • **Federated Consensus (UNL Model):** Xahau's consensus is achieved through a defined set of trusted validators—its Unique Node List—who collectively agree on the validity and sequence of transactions. This provides deterministic finality, low latency, and resilience against network forks. • **Native Issued-Currency Tokens:** Assets such as EURQ are issued directly within Xahau's core ledger using its native issued-currency framework, eliminating the need for external smart contracts. • **Built-in Governance and Controls:** Xahau supports issuer-managed functions such as clawback and freeze capabilities, enhancing control and compliance across token lifecycles. • **Predictable, Low Transaction Fees:** Transactions are paid in XAH, the network's native token, with fees intentionally kept low to ensure stable and cost-efficient operation. • **Energy Efficiency and Finality:** The federated consensus model operates without mining or staking, enabling immediate finality and minimal energy consumption. Quantoz Payments may decide to issue EURQ on other distributed ledgers in the future. Quantoz Payments has neither the ability nor the obligation to prevent or address attacks or resolve any technical issues that may occur on any blockchain supporting EURQ.
E.2	Protocols and technical standards	**Ethereum and Polygon Blockchain** **Smart Contracts:** Smart contracts are self-executing agreements with embedded code that enforce terms and trigger actions when conditions are met. On Ethereum, they eliminate intermediaries and form the backbone of decentralized applications, executing reliably across its network. Polygon mirrors this functionality, deploying smart contracts with the same automation and trustlessness, but with

		significantly lower costs and higher speeds, amplifying Ethereum's capabilities for dApp developers and users alike. **Ethereum Virtual Machine (EVM) and Polygon Compatibility:** The Ethereum Virtual Machine (EVM) is the runtime environment where Ethereum's smart contracts are executed, ensuring consistent and deterministic computation using Ethereum's bytecode. Polygon, fully EVM-compatible, extends this framework by providing an optimized layer-2 environment. This compatibility allows developers to seamlessly port Ethereum-based code and dApps to Polygon, leveraging its scalability while maintaining the integrity of Ethereum's decentralized computation model. **ERC-20 Tokens:** Both Ethereum and Polygon support ERC-20 tokens, a technical standard defining fungible tokens that interact effortlessly with smart contracts and dApps. On Ethereum, ERC-20 tokens represent assets like stablecoins, utility tokens, or NFTs, forming the bedrock of its token economy. Polygon adopts the same standard, enabling these tokens to thrive with faster transactions and reduced fees, enhancing their utility across both networks while preserving interoperability. **Minting:** Minting refers to the creation of new ERC-20 tokens via a smart contract, increasing their total supply. This process is identical on both Ethereum and Polygon, though Polygon's efficiency makes it a more cost-effective option for token creation. **Issuing:** Issuing involves bringing ERC-20 tokens into circulation, often facilitated by entities like Quantoz Payments. Whether on Ethereum or Polygon, this step activates tokens for use, with Polygon offering a quicker and cheaper alternative for deployment. **Burning:** Burning permanently removes ERC-20 tokens from circulation by sending them to an unusable address, reducing total supply. While Ethereum supports this mechanism, Polygon's lower gas fees make it a more economical choice for token burns, aligning with its scalability focus. **Transactions:** ERC-20 token transactions involve transferring tokens between wallets, secured and recorded on the blockchain for transparency. On Ethereum, each transaction requires a gas fee paid in ETH, processed via its robust but sometimes costly network. Polygon accelerates this process, handling transactions with minimal gas fees paid in its native token, MATIC, while bridging to Ethereum for added security. A **public address** on either network acts as a unique identifier for receiving tokens, paired with a private cryptographic key—a secret code granting control over those tokens. Ownership hinges on the

		private key, ensuring only the rightful owner can authorize transactions, a security feature shared by both Ethereum and Polygon. EURQ is an ERC-20 Token on Ethereum and Polygon. Minting and burning of EURQ will only be performed by Quantoz Payments by interacting with the EURQ smart contract. The smart contract includes a balance with which all EURQ public addresses will interact. **Algorand Blockchain** **Algorand Standard Asset** (ASA) tokens are a framework within the Algorand blockchain for creating and managing on-chain assets. ASA tokens allow users to tokenize almost any type of asset directly on the Algorand blockchain, including stablecoins. ASA features include: **Customizable Asset Parameters:** ASA creators can define parameters such as asset name, total supply, decimals, and asset metadata. They can also configure permissions like freezing, clawback (reclaiming assets), and whether the asset is divisible or not. **Native Layer-1 Support:** ASAs are native to the Algorand Layer-1 protocol, meaning they're built directly into the blockchain's base layer. This integration ensures security, high-speed transactions, and low fees. **Permissioned and Permissionless Options:** ASAs can be configured to suit different needs, supporting both permissionless (open to all) and permissioned (restricted access) assets, which is useful for regulatory compliance. **Flexible Asset Management:** ASAs can be managed by designated accounts, enabling functions like minting, freezing, or clawback, giving issuers control over the asset's lifecycle. **High Throughput and Scalability:** Built on Algorand's Pure Proof-of-Stake (PPoS) blockchain, ASAs benefit from Algorand's high-speed, scalable, and energy-efficient platform. EURQ is an ASA on the Algorand blockchain. Minting and burning of EURQ will only be performed by Quantoz Payments by interacting with the Algorand network. The ASA includes a balance with which all EURQ public addresses will interact via transactions on the Algorand blockchain. EURQ holders can transfer their EURQ using their private cryptographic key to sign the transactions, which are integrated into a new block and sent to the Ethereum, Polygon, or Algorand network once validated, without any action or control by Quantoz Payments or any third party. **XRP Ledger**

		Issued-Currency Model The XRP Ledger natively supports token issuance through its issued-currency (IOU) framework, a built-in feature of its core protocol. Tokens like USDQ are represented as issued-currency balances, not through smart contracts. Each token exists within the ledger's trust line architecture, which records obligations between accounts and ensures transparent, auditable ownership. **Minting and Burning** Quantoz Payments issues and redeems USDQ directly via its designated issuer account on the XRP Ledger. When USDQ is minted, new issued-currency tokens are credited to customers' trust lines. When burned (redeemed), the corresponding amount is removed from circulation and the ledger balance reduced. **Transaction Validation** Transactions are validated using the Unique Node List (UNL) consensus model, where trusted validators collectively confirm transaction order and integrity within seconds. This guarantees deterministic finality and removes the need for mining or staking. **Controls and Compliance Functions** The XRP Ledger includes issuer-managed capabilities such as account freeze and authorized trust lines, which allow Quantoz Payments to maintain compliance with regulatory and supervisory obligations (for example, AML/CFT or sanctions). **Transaction Costs and Efficiency** All transactions incur a minimal fee paid in XRP — typically fractions of a cent — ensuring cost-efficient, scalable operations. USDQ issued on the XRP Ledger exists as a native issued-currency token, managed entirely within the protocol layer and fully backed 1:1 by reserves held by Quantoz Payments. **Xahau Network** Xahau is a federated sidechain of the XRP Ledger that provides a secure, efficient, and deterministic environment for asset issuance and settlement. It operates using a Unique Node List (UNL) consensus mechanism, where a supermajority of trusted validators agree on the order and validity of transactions. This design ensures immediate transaction finality without mining or staking, offering predictable, low-latency, and energy-efficient performance. Xahau supports native issued-currency tokens, meaning EURQ is created directly within the ledger's core protocol rather than through smart contracts. This enables Quantoz Payments to issue, transfer, and redeem EURQ using standard ledger operations while maintaining

		issuer oversight through built-in clawback and freeze functionalities to ensure compliance with supervisory and regulatory obligations. **Hooks and Limited Programmability** Xahau introduces "Hooks," on-ledger code snippets that allow limited programmability and conditional logic for transactions without complex smart contracts. Hooks can automate compliance rules, risk thresholds, or approval flows while preserving ledger determinism and network integrity. **Minting and Burning** All EURQ tokens on Xahau are minted and burned exclusively by Quantoz Payments via its designated issuer account. Quantoz Payments performs ongoing due diligence on Xahau's governance, validator diversity, and operational reliability before and after integration to ensure continued compliance and network security. **Transactions and Costs** Transactions are validated through Xahau's UNL consensus mechanism, achieving deterministic finality and high throughput. Transaction fees are paid in XAH, the network's native token, and are deliberately kept low to ensure stable and cost-efficient operations.
E.3	Technology Used	Quantoz Payments uses technology services to manage the EURQ operations: • A service to KYC / AML primary market participants. • A service to monitor EURQ on-chain. • A service to create and manage EVM blockchain transactions for the issuance and redemption of EURQ. • A secure method for managing access to its own digital wallets as held by QP by implementing multi-signature technology on EVM-compatible wallets. This approach enhances security by requiring multiple approvals for transactions, making it safer for EURQ holders and the EURQ ecosystem itself.
E.4	Purchaser's technical requirements	EURQ Holders can either manage their EURQ tokens in self-custody, or in a custody solution provided by a Crypto Asset Service Provider (a third-party CASP). To manage EURQ tokens in self-custody, the holder must fulfil several technical requirements: • The holder needs a digital wallet compatible with ERC-20 tokens on Ethereum and Polygon, a digital wallet compatible with ASA tokens on Algorand, or a wallet that supports issued-currency tokens on the XRPL or Xahau network.

		• The holder must also securely generate and store public and private keys. The public key receives EURQ tokens, while the private key is necessary for accessing and authorizing transactions. Secure storage of the private key is crucial, as it grants control over the tokens. • The digital wallet must be correctly set up and connected to the respective blockchain network (Ethereum, Polygon, Algorand, XRPL or Xahau). • The holder must have sufficient native tokens to cover transaction fees, ensuring that transactions can be processed and validated on the respective blockchain (ETH for Ethereum, MATIC for Polygon ALGO for Algorand, XRP for XRPL and XAH for Xahau).
E.5	Consensus Mechanism	Ethereum and Polygon both leverage the Proof of Stake (PoS) consensus mechanism, each adapted to their unique purposes within the blockchain landscape. Ethereum, a leading layer-1 blockchain, adopted PoS with Ethereum 2.0, requiring validators to stake ETH as collateral in a smart contract to participate. Polygon, designed as a layer-2 scaling solution, mirrors this approach by having validators stake MATIC, its native token, to secure its network, enhancing Ethereum's ecosystem with faster, cheaper transactions. On both networks, validators are chosen based on their staked amounts, tasked with verifying new blocks and occasionally propagating their own. Ethereum's validators uphold its standalone chain, supporting a vast array of dApps and smart contracts. Polygon's validators, however, operate on a secondary layer, batching transactions for efficiency and committing them to Ethereum for final settlement, underscoring its role as a scalability booster rather than a rival. To ensure integrity, both systems penalize dishonest validators by slashing—destroying a portion of their staked ETH or MATIC—if they attempt to defraud the network. While Ethereum's PoS secures its entire blockchain, Polygon's focuses on layer-2 optimization, relying on Ethereum's layer-1 for ultimate security. This synergy highlights Polygon's complementary mission: scaling Ethereum without supplanting it. More information about the consensus mechanisms is available on this page of the Ethereum website: https://ethereum.org/en/developers/docs/consensus-mechanisms and on this page of the Polygon website: https://polygon.technology/polygon-pos

		The Algorand blockchain uses a decentralized Byzantine Agreement protocol that leverages pure proof of stake (Pure PoS). The decentralized Byzantine Agreement protocol is a method for multiple computers (nodes) in a network to agree on a single truth, even if some nodes are faulty or malicious. Each node shares information and votes on the consensus. Through multiple rounds of communication and majority voting, honest nodes eventually converge on the same agreement, ensuring the system's reliability and security despite potential disruptions or false information from some participants. This means that it can tolerate malicious users, achieving consensus without a central authority, as long as a supermajority of the stake is in non-malicious hands. This protocol is very fast and requires minimal computational power per node, giving it the ability to finalize transactions efficiently. More information about the consensus mechanism is available on the Algorand website: https://algorandtechnologies.com/ **XRP Ledger** The XRP Ledger employs a Federated Consensus mechanism in which validators reach agreement on transactions through the Unique Node List (UNL). Validators are not rewarded with newly issued tokens or staking returns; instead, their participation is motivated by reputation, institutional reliability, and long-term ecosystem commitment. Transaction fees on the XRP Ledger are paid in XRP, the network's native token. These fees are **extremely low** (typically fractions of a cent) and serve primarily to prevent network spam and compensate validators for operational costs. Users must maintain a minimal balance of XRP in their wallet to cover these transaction costs when transferring USDQ on the XRP Ledger. **Xahau Network** The Xahau network operates under a Federated Consensus model based on a Unique Node List (UNL), similar to that of the XRP Ledger. Each validator maintains a list of trusted nodes, and consensus is achieved when a supermajority of these nodes agree on the validity and sequence of transactions. This system ensures deterministic finality and very low transaction latency, as transactions become final immediately upon validator agreement. Unlike Proof of Work or Proof of Stake mechanisms, Xahau's federated model does not require mining or staking, resulting in minimal energy consumption and low operational complexity. Validator diversity and transparency are supported through an open registry that enables auditability and reduces systemic risk, making the network resilient against 51% or Sybil-type attacks.

		Further technical details on Xahau's consensus mechanism are available at: https://xahau.network/about/
E.6	Incentive Mechanisms and Applicable Fees	**Ethereum and Polygon** Validators secure both Ethereum and Polygon networks through the Proof of Stake (PoS) consensus mechanism, earning transaction fees and staking rewards as incentives for acting honestly. On Ethereum, rewards are distributed to validators based on their staked ETH and participation in consensus, while on Polygon, validators receive rewards proportional to their staked MATIC and involvement in the process. Transaction, or "gas" fees on Ethereum are assessed based on transaction complexity and network congestion, paid by users (e.g., EURQ-holders) in ETH to incentivize validators to include and prioritize transactions in blocks. Similarly, Polygon's gas fees, paid in MATIC, reflect transaction complexity and network demand, encouraging validators to process and prioritize transactions efficiently on its layer-2 scaling network, which enhances Ethereum's performance. **Algorand** The Algorand blockchain uses a decentralized Byzantine Agreement protocol that leverages Pure Proof of Stake (PPoS). In PPoS, users are randomly selected to propose and validate blocks based on their stake in the network. This ensures a decentralized and secure transaction validation process. As for fees, Algorand employs a fee model that is designed to be low-cost and predictable. The standard transaction fee on the Algorand network is a fraction of Algos, the native cryptocurrency of the network, and it typically remains constant regardless of network congestion. For EURQ transactions, the user must pay the Algorand blockchain transaction fee (currently 0,001 Algo). **XRP Ledger** The XRP Ledger employs a Federated Consensus mechanism in which validators reach agreement on transactions through the Unique Node List (UNL). Validators are not rewarded with newly issued tokens or staking returns; instead, their participation is motivated by reputation, institutional reliability, and long-term ecosystem commitment. Transaction fees on the XRP Ledger are paid in XRP, the network's native token. These fees are **extremely low** (typically fractions of a cent) and serve primarily to prevent network spam and compensate validators for operational costs. Users must maintain a minimal

		balance of XRP in their wallet to cover these transaction costs when transferring USDQ on the XRP Ledger **Xahau network** The Xahau network operates using a Federated Consensus model derived from the XRP Ledger's Unique Node List (UNL) system. In this model, a defined set of trusted validators agree on the validity and order of transactions, achieving deterministic finality without staking or mining. This mechanism enables fast confirmation times and predictable network behavior while maintaining low energy consumption. Transaction fees on the Xahau network are paid in XAH, its native token. These fees are small, fixed, and designed primarily to prevent spam and cover the operational costs of validators. Unlike Proof of Stake systems, Xahau validators do not receive staking rewards; instead, they participate to maintain network reliability and integrity. EURQ holders must maintain a minimal balance of XAH to cover these transaction fees when transferring EURQ on the Xahau network.
E.7	Use of own Distributed ledger technology	No
E.8	DLT Functionality Description	N/A
E.9	Audit	Quantoz: Yes: Since 2020, an external ISO/IEC 27001 audit for the Quantoz organisation is performed every year. Ethereum and Polygon Smart Contracts: Yes: The EURQ Ethereum and Polygon Smart Contracts use the ERC-20 contract implementation. Audit of the smart contract implementation was performed by Chainsecurity. Algorand: A comprehensive audit of the Algorand blockchain technology was conducted. The audit verified that Algorand's layered architecture, and cryptographic primitives ensure the confidentiality, integrity, and availability of transactions and data on the blockchain.
E.10	Audit outcome	Quantoz: Since 2020, the Quantoz organization is an ISO/IEC 27001 certified company. With this ISO certificate, Quantoz demonstrates that it has implemented an information security management system in which all processes and procedures have been carefully designed and tested according to the international ISO standards.

		Layerzero, Ethereum and Polygon Smart Contracts: The outcome of the used ERC-20 smart contract audit is: no known vulnerabilities. Algorand: A publication about the blockchain assessment is available on the Quantoz Technology website https://www.quantoz.com/blog/which-ledgers-fit-for-token-applications

	PART G - INFORMATION ON THE SUSTAINABILITY INDICATORS IN RELATION TO ADVERSE IMPACT ON THE CLIMATE AND OTHER ENVIRONMENT-RELATED ADVERSE IMPACTS	

G.1	Adverse impacts on climate and other environment-related adverse impacts	Quantoz Payments is committed to providing clear and detailed information on the environmental impacts of its operations. As of August 8, 2025, EURQ has been issued on the Ethereum, Polygon, and Algorand blockchains. EURQ is currently in circulation only on Ethereum, where it is issued as an ERC-20 token. On Polygon (ERC-20) and Algorand (ASA), EURQ has been issued but is not yet in circulation. Between October 10, 2024, and August 8, 2025, a total of 8,272 EURQ transactions were recorded on the Ethereum blockchain. Ethereum operates on a Proof of Stake (PoS) consensus mechanism, with estimated electricity consumption per ERC-20 transaction ranging from 0.03 to 0.05 kWh, depending on network congestion and smart contract complexity. For EURQ on the Polygon blockchain, which also uses a PoS consensus mechanism, expected energy consumption per ERC-20 transaction is in the same range as Ethereum, though typically lower due to Polygon's scaling efficiencies. The EURQ token is also available on the Algorand blockchain, which uses a Proof of Stake (PoS) consensus mechanism. The estimate for the electricity consumption per transaction for contemporary throughput of Algorand consensus is 0,000008 kWh/transaction. The calculation method is available on the Algorand website: https://algorandtechnologies.com/news/sustainable-blockchain-calculating-the-carbon-footprint