

# MOCK UP REPORT

## Crypto Compliance - AML TYPES

For the time being, we have opted for seven types of cryptocurrency owner groups, and a **coloring scheme** to foster an **intuitive** reading of our reports. In time we'll expand our classes to include: criminal (Drug sales, ransomware money laundering, terrorist financing, human trafficking, child exploitation), ATM, Anchor Transaction

The information about which owner belongs to which type is gathered by our **algorithms** as well as in **cooperation** with state and private agencies.

Type	Miner	Exchange	Services	Gambling	Mixing	Scammers	Dark Web
Population	40	150	112	84	5	42	38
RGB	R: 50 G: 144 B: 58	R: 94 G: 205 B: 91	R: 83 G: 239 B: 93	R: 252 G: 195 B: 56	R: 238 G: 163 B: 56	R: 231 G: 91 B: 9	R: 234 G: 48 B: 42
HTML code	#398D3F	#56CE6A	#53EF5D	#FCC338	#EEA338	#E75B5D	#EA302A

Secondary flag will give us:

- ▲ Risky transaction
- ▲ Three hops from stolen coin
- ▲ Risky entity
- ▲ Good entity
- ▲ No secondary flag

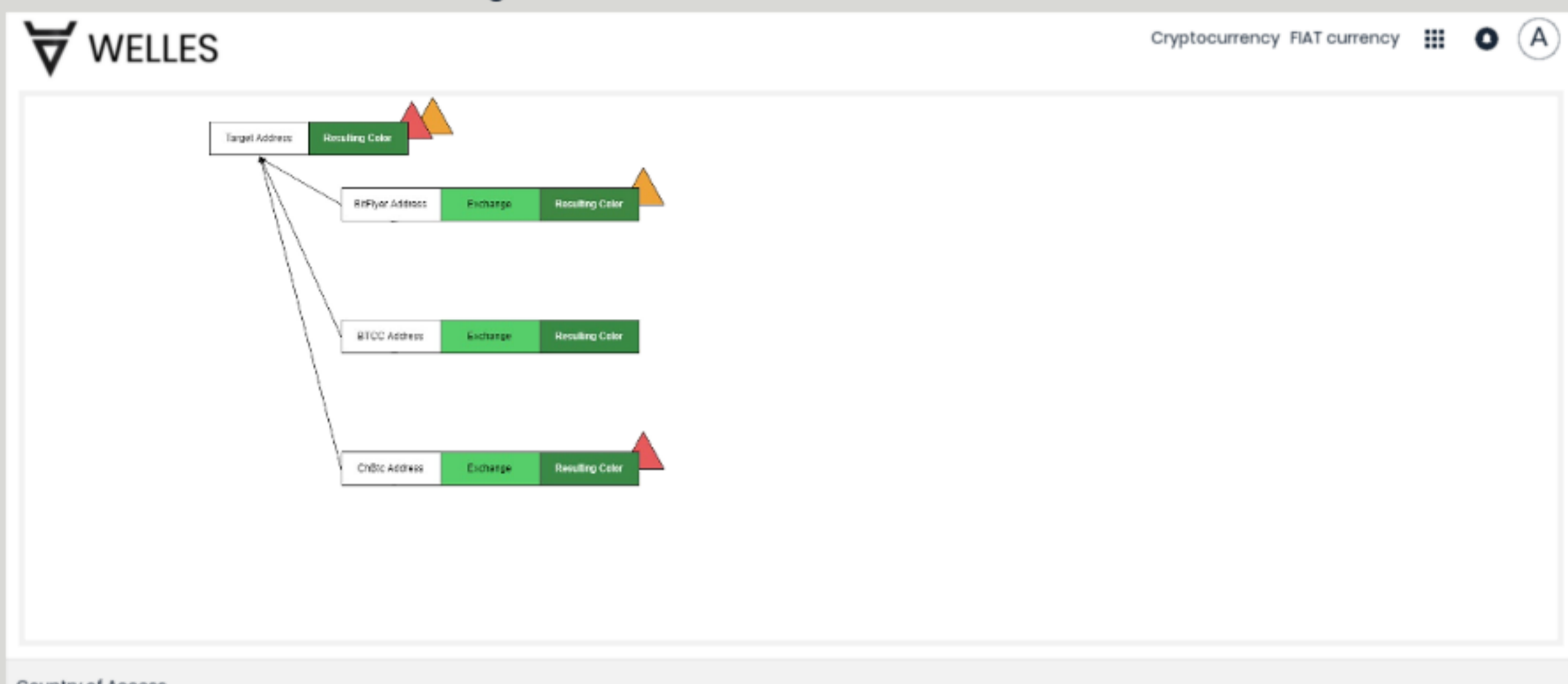
Every **result** will be followed by percent of **risk** \_%.

## Steps to Use WELLES AML Service - AML FLOW

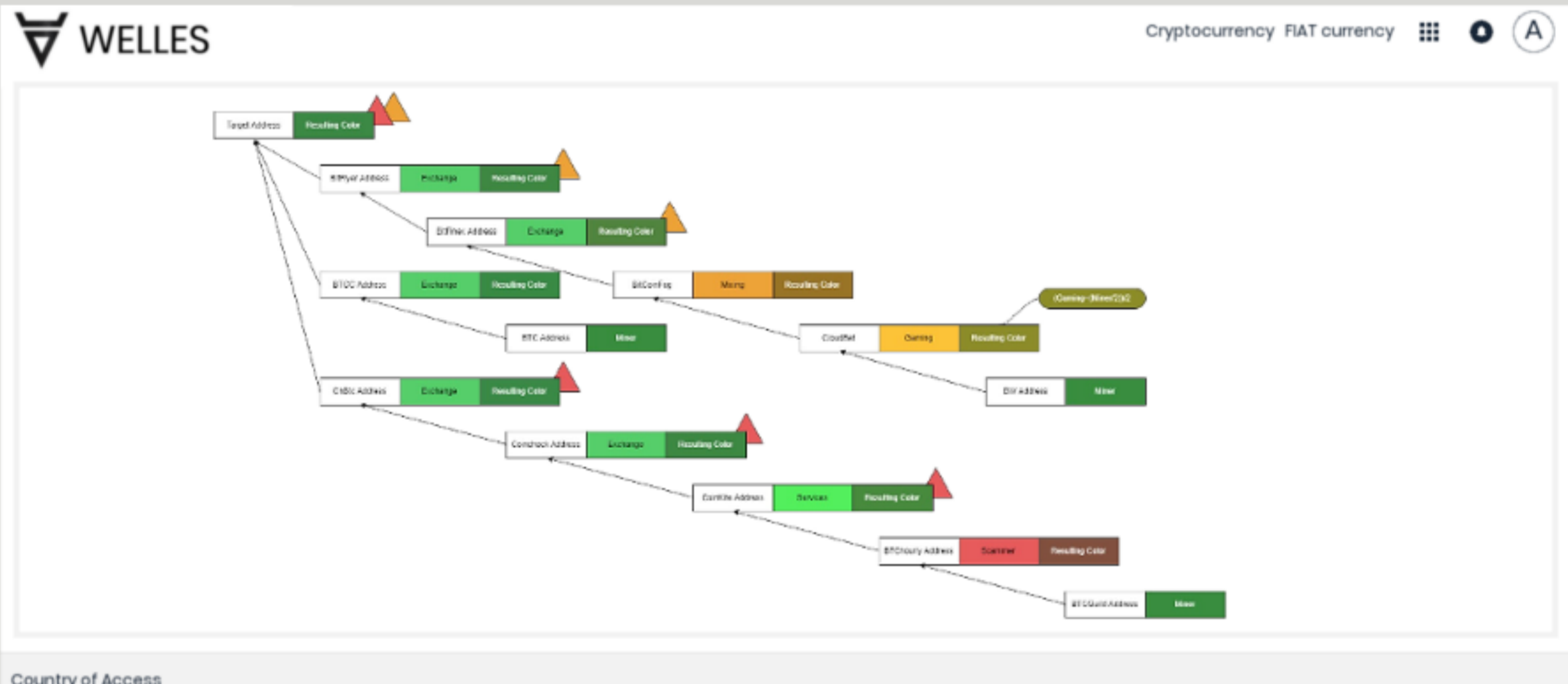
1. Search for Address



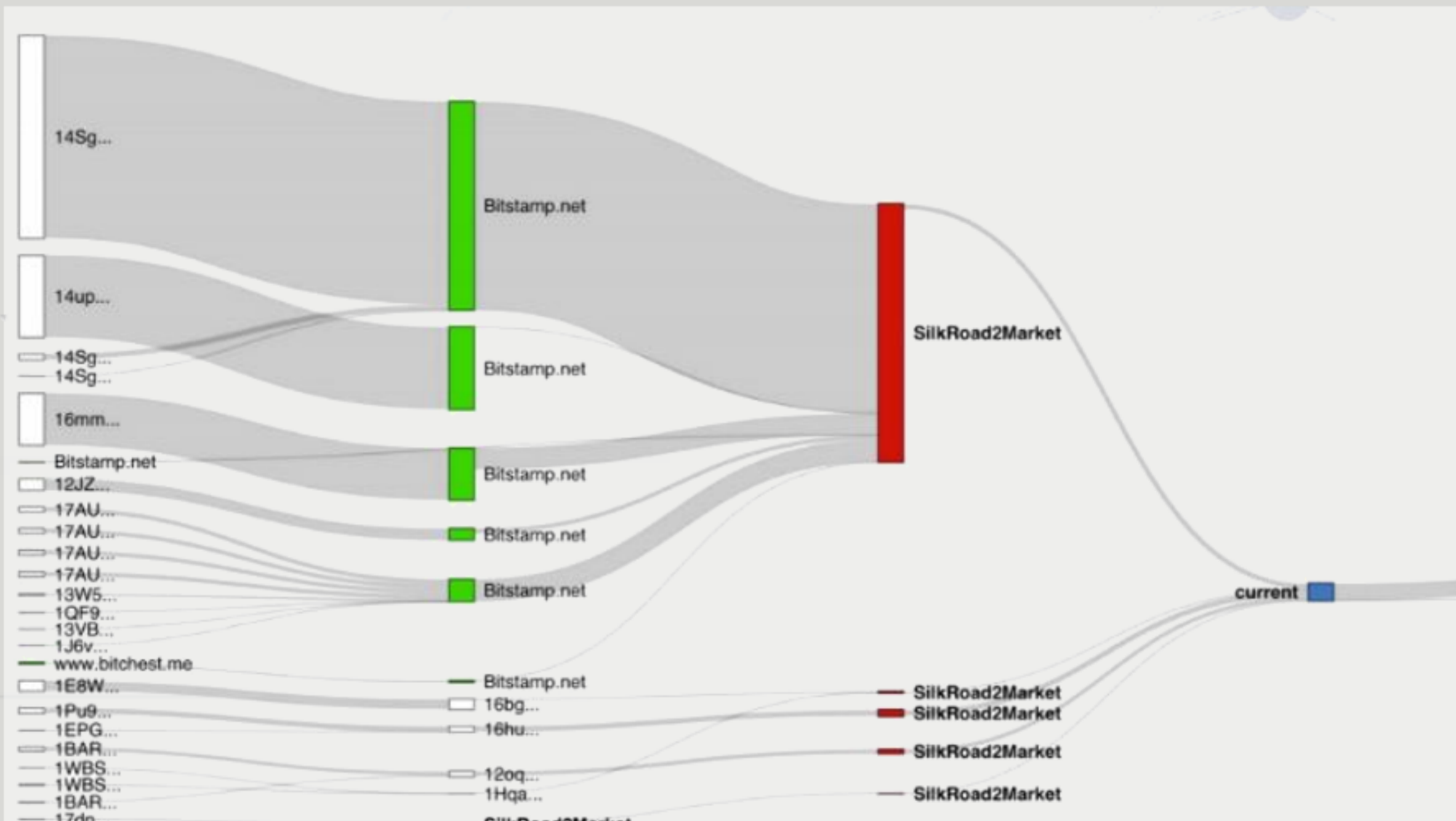
2. When address is entered we get different level of details on certain address - Interactive View



3. If we want more info we click on address



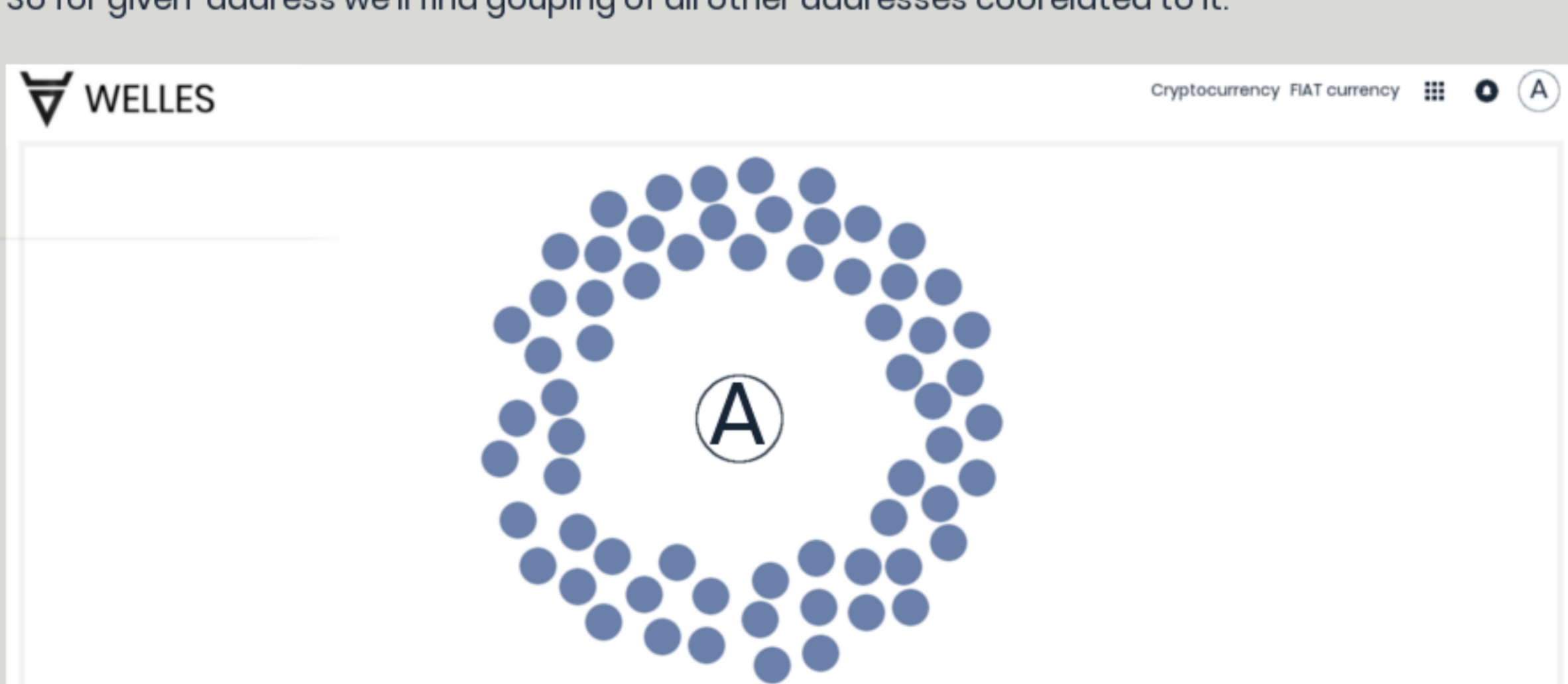
4. Follow flow of transactions to the root one



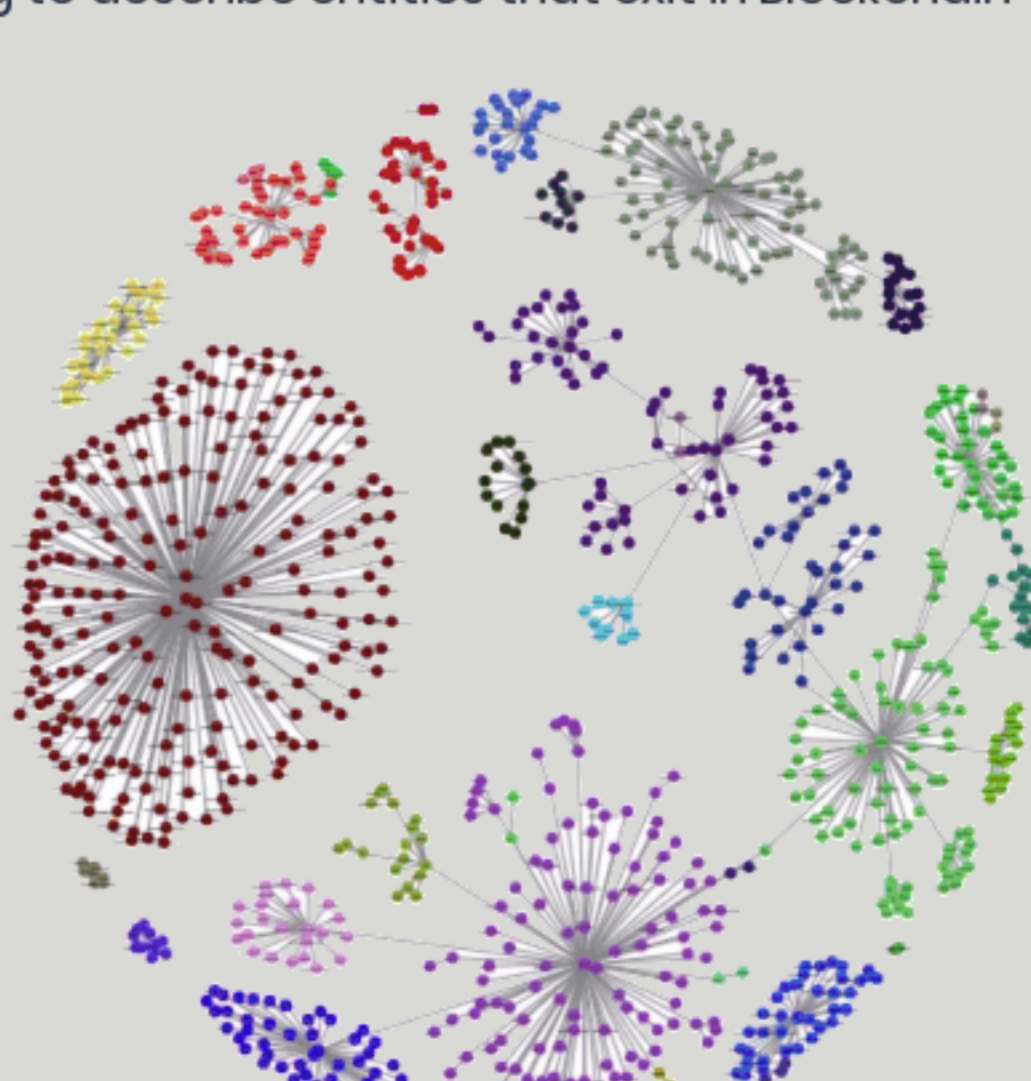
## Steps to Use WELLES AML Service - AML GROUPING

4. In separate section we can see **Grouping view** this will enable customers: To know with certain probability with whom is owner of certain set of addresses; and to check if the owner has hidden addresses.

So for given address we'll find grouping of all other addresses correlated to it.



Then we can make grouping to describe entities that exist in Blockchain



Our report will show all the data and the risks of accepting this asset. The customer makes the final choice. We'll use multiple sources of info and we'll categorize our results in three cases:

- First case:** for which we give red flag and guarantee that it's illegal coins with 100%
- Second case:** we'll assign probability of that it's illegal coins from 1% to 99%
- Third case:** is coins for which we can guarantee that are totally legal, i.e. the risk rate is 0% for the customer to handle this asset.

In a nutshell, the tool has to analyze the transaction history of each asset in each wallet/portfolio and compare it against all known Money Laundering schemes, and then issue a report on the risks of handling this kind of resources.

Our algorithms will enable Real Time API and incrementally calculate the risk rates. One of cornerstone idea is to use transaction data and standard behaviour, then econophysics and stochastic models to group accounts to user.