

Fintech, Crypto and Digital Assets



K2 Integrity is a global preeminent risk, compliance, investigations, and monitoring firm—built by former regulators and industry leaders, driven by interdisciplinary teams, and supported by cutting edge technology to safeguard our clients’ operations, reputations, and economic security.

Addressing Market Risks

The rise of virtual assets has made financial transactions easier, faster, and cheaper—but the virtual asset industry has also struggled with a lack of centralized regulatory framework which has introduced a myriad of risks.

At K2 Integrity, we work with our clients to proactively address the risks associated with virtual assets and new technologies; a necessary step toward stabilizing the market and achieving integration.

Our Virtual Asset Clients Include:

- ▶ Virtual Asset Service Providers (VASPs)
- ▶ Web3 Startups
- ▶ NFT Marketplaces
- ▶ Financial Institutions
- ▶ FinTechs
- ▶ Investors
- ▶ Governments and Regulators

Our Approach

In a complex and rapidly changing world, we work to develop solutions, stimulate business opportunities, and shape global economic security. Clients come to us for our unique blend of regulatory and industry expertise. Our subject matter experts have experience with international standards, leading industry practices, and country-specific requirements across the globe as well as U.S. financial crime prevention rules such as the USA PATRIOT Act, the Bank Secrecy Act (BSA), and the Office of Foreign Assets Control (OFAC). Our team comprises former regulators and industry experts from leading Fintechs, experienced at developing novel risk and compliance solutions and leveraging our deep networks to deliver trusted advisory on emerging industry practices.

Multidisciplinary Teams

We know where cryptocurrency regulation is headed because our people have been policymakers in this space and have worked in-house at financial institutions and FinTech companies driving and developing virtual asset compliance policies and programs. Our senior practitioners include former regulators, policy makers, compliance officers, prosecutors, technology, and cybersecurity experts.

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Our Services

K2 Integrity is uniquely positioned to help financial institutions, governments and regulators, virtual asset service providers (VASPs), web3 startups, NFT marketplaces, and other emerging service providers to proactively navigate and manage the risks of virtual assets and their related technologies.

Our virtual asset clients include some of the biggest names in the crypto industry—all of which have a broad vision for the market and their place in the virtual asset ecosystem. Together we have helped our clients navigate a complex and rapidly evolving regulatory landscape, develop first-of-their kind risk and compliance solutions, and establish safe and sound operations for leading innovators re-envisioning what value transfer might be in the coming decades.

Sample services have included:

- Design, creation, validation, and implementation of fit-for-purpose, innovative financial crime compliance programs designed to meet all current regulation and flexible enough to accommodate inevitable changes, including risk assessments, organization design and review, and policy and procedural development.
- Provision of national virtual assets/virtual asset service provider risk assessments for government authorities in accordance with FATF guidance.
- Development of guidance for Central Bank authorities on virtual asset service provider risks and supervision requirements.
- Point-in-time and ongoing strategic advisory services, to navigate individual compliance questions and emerging circumstances, as well as providing ongoing “virtual chief compliance officer” protections to aid companies in their development.
- Design and implementation of controls to support risk mitigation and digital identity authentication to mitigate potential terrorist financing and economic sanctions risks.
- Creation of a financial intelligence function at a blockchain protocol level and an individual institution level to support best-in-class investigation and management of risk.
- Assessment and deployment of transaction monitoring and surveillance programs, including both the use of major industry vendors and home-built approaches, to detect potential fraud, money laundering, and other illicit transactions.
- The training, testing, and certification of VASP staff and the financial industry more broadly to support effective risk management and address regulatory expectations.
- Managed services to support growing operational workflows as control frameworks are implemented.
- Regulatory support with registration and licensing approval with various regulatory authorities: U.S. Department of the Treasury’s Financial Crimes Enforcement Network (FinCEN), New York State Department of Financial Services (DFS) BitLicense, other U.S. state-level entities, the UK Financial Conduct Authority, Dubai Financial Services Authority, etc.
- Investigations and source-of-wealth documentation and other bespoke advisory services to allow safe onboarding of individuals with wealth generated from the cryptosphere and advisory for private banking clients, investment funds, and family offices that seek to invest in the virtual assets ecosystem.

Blockchain Analytics Partnerships

K2 Integrity is committed to staying at the forefront of digital asset investigations. We invest in partnerships with leading blockchain analytics providers, like TRM Labs, combining premier blockchain forensics and compliance tools with K2 Integrity’s deep expertise in risk management, investigations, and compliance advisory to help leading global institutions and public sector authorities understand risks in virtual assets and develop strategies to mitigate those risks. K2 Integrity works closely together with blockchain analytics providers and digital asset ecosystem participants to enhance connectivity between traditional finance (TradFi), virtual asset service providers, and public sector agencies to enable the growth, safety, and scalability of blockchain technologies and virtual assets.