

CASE STUDY

ASSET MANAGERS

How Ledger Enterprise Empowers
Crypto4Winners to Succeed in Web3



Why digital asset managers like Crypto4Winners (C4W) partner with Ledger Enterprise:

- **Maximum security:** paramount protection of clients' assets ensured by the most robust and trusted end-to-end security technology infrastructure on the market;
- **Flawless governance:** agile and customizable governance workflows and funds management mechanisms to fit every organization's needs like a glove;
- **Long-term partnership:** ensuring the support of one of the industry's engines, willing to go the extra mile to empower institutions to rise above the competition and leverage the unrivaled opportunities of Web3.

The challenges and pain points Crypto4Winners (C4W) faced are typical for organizations looking for a safe way to navigate the digital asset industry and capitalize on the arising opportunities.

The decisive factor is how companies choose to address those challenges. Their approach can be the difference between a painful experience and a seamless journey. By partnering with Ledger Enterprise, Crypto4Winners opted for the latter.



■ MAXIMUM SECURITY

C4W is a digital asset manager providing its clients with actively-managed cryptocurrency pools for a variety of assets. The investment objective of each pool is capital appreciation and maximization of absolute returns.

C4W IN NUMBERS

3

Pools
(BTC/ETH/USDT)

Crypto4Winners applies a diversified mix of approaches, including long-term exposure, intraday trading, scalping, staking, and lending. As a part of its daily operations, C4W interacts with clients' funds, liquidity providers, and crypto exchanges.

20M+
AUM

This unique set of operational characteristics had planted several obstacles on C4W's way to building a next-generation service with industry-leading security practices, flexible governance mechanisms, and long-term growth opportunities.

2019
Creation
date

Securing Operations in a Rapidly-Expanding Risk Universe

As of Q1, 2021, crypto funds collectively managed \$57.5 billion globally. Figures like these put digital asset managers on the radar of cybercriminals, whose arsenal is becoming more sophisticated by the day. As a result, not only is the number of attacks growing, but also their complexity.

The problem is even more glaring in the world of decentralized finance (DeFi). Since 2019, there has been over 1,600% growth in the amount stolen from DeFi platforms, exceeding all other types of thefts. Findings like this explain why investors consider security the primary barrier to entering the digital asset niche.

As an asset manager, C4W was determined to ensure the highest possible level of protection for its crypto holdings and treasury management operations by employing the best the industry can offer.



Furthermore, in its daily activities, C4W deals with many high-value transactions. Moving funds from one point to another is a sweet spot for cybercriminals. As a result, C4W needed a security solution capable of safeguarding the transaction process at all times – from initiation to execution and post-trade processes.

Ensuring Maximum Security through Ledger Enterprise’s Battle-Tested Technology

Since C4W didn’t want to compromise regarding security, it chose to partner with Ledger Enterprise as the company behind the most secure digital asset storage technology globally. Ledger’s solution meets and exceeds the most stringent global security standards, which proved to be precisely what C4W was looking for.



Since 2014, Ledger has been the preferred security technology provider for both the retail and the institutional parts of the market, maintaining a 100% stellar reputation and no reported cases of security breaches. Today, over 15% of the global digital asset value is safeguarded in Ledger’s technology, with an average value per transaction of \$1 million.

Ledger Enterprise’s end-to-end security technology complies with the most stringent SOC Type II security standards. The battle-tested security platform ensures unparalleled protection and flawless key management at rest and during transactions. Thanks to this unique model, it has never been compromised.

The technology infrastructure employs advanced sharding and multi-signature mechanisms and dedicated physical hardware (Hardware Security Modules and Personal Security Devices).



The application of tamper-proof PSDs as the sole way for C4W to engage with its assets under management and the private keys eliminates security risks during transaction validations without compromising daily usability. This unique, hardware-first approach is the golden standard in eliminating the risk of malicious attacks, collusion, or negligence. Furthermore, all assets stored on Ledger's self-custody technology solution are 100% recoverable, independently of any third party – including the solution provider itself.

Another added benefit for C4W is the chance to lean on Ledger Donjon, an internal Research Security and Attack Lab with a world-class security experts team, working tirelessly to ensure institutions' funds are protected at all times. That way, the asset manager is always a step ahead of cybercriminals and protected from all kinds of security risks, no matter their complexity.

The partnership with Ledger Enterprise ensures C4W's clients the peace of mind that their assets are stored in a tamper-proof ecosystem backed by state-of-the-art insurance with coverage up to \$150 million.

■ FLAWLESS GOVERNANCE

The Challenge of Designing Flawless and Agile Governance Models

PwC's annual hedge funds report signals crypto hedge funds' willingness to reduce their dependency on custodians - a reflection of self-custody technology platforms' growing popularity. Nowadays, exchanges, banks, and investment firms are increasingly looking to manage their clients' funds in-house and retain complete control of the transaction process.

This applies even more strongly in the case of C4W. The asset manager relies on a blend of intraday, short-term, and long-term strategies.



Managing multi-strategy funds imposes very specific governance requirements. It demands a solution to honor the different execution requirements and ensure continuous 24/7 access to clients' funds. Regarding C4W's investment approach, the asset manager had to make sure that no more than 50% of the assets were allocated to active trading pools.

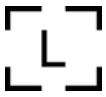
Furthermore, C4W's latency-sensitive trading strategies dictated the need for an agile solution with minimal response time to allow for the timely capturing of short-lived market opportunities.

Next comes the fact that the asset manager's daily operations involve continuous two-way interactions with clients, exchanges, liquidity providers, and more. This demanded a complex governance model capable of handling transaction initiation, verification, and authorization at all times and with no limitations.

Lastly, the organizational structure of C4W is very compact. To optimize its work processes and streamline resource allocation, the asset manager needed a fully-automated, highly-efficient technology solution that wouldn't impose the additional burden of governance framework management. The silver bullet for C4W's needs was a solution, combining a robust layer of governance with agility and straightforward implementation and management.

Ledger Enterprise's Solution – the Gateway to Robust and Customizable Governance Frameworks

Ledger's treasury management solution fitted C4W's governance needs like a glove. The technology's advanced governance module allows the asset manager to create scalable workflows and tailor the entire transaction process according to its operational needs.



As a result, C4W can now define, edit and modify unique governance and conditional authorization workflows. The management has the freedom to tailor the governance framework to its organizational needs and assign as many operators as needed, ensuring granular control over clients' funds.

The sophisticated governance mechanisms embedded in the Ledger's secure hardware and proprietary software eliminate potential man-in-the-middle attacks and eradicate the risk of having a vulnerable system with a single point of failure.

The easy onboarding, agile management models, and full automation empower teams as compact as C4W's to handle the needs of a growing digital asset management business with no compromise.

■ LONG-TERM PARTNERSHIP

Partnership Challenges - Trusting Someone in a World of Eroding Trust

Building an image of a trustworthy and credible brand in the crypto industry is an existential mission. Often, in the journey to achieving it, companies entrust third parties to carry out specific duties. Cracks in these relationships can put organizations, their reputation, and their clients in a vulnerable position. To eradicate the risk of trusting the wrong partner, companies should always seek to work with providers with a stellar reputation, proven over the years across various market corners.

This was precisely the driving factor behind C4W's due diligence. The asset manager was well aware that it is operating within a highly-competitive niche where perfectionism is no longer an advantage but an essential requirement. Competitive advantages like trading performance and proprietary strategies were just a part of the equation – one that the asset manager had already solved. On top of it, C4W wanted to ensure a top-notch client service offering the whole package.



Besides, C4W aimed to work with a solution provider capable of overcoming all potential business growth barriers in case it decided to launch new products or services.

Therefore, C4W needed a partner with a proven reputation, years-long experience, and battle-tested technology. Ideally, C4W wanted to work with a company that possessed the technological expertise, financial resources, and product evolution roadmap to back its journey in the digital value creation industry.

Partnering with Ledger Enterprise - Planting the Seeds for Future Growth

In Ledger Enterprise, C4W found someone devoted to continuing building the crypto industry with the same passion as day one.

The adoption of Ledger Enterprise's SaaS platform empowers C4W's team to interact with DeFi, NFT and Tokenization ecosystems in a secure and agile way. The built-in support for 15 blockchains and over 5000+ coins alongside the ability to create new tokens paves the way for unlimited business growth opportunities. Due to the SaaS model, all new product features automatically become available. The platform's high customization capabilities and scalability, offered through powerful APIs and extensions, allow C4W and other clients to integrate and build on top of Ledger's infrastructure.

The partnership also opens the gates for the asset manager to capitalize on a team of experts capable of assisting with the creation and launch of new products and services, custom blockchain consulting, advisory services, and 24/7 technical support.



Ledger Enterprise also assists the C4W's team in aspects, including compliance, audit, and review by internal and external stakeholders. The ongoing support helps investment firms remain in line with existing oversight mechanisms, financial regulations, and customer commitments in all jurisdictions where they provide their services. All this, alongside the trust earned in both the B2B and B2C market segments, proves Ledger Enterprise's determination to continue innovating and satisfying the needs of demanding financial institutions.

Every Client is Unique and So is Our Approach

Thanks to C4W's collaboration with a client success-driven partner like Ledger Enterprise, the asset manager now has all the means to protect, interact, create and support its efforts in the world of Web3. So far, over 100 of the world's most sophisticated digital asset firms, as well as regulated financial institutions have entrusted Ledger Enterprise to lay the foundation for their growth in the industry— where competition is fierce, and opportunities are limitless.

Whether to address the security or governance issues you encounter in your day-to-day operations or to guarantee ongoing support for your Web3 journey, Ledger Enterprise has the answer. Trust the hundreds who can testify to this or find by yourself. Feel free to book a demo if you want to learn more.

ABOUT LEDGER ENTERPRISE

Founded in 2021, Ledger Enterprise is a division of Ledger, the global leader in security and infrastructure solutions for safeguarding critical digital assets.

The mission of Ledger Enterprise is simple—to enable the digital asset industry to become a multi-trillion dollar industry globally.

To this end, Ledger Enterprise provides enterprise-grade security technology solutions and services for custodians, exchanges, banks and traditional financial institutions.

The Ledger Enterprise product has been in development since 2017 and officially exited beta in 2018. Today, it is used by dozens of the world's most successful players in the cryptocurrency industry—ranging from crypto-native innovators, to fortune 500 companies, and more than a few household names in the cryptocurrency space.

100+

Institutional Clients
(Including Regulated
Industry Leaders)

15%

Of World Crypto Asset
Value is secured by
Ledger innovative
technology

\$0

digital assets secured
by Ledger Enterprise
ever compromised or
mismanaged

