

# Circle Stablecoin Access Denial Policy

Circle has the ability to block individual addresses from sending and receiving Circle Stablecoin on every blockchain to which Circle Stablecoin is issued. In this document, this ability is referred to as “access denial.” When an address is denied access, it can no longer send or receive Circle Stablecoin and all of the Circle Stablecoin controlled by that address is blocked and cannot be transferred on-chain. It is not possible to deny access to individual Circle Stablecoin tokens. This Policy sets forth Circle’s policy on access denial to individual addresses.

## 1. Purpose

The purpose of this Policy is to (i) comply with relevant laws and regulations, (ii) specify under what circumstances Circle would deny access to Circle Stablecoin addresses, (iii) protect the integrity of our network, and (iv) specify the consequences that may flow from this Policy.

## 2. Policy Statement

Circle will not deny access to individual addresses, other than in circumstances that strictly conform to the requirements set forth under Part 3, Policy Exceptions.

## 3. Policy Exceptions

1. Circle will accept and consider a request for an exception to its policy against access denial where Circle determines, in its sole discretion, that failure to grant a denial of access request presents a threat to the security, integrity, or reliability of the Circle Stablecoin network; for example, security breaches that compromise Circle Stablecoin privileged keys (e.g., minter private key) and result in unauthorized Circle Stablecoin being issued from such compromise.
2. Circle will block individual addresses in order to comply with a law, regulation, or legal order from a duly recognized U.S. authorized authority, U.S. court of competent jurisdiction, or other governmental authority with jurisdiction over Circle. To the extent an order requires access denial of an address with commingled funds of a platform (or similar) and Circle reasonably determines that such access denial presents a threat to Circle Stablecoin, Circle reserves all rights to object to the order. In the event Circle denies access to any address pursuant to this Policy, Circle shall take all appropriate action with respect to the reserve funds and Circle Stablecoin tokens in access denied addresses in compliance with applicable legal and regulatory requirements.



## **4. Reversals**

Circle may revert the access denial of an individual address upon formal confirmation from such duly recognized U.S. authorized authority, U.S. court of competent jurisdiction, or other governmental authority with jurisdiction over Circle that the legal obligation or court order (per Part 3, Policy Exceptions above) is lifted or no longer applicable, or that a security incident no longer requires such intervention.

## **5. Governance**

To ensure effective Circle oversight of this Policy, Circle will regularly report publicly the most up-to-date list of access denied addresses, amount of Circle Stablecoin tokens frozen, and corresponding fiat reserves that have been segregated which is shared with Circle's outside accounting firm.