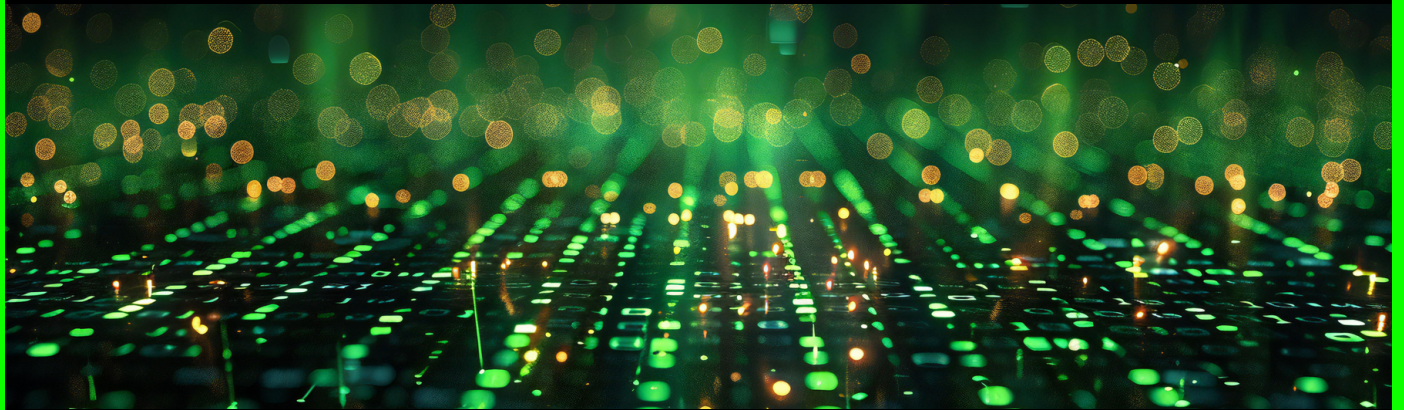


17 March 2025



Welcome to Scale Compliance's

NEWSLETTER

  **Uniswap Partners with Robinhood, MoonPay, and Transak to Simplify Crypto-to-Fiat Transactions**



Uniswap, a leading decentralized exchange (DEX), has announced partnerships with Robinhood, MoonPay, and Transak to streamline crypto-to-fiat transactions. As of February 27, users in over 180 countries can sell supported cryptocurrencies and have the funds deposited directly into their bank accounts through these platforms.

This functionality is currently available on the Uniswap wallet for both Android and iOS, with plans to extend it to the Uniswap extension and web app in the near future.

Historically, converting between cryptocurrencies and fiat currencies has been a complex process, often requiring users to navigate centralized exchanges and manage intricate crypto addresses. With these new integrations, Uniswap aims to simplify this experience, allowing users to complete transactions with just a few clicks.

This development comes shortly after the U.S. Securities and Exchange Commission concluded its investigation into Uniswap Labs without pursuing enforcement action, marking a significant milestone for the DeFi space.

Bybit Suffers Historic \$1.5 Billion Crypto Heist



On February 21, 2025, Bybit, one of the world's leading cryptocurrency exchanges, experienced an unprecedented security breach, resulting in the theft of 400,000 ETH, equivalent to approximately \$1.5 billion. This attack now ranks among the largest crypto exchange hacks in history.

How the Hack Happened

Investigations have linked the attack to North Korea's Lazarus Group, a state-sponsored hacking organization infamous for targeting financial institutions to fund national programs. The hackers exploited vulnerabilities within Bybit's cold wallet infrastructure, gaining unauthorized access to sensitive transaction data. Once inside, they manipulated transaction processing systems, redirecting massive amounts of Ethereum to their own addresses.

This attack highlights a serious flaw in cold wallet management, which is traditionally considered more secure than hot wallets. It underscores the growing sophistication of cybercriminal tactics, where even the most secure storage solutions are not immune to compromise.

The Aftermath and Response

Bybit immediately responded by freezing compromised accounts, securing emergency liquidity to maintain solvency, and launching investigations in collaboration with blockchain analytics firms and law enforcement. The exchange has also ramped up its cybersecurity measures, strengthening access protocols and reinforcing system defenses to prevent future breaches.

Despite these efforts, 77% of the stolen funds remain traceable on the blockchain, though recovering them presents significant challenges. The laundering process has already begun, with funds being moved through mixers, decentralized exchanges, and other obfuscation tools to evade detection.

The Broader Industry Impact

The Bybit hack serves as a stark reminder that even top-tier exchanges remain vulnerable to sophisticated cyber threats. It raises pressing concerns over security practices, regulatory oversight, and the responsibility of exchanges to protect user assets. As the crypto industry continues to grow, so too does the need for stronger compliance frameworks, improved risk management, and real-time monitoring of suspicious activity.

With high-profile breaches becoming more frequent, regulators and industry leaders must work together to develop robust cybersecurity standards that can safeguard both institutional and retail investors. The Bybit hack is not just a wake-up call—it's a defining moment in the push for a more secure and resilient digital asset ecosystem.

MANTRA Secures DeFi Limited License from VARA: Pioneering Regulated DeFi in Dubai



Dubai's Virtual Assets Regulatory Authority (VARA) has granted MANTRA a Virtual Asset Service Provider (VASP) license, including a DeFi Limited License, marking a significant milestone in integrating decentralized finance (DeFi) within a regulated financial framework. This development reflects Dubai's progressive approach to embracing innovative financial technologies while ensuring robust regulatory oversight.

Key Highlights:

- **Comprehensive Service Offerings:** With the VASP license, MANTRA is authorized to provide exchange services, broker-dealer activities, investment management, and DeFi products to institutional, qualified, and retail investors. The DeFi Limited License introduces specific compliance requirements, ensuring a balanced approach to innovation and investor protection.

- **Regulatory Approach:** Dubai is taking a controlled approach to DeFi services, allowing regulators to assess potential risks and benefits through structured engagement with trusted entities like MANTRA. This stands in contrast to other jurisdictions, which either impose outright restrictions or remain in regulatory uncertainty.

Implications for the DeFi Landscape:

The issuance of a DeFi Limited License signals a cautious yet progressive stance on DeFi regulation. While the full details of the license's conditions remain undisclosed, it is anticipated that restrictions may include investment limits for retail users, risk disclosures, and strict Know Your Customer (KYC) and Anti-Money Laundering (AML) compliance measures. These steps aim to balance innovation with investor protection, ensuring DeFi adoption in a secure and compliant manner.

Future Outlook:

Dubai's regulatory strategy could serve as a model for other financial hubs, demonstrating how DeFi can be integrated within traditional financial systems while maintaining security and transparency. The issuance of this first-of-its-kind DeFi Limited License may pave the way for broader adoption and greater trust in decentralized finance worldwide.

MANTRA Secures DeFi Limited License from VARA: Pioneering Regulated DeFi in Dubai



The graphic features the word "Scale" in a large, white, sans-serif font, followed by a white upward-pointing arrow icon. Below "Scale" is the word "Compliance" in a large, bold, blue, sans-serif font. The entire text is centered within a white rectangular border.

The recent developments in the crypto industry—Bybit's \$1.5 billion hack, Uniswap's expanded fiat on-ramp, and MANTRA's regulated DeFi license from VARA—illustrate the ongoing push and pull between security, compliance, and innovation.

At Scale Compliance, we see these events as a clear signal that the industry must evolve in three key areas:

Security & Risk Management: The Bybit hack highlights growing vulnerabilities in crypto exchanges, emphasizing the urgent need for robust cybersecurity frameworks, proactive risk assessments, and regulatory oversight to protect user funds.

Regulatory Alignment: Uniswap's partnerships with Robinhood, MoonPay, and Transak signal a shift toward easier, more accessible crypto-fiat conversions. However, with global regulators watching closely, ensuring compliance with anti-money laundering (AML) and Know Your Customer (KYC) measures will be crucial for sustainable growth.

Regulated DeFi Adoption: MANTRA's DeFi Limited License from VARA represents a pioneering effort to integrate decentralized finance within a regulated structure. This move could serve as a blueprint for other jurisdictions, proving that DeFi and compliance can coexist without stifling innovation.

As the industry matures, the need for proactive compliance strategies is more critical than ever. Crypto businesses must focus on stronger security measures, regulatory cooperation, and user trust to thrive in this evolving landscape.

At Scale Compliance, we help businesses navigate these complex regulatory and security challenges, ensuring they remain compliant while driving innovation forward.

The future of crypto will be built on a foundation of trust, security, and compliance, are you ready?

