



GreenBox POS becomes one of the industry's first to ensure real-time custodial account attestations through agreement with Armanino

GreenBox has consistently challenged the stablecoin industry to fully fund custodial accounts and attest in real time - both are now possible through partnership with innovative accounting and consulting firm Armanino

SAN DIEGO, June 23, 2022 (GLOBE NEWSWIRE) -- [GreenBox POS](#) (NASDAQ: GBOX), a financial technology company that leverages proprietary blockchain security and token technology to deliver customized payment solutions, has consistently called for improved processes to make the stablecoin industry custodial and transactional - the two elements GreenBox believes are critical to the industry's long-term success. After completing a long and rigorous process, GreenBox today announced a partnership with accounting and consulting firm [Armanino](#) to attest to all GreenBox custodial accounts in real-time.

While GreenBox POS Chairman Ben Errez is complimentary of recent changes from others in the stablecoin industry to continue to move to fully liquid backing as well as more frequent audits, he also stresses that liquid backing and real-time reporting - not simply regular reporting - are critical to both retain customer and retailer confidence and avoid future issues.

"I could not be more pleased to see the stablecoin industry and the regulators move in the direction GreenBox has built our company on since our founding," said Errez. "We anticipate that with time, major industry players will continue to adopt the principles of real-time reporting and a fully liquid backing. Through our coyni stablecoin and platform, we are the only company in the industry that has been doing so since our founding," he added.

Recent market turmoil has shined a light on stablecoin models that are pegged to a currency, like the U.S. dollar, but peg using a variety of algorithmic methodologies or non-liquid or risky investment strategies. Errez believes a stablecoin must have the current reserves in the trust (custodial) account to ensure liquidity under any scenario, even if everyone wants to exit at the same time in a "run-on-bank" type scenario.

GreenBox recently received final approval from Armanino, after a lengthy process of IT review, compliance and complete SOC 2 compliance certification, allowing for real-time attestations of all custodial accounts.

"GreenBox POS believes it has solved both the custodial and transparency questions with a surprisingly simple three-part process: first, our custodial accounts are held in a federal bank. Second, we pre-fund every issuance with fully liquid U.S. dollars so we always have reserves equal to or greater than the number of stablecoin we have in circulation. Finally, we have these two conditions continuously attested to by Armanino, an independent audit firm with the technology to review these conditions in real-time."

Errez notes that GreenBox POS is the only stablecoin company that has operated this way since its founding, providing a level of transparency and stability not available elsewhere in the market.

"At Greenbox, we have very high standards and strive to provide maximum visibility not just to our current partners, but also to future partners who want to know they are in business with a company they can trust completely. We know this is difficult, but we strongly believe this is the only way to succeed over the long term," Errez added.

GreenBox co-founder and chairman Ben Errez is available for interviews on this topic.

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About GreenBox POS

GreenBox POS (NASDAQ: GBOX) is an emerging financial technology company leveraging proprietary blockchain security and USD-pegged stablecoin token technology to build customized payment solutions for merchants and consumers. Founded in 2017 in San Diego, GreenBox's applications enable an end-to-end suite of turnkey financial products, fraud detection and improve the efficiency of handling large-scale commercial processing volumes. The GreenBox platform offers a number of distinct advantages over traditional payment technologies including greater security and data privacy, enhanced identity theft protection and rapid speed to settlement. As a result, the GreenBox platform can log immense volumes of immutable transactional records in real-time for Tier-1 partners around the globe. For more information, visit www.greenboxpos.com.

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This release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. All forward-looking statements are inherently uncertain as they are based on current expectations and assumptions concerning future events or future performance of the Company. Readers are cautioned not to place undue reliance on these forward-looking statements, which are only predictions and speak only as of the date hereof. In evaluating such statements, prospective investors should review carefully various risks and uncertainties identified in this release and matters set out in the Company's SEC filings. These risks and uncertainties could cause the Company's actual results to differ materially from those indicated in the forward-looking statements.

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