SAFE**BOX**

A fixed-term, custody-preserving Bitcoin yield instrument with independently audited structure.

1. INTRODUCTION

If your firm holds Bitcoin on its balance sheet, you'll be familiar with a severe limitation: you can store Bitcoin (BTC) securely through your custody system, but you cannot generate yield on it without giving up withdrawal rights to a third party - a trade-off that introduces unacceptable counterparty, operational, and regulatory exposure.

Safebox solves this, enabling you to earn BTC-denominated yield while maintaining full control of your Bitcoin.

You do not transfer withdrawal rights, you do not take credit exposure, and you do not rely on external balance sheets. The structure is transparent, predictable, and compatible with standard institutional custody workflows.

Safebox is built for institutions that want incremental BTC yield while staying within their existing custody governance, compliance structure, and risk parameters.
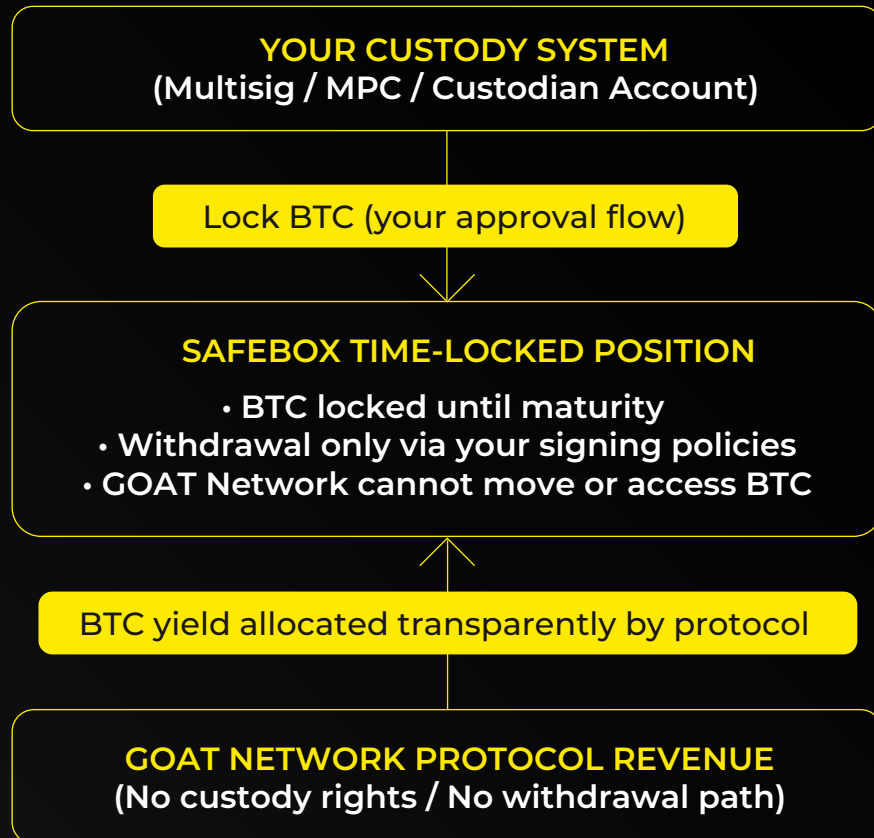
2. WHAT SAFEBOX IS

Safebox is a fixed-term Bitcoin position that pays yield in BTC. When you allocate BTC to Safebox, your Bitcoin enters a time-bound structure that:

▶ Your existing custody system continues to control the asset

▶ The position cannot be accessed or moved until the term ends

▶ Only your signing policies can release the funds at maturity

Once the term matures, you simply withdraw your principal and the yield accrued during the period. At no stage does GOAT Network or any external entity gain the ability to move or rehypothecate your BTC.

Operationally, Safebox behaves like a non-custodial, fixed-term note denominated entirely in Bitcoin.

SAFEBOX STRUCTURE AND CUSTODY MODEL

YOUR CUSTODY SYSTEM
(Multisig / MPC / Custodian Account)

Lock BTC (your approval flow)

SAFEBOX TIME-LOCKED POSITION
• BTC locked until maturity
• Withdrawal only via your signing policies
• GOAT Network cannot move or access BTC

BTC yield allocated transparently by protocol

GOAT NETWORK PROTOCOL REVENUE
(No custody rights / No withdrawal path)

Safebox locks BTC under your existing custody system while protocol revenue from GOAT Network allocates BTC yield into the position, without GOAT ever gaining withdrawal rights.

SAFEBOX

3. WHY SAFEBOX EXISTS

Traditional BTC yield products ask you to give up something essential: asset control.

Exchanges, lenders, and custodial platforms typically require you to transfer full custody of your BTC and trust the recipient's creditworthiness and risk management. This often raises inconsistencies with internal policies, risk frameworks, or fiduciary requirements.

▶ Centralized platforms require full custody transfer

▶ On-chain lending exposes you to borrower performance and liquidation mechanics

▶ Wrapped assets introduce bridge and synthetic-asset risk

▶ Exchange-based programs rely on opaque balance-sheet management

Safebox provides a structure where you earn protocol-driven BTC yield without modifying your custody setup or introducing borrower exposure.

It gives you a way to increase the productivity of your BTC holdings while staying within the operational boundaries your firm already uses to safeguard its digital assets.

RISK SOURCES IN TRADITIONAL BTC YIELD PRODUCTS

CENTRALIZED PLATFORMS

· Full custody transfer
· Platform solvency risk
· Rehypothecation

ON-CHAIN LENDING

· Borrower performance risk
· Liquidation mechanics
· Volatile collateral

WRAPPED / SYNTHETIC BTC

· Bridge security risk
· Synthetic asset exposure
· Custody concentration

EXCHANGE EARN PROGRESS

· Internal balance-sheet opacity
· Full custody transfer

(Safebox sits outside this risk surface)

SAFEBOX

✓ No custody transfer
✓ No borrower exposure
✓ No platform solvency risk

Traditional BTC yield paths introduce risk through custody transfer, borrower dependency, bridge security, or opaque platform practices. Safebox avoids these categories entirely by keeping custody with the institution and deriving yield from protocol-level revenue instead of credit markets.

4. WHERE THE YIELD COMES FROM

Yield in **Safebox** is generated from protocol-level revenue on GOAT Network. As the network processes transactions and settlement flows, a portion of that economic activity is allocated to **Safebox** participants. Yield is paid in BTC and distributed according to transparent, predefined rules within the protocol.

Initially, two additional components also exist to support the 1.5% BTC yield:

1. **Protocol reserves** allocated for early-stage yield support.

2. **Internal capital efficiency:** when BTC is locked, the protocol can represent equivalent capital inside the network (goatBTC). This capital can be used in internal economic systems that generate returns higher than the Safebox rate.

GOAT can therefore distribute a sustainable 1.5% portion to Safebox participants.

Key points for institutional clarity:

▶ There is **no lending** of your assets

▶ There is **no borrower risk** and no repayment obligation from third parties

▶ Yield is a function of network usage, not credit markets

5. TERM AND LIQUIDITY

Safebox operates with the clarity of a traditional fixed-term instrument:

▶ The term length is predefined

▶ BTC is illiquid until maturity

▶ There is no early withdrawal

At the end of the term, your custody system releases the funds under your existing approval flow

The time-lock period is what enables the protocol to allocate revenue reliably and what differentiates **Safebox** from yield products that rely on external borrowing or liquidity pools.

6. CUSTODY AND CONTROL

The defining feature of **Safebox is custody preservation.**

You maintain full control of your BTC throughout the term. **Safebox** never requires private-key sharing, custodial delegation, or alternative signing systems. Your internal governance - multisig, MPC, custodian-managed accounts - remains the sole mechanism capable of authorizing release of the funds.

Safebox is compatible with institutional controls such as:

▶ Multi-person approval policies

▶ Segregation of duties

▶ Hardware-backed signing systems

▶ MPC authorization workflows

▶ Custodian managed segregated accounts

▶ Internal compliance monitoring

Safebox integrates into your operational environment without modifying your custody stack.

GOAT NETWORK

7. RISK OVERVIEW

Safebox removes certain categories of risk common in BTC yield products:

▶ No borrower defaults

▶ No counterparty credit exposure

▶ No custodial insolvency

▶ No commingling of assets

▶ No reliance on off-chain reporting or attestations

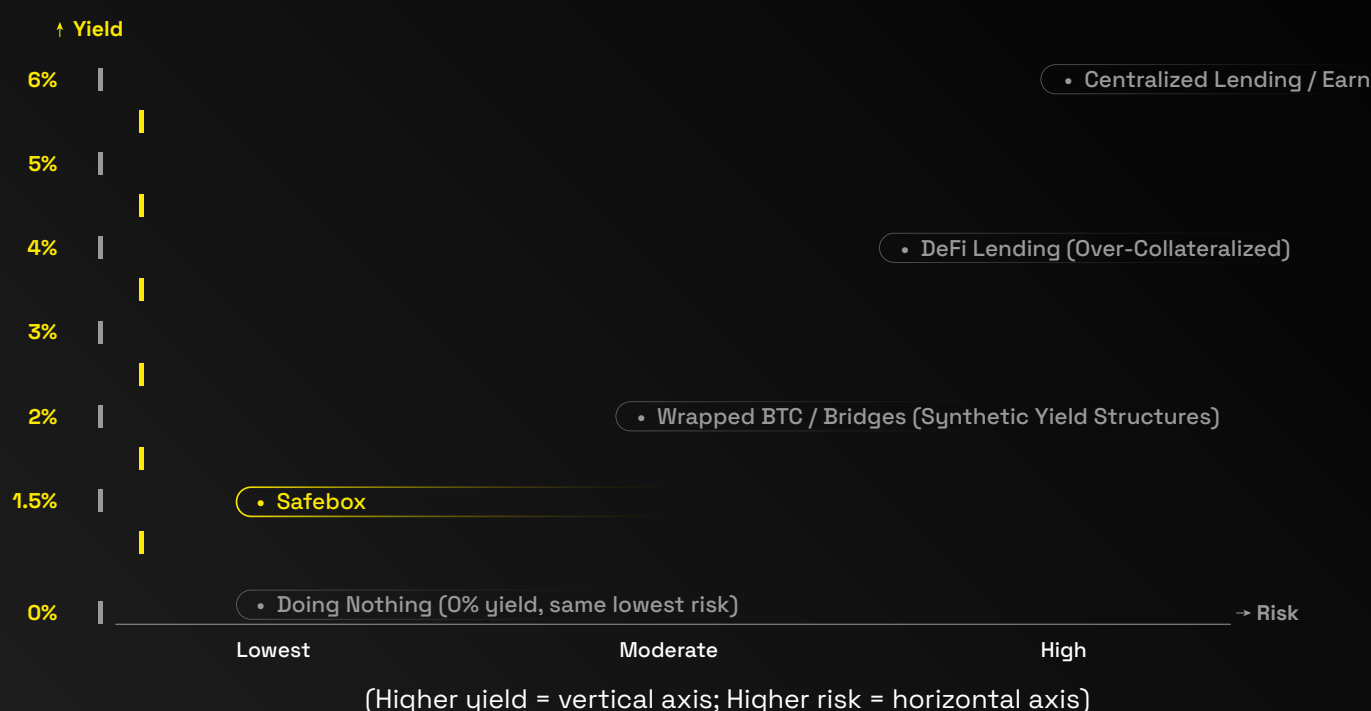The **Safebox** mechanism is intentionally minimal and has been **independently audited by Offbeat Security.**

Because the logic is simple, your team can also test and validate its behavior with small allocations before committing material capital.

Your team must handle approvals, key management, and maturity monitoring using your existing workflows.

Because you do not transfer custody, **Safebox** often avoids classifications associated with deposit-taking or lending. However, your firm must determine the appropriate regulatory treatment.

YIELD VS. RISK POSITIONING

Safebox sits at lowest risk while generating BTC yield.

↑ Yield

- 6% — • Centralized Lending / Earn
- 5%
- 4% — • DeFi Lending (Over-Collateralized)
- 3%
- 2% — • Wrapped BTC / Bridges (Synthetic Yield Structures)
- 1.5% — • Safebox
- 0% — • Doing Nothing (0% yield, same lowest risk) → Risk

Lowest   Moderate   High

(Higher yield = vertical axis; Higher risk = horizontal axis)

8. HOW SAFEBOX COMPARES TO OTHER YIELD OPTIONS

Versus doing nothing

Idle BTC earns 0%. **Safebox** adds incremental, BTC-denominated return without changing your custody model.

Versus centralized lending or earn programs

These require custody transfer and expose you to borrower and platform risk. **Safebox** avoids these entirely.

Versus on-chain lending

These systems introduce liquidation mechanics, collateral volatility, and borrower dependency. **Safebox** does not rely on lending.

Versus wrapped BTC or bridge-based systems

These require trust in bridge security and synthetic representations of BTC. Safebox uses your actual BTC and preserves its custody.

Versus ETFs

ETFs remove direct ownership. **Safebox** maintains it.

Safebox is the only structure that combines **custody preservation, no borrower exposure, and BTC-denominated yield.**

SAFEBOX VS. OTHER BTC YIELD OPTIONS

Feature	Safebox	Lending Platforms	DeFi Lending	Wrapped BTC / Bridges	ETFs
You retain custody	✓	✗	✗	✗	✗
Withdrawal controlled	✓	✗	✗	✗	✗
Uses actual BTC (not synthetic)	✓	✓	✓	✗	✗
No borrower / credit exposure	✓	✗	✗	✓	✓
No platform or bridge risk	✓	✗	✓	✗	✓
BTC-denominated yield	✓	✓	✓	✗	✗

Comparison of Custody, Risk, and Yield Characteristics Across BTC Yield Models

9. OPERATIONAL WORKFLOW

Safebox is designed to be operationally simple.

Onboarding
- Your team completes a short operational review with GOAT.
- You confirm your custody setup.
- You perform a small test allocation to observe the structure in practice.

Allocation
- You lock BTC to **Safebox** using your normal approval workflow.
- BTC is time-locked until the term ends.
- You record the maturity date internally.

During the term
- No management is required.
- Yield accrues automatically.
- All activity is visible on-chain and independently verifiable.

Release at maturity
- Once the time-lock expires, your custody system releases the funds through your standard approval process.
- You receive principal + BTC yield in one withdrawal.
- The protocol cannot intervene or modify this.

Auditability

Every event - allocation, yield accumulation, and withdrawal - is independently verifiable. No attestation or reporting from GOAT Network is required.

Safebox behaves like a digital asset instrument that plugs directly into your existing controls, rather than replacing them.

Safebox requires no margin management, borrower monitoring, or liquidity oversight.

10. SAFEBOX SUMMARY

Safebox provides a conservative and transparent way to earn BTC-denominated yield without giving up control of your Bitcoin.

The structure is simple: a fixed-term position where your custody system retains full authority over withdrawals, and yield is produced sustainably from protocol activity.

For institutions seeking incremental return on BTC holdings while maintaining strict custody, compliance, and risk parameters, **Safebox** offers the only known structure that offers returns in native BTC, aligns with established operational frameworks, and avoids the risks and exposures common in custodial yield products.

SAFEBOX AT A GLANCE

Safebox provides a conservative and transparent way to earn BTC-denominated yield without giving up control of your Bitcoin.

YIELD TYPE	BTC-denominated, protocol-driven
CUSTODY MODEL	Your custody system retains full withdrawal control
COUNTERPARTY EXPOSURE	None (no lenders, no borrowers, no platforms)
LIQUIDITY PROFILE	Fixed term; funds unlock only at maturity
TRANSPARENCY	Fully on-chain events and independently audited
RISK CLASS	Non-custodial, non-credit, protocol-level mechanism

Safebox is designed as a conservative BTC yield instrument that fits directly into your existing governance and custody processes.
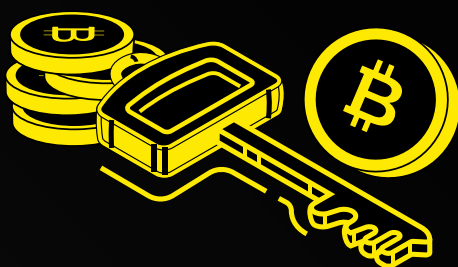
GOAT NETWORK

SAFEBOX

For technical details, current terms, and onboarding information, visit:

safebox.goat.network