

ANTIGUA AND BARBUDA



DIGITAL ASSET BUSINESS REGULATIONS, 2021

STATUTORY INSTRUMENT

2021, NO. 38 *Goletto 32*

14th May 2021



ANTIGUA AND BARBUDA
DIGITAL ASSETS BUSINESS REGULATIONS 2021
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ANTIGUA AND BARBUDA
DIGITAL ASSETS BUSINESS REGULATIONS 2021
STATUTORY INSTRUMENT 2021
2021, NO. 38

THE DIGITAL ASSETS BUSINESS REGULATIONS 2021 made by the Minister in exercise of the powers contained in section 50 of the Digital Assets Business Act 2020, No. 16 of 2020.

1. Citation

These Regulations may be cited as the Digital Assets Business Regulations, 2021.

2. Interpretation

(1) In these Regulations –

“principal Act” means the Digital Assets Business Act 2020, No. 16 of 2020 and includes the amendments thereto;

(2) Words and phrases used in the principal Act shall carry the same meaning when used in these Regulations as when used in the Act.

(3) The following additional words and phrases shall apply to these Regulations—

“**application form**” means the Form set out as Form I in Schedule I;

“**business day**” means any day on which a business licensed under the principal Act would ordinarily be conducting business;

“**digital asset exchange**” for purposes of the Act and these Regulations means either—

(1) a market or facility that—

(a) brings together buyers and sellers of digital assets or derivatives thereof, using fiat currencies or other digital assets;

(b) brings together the orders for digital assets or derivatives thereof of multiple buyers and sellers, using fiat currencies or other digital assets; and;

(c) uses established non-discretionary methods under which the orders interact with each other, and the buyers and sellers entering the orders agree to the terms of a trade; or

- (2) a facility that permits the dissemination of price quotations for the purchase and sale of digital assets or derivatives thereof, using fiat currencies or other digital assets, and reports of completed transactions in digital assets or derivatives thereof;

“dollars” all references to “dollars” or “\$” in these Regulations are references to Eastern Caribbean Dollars; and the value of any digital assets required to be calculated for any purpose in these Regulations shall be converted into Eastern Caribbean Dollars using such benchmarks as are designated by the Commission from time to time;

“Market value” in respect of a digital asset shall be determined using such benchmarks as are designated by the Commission from time to time;

“minimum risk capital” means amounts available to a licensed undertaking to address claims, including those made by the Commission, clients or third parties, which may be evidenced by:

- (a) cash in a bank account at a bank acceptable to the Commission in its sole discretion in the name of the licensed undertaking;
- (b) a line of credit from a bank in the name of the licensed undertaking; or
- (c) liability insurance;
- (d) deposit made with the Commission as determined by the Commission.

“payment services provider” for purposes of the Act and these regulations, means a person or company that provides services to individuals or entities involving or relating to the delivery, receipt or holding of digital assets, or of fiat currency in connection with a transaction involving digital asset;

“technological audit” means the audit of a licensed undertaking’s technology or cyber security programs for the purpose of confirming whether they are suitably designed and operating effectively to meet the requirements of the Act.

3. Application for Digital Assets Licence

- (1) A person shall apply for a digital asset business licence by completing an application form.
- (2) The application form shall be submitted together with the supporting documents as set out in the application Form and in these Regulations, and such other documents as may be requested by the Commission.
- (3) Payment of the applicable non-refundable application fee, as set out in the Schedule of Fees contained in Schedule II, shall be made at the time of submission of the application.
- (4) The application shall be submitted electronically to the Chief Regulatory Officer of the Commission at email address: CRO@FSRC.GOV.AG
- (5) The Commission shall acknowledge receipt of the application within 5 business days of the electronic submission of the application and may –

- (a) notify the Applicant that the application is incomplete and therefore unable to be processed;
 - (b) notify the applicant that a more detailed response to the application will be provided within 60 days unless the Commission inform that further time is required to complete the processing of the application;
 - (c) request that the applicant submit a hardcopy of the application and the supporting documents.
- (6) All application for a licence under the principal Act and these Regulations, shall be subject to a due diligence procedure determined by the Commission.
- (7) In determining whether to grant or refuse an application for a licence, the Commission shall consider the matters specified at section 11(2) of the principal Act.
- (8) The expression “further time” as used in subregulation (5)(b) means an additional maximum time period of 60 days after the original 60 days referred to in subregulation (5)(b) has expired.

4. Basic Documentary requirements for an application for a Digital Assets Business Licence

(1) An application form for a Digital Assets Business Licence shall not be regarded as complete unless it is submitted along with the following information—

- (a) the name and address of the principal office;
- (b) a detailed business plan for a three year period setting out the nature and scale of the proposed business including expected sources of revenue, quantum of expected expenses and safeguards against theft and losses;
- (c) the name and address of every director, shareholder and manager of the business;
- (d) the name, address and contact information of every beneficial owner with 5% or more interests in the business;
- (e) a criminal record, issued by the police or other issuing authority, for every director, shareholder and manager of the business;
- (f) a copy of the applicant’s policies and procedures to meet the obligations of a financial institution under the Act, the Prevention of Terrorism Act 2005, The Money Laundering (Prevention) Act 1996 and The Proceeds of Crime Act 1993;
- (g) procedures for the verification of the identity of individual clients and confirmation of existence for non-individual clients, including—
 - (i) for individual clients, a requirement to obtain current, government-issued photo identification;

- (ii) for non-individual clients, a requirement to obtain formation documents, such as, articles of incorporation, a copy of the partnership agreement in limited partnership, a trust agreement, and individual verification in respect of each director (or equivalent for non-corporate entities) and any holder of 25% or more of the beneficial interests in the entity; and
- (iii) for all clients, confirmation that the client is not acting on behalf of any third parties;
- (h) record-keeping policies for all verifications and confirmations described in subregulation (1)(g);
- (i) procedures for the maintenance of confidentiality of all clients' personal information.
- (j) proof from a reputable financial institution of the applicant's ability to satisfy statutory reserve requirement set out in Schedule II;
- (k) such other information as may be requested by the Commission.

5. Licensing requirements based on digital assets business activity

- (1) For a licence to conduct the business of a **Payment Services Provider**, the applicant shall submit a completed application form as set out in Form 1 to the Commission and pay the prescribed fees.
- (2) For a licence to conduct the business of a **Digital Asset Exchange**, the applicant shall submit the following information to the Commission:
 - (a) a completed application form;
 - (b) a statement of the means of access to the digital asset exchange for participants;
 - (c) a description of the services offered by the digital asset exchange including order entry, trading, execution, and data; the types of orders offered, including a description of the features and characteristics of the order types;
 - (d) a description of how orders interact, including the priority of execution for all order types;
 - (e) a copy of the applicant's policies and procedures regarding the following matters—
 - (i) rules for access;
 - (ii) transparency of trading information; and
 - (iii) business continuity and disaster recovery;
 - (iv) record-keeping policies for all verifications and confirmations of the identity of its clients.

- (f) if the applicant intends to outsource any of the functions of the digital asset exchange, the application shall also include details of—
 - (i) the name and address of the person or company who will be performing the outsourced services;
 - (ii) the description of the nature and extent of the role of the third party in the digital asset exchange; and
 - (iii) the third party's policies and procedures which must meet the standards set out in the Act and these Regulations.
- (3) For a licence to conduct the business of a **Digital Asset Services Vendor**, the applicant shall submit a completed application form together with a copy of the applicant's policies and procedures regarding the following matters:
 - (a) a system of controls and supervision sufficient to:
 - (i) provide reasonable assurance of compliance by the licensed undertaking and its personnel with the Act and these Regulations; and
 - (ii) minimize the risks associated with its business in accordance with prudent business practices;
 - (b) client on boarding, including:
 - (i) the client's investment needs and objectives;
 - (ii) the client's financial circumstances; and
 - (iii) the client's risk tolerance;
 - (c) conflicts of interest, including:
 - (i) identification of material conflicts of interest between the interests of the licensed undertaking and the client;
 - (ii) disclosure to clients of any such material conflict of interest;
- (4) For a licence to conduct the business of a **Custodial Wallet Services Provider**, the applicant shall submit a completed application form to the Commission and pay the prescribed fees.
- (5) For a licence to conduct the business of a **Digital Asset Custody Services Provider**, the applicant shall submit a completed application form to the Commission and pay the prescribed fees.

- (6) For a licence to conduct the business of a **Special Purpose Depository Services**, the applicant shall submit a completed application form, as set out in Form 1, to the Commission and pay the prescribed fees.

6. Record keeping requirements

- (1) A licensed undertaking that is a digital asset exchange shall maintain the following books and records—
- (a) a record of all participants who have been granted access to and denied access from trading on the digital asset exchange;
 - (b) transaction volumes expressed in units and in terms of the numbers of digital assets traded;
 - (c) a record of each order, including the names of the participants, the name of the issuer, principal amount, class and symbol of the digital asset, strike date and price (if applicable), whether the order is a short sale order, market order, limit order or other type, and the date and time of expiry of the order;
 - (d) a record of each trade executed, including the participants involved in the trade, whether the order was fully or partially executed, the type, issuer, amount, class and symbol of the digital asset, and the price at which the order was executed;
- (2) The accounting record shall segregate the digital assets and other assets of a participant from the assets of the digital asset exchange and those of other participants.
- (3) The books and records required to be kept by this regulation and the Act shall be kept by the licensed undertaking for a period of six years.
- (4) A licensed undertaking that is a digital asset exchange shall provide quarterly reports to the Commission no later than 30 days after the end of each calendar quarter.
- (5) The Quarterly report shall be in the format herein and shall disclose –
- (a) for each type of digital asset traded on the digital asset exchange:

Digital Type	Asset	Volume	Value (\$)	Number of Trades
Equity				

Debt			
Utility Token			
Other			

(b) concentration by participant:

Market Participant	Volume	Value (\$)	Number of Trades

7. Disclosure requirements

(1) A licensed undertaking shall disclose publicly on its website:

- (a) that it is a licensed entity;
- (b) the fees charged by the licensed undertaking and any third party to which functions have been outsourced to participants including for listing and trading;
- (c) if it is a digital asset exchange, the types of orders that may be placed on the digital asset exchange and the terms of each; and
- (d) the rules for participants to access the digital asset exchange.

(2) A licensed undertaking shall –

- (a) at least on an annual basis, conduct a stress tests to determine the ability of those systems to process transactions in an accurate timely, and efficient manner;
- (b) notify its clients of any breaches or malfunction of its system; and
- (c) promptly, and in any event not later than 48 hours after the occurrence of an event, notify the Commission of any material systems failure, malfunction or security breach.

(3) A licensed undertaking shall, whenever trading against a participant on a proprietary basis, disclose that fact to the applicable participant.

8. Ongoing obligations of Licensed Undertakings

- (1) A licensed undertaking shall, at all times, as a condition of the continuation of its license –
 - (a) maintain the minimum risk capital set out in its Application Form based on the licensed undertaking's client asset under management from time to time, or such other amount as the Commission may determine from time to time;
 - (b) upon becoming aware of a cyber reporting event, promptly notify its clients of the cyber reporting event, including the impact on the particular client's assets;
 - (c) promptly notify the ONDCP Commission of any transaction requests that the licensed undertaking believes could violate the Prevention of Terrorism Act 2005, The Money Laundering (Prevention) Act 1996 or The Proceeds of Crime Act 1993;
 - (d) file its quarterly and annual returns as directed by these Regulations; and
 - (e) comply with such other requirements the Commission determines to be in the best interest of the beneficial owners of the digital assets held by the licensed undertaking.
- (2) In the event that any information provided in the licensed undertaking's Application Form has materially changed, the licensed undertaking must notify the Commission in writing, setting out the particulars of the material change, within 10 business days of such change.
- (3) A licensed undertaking has a duty to conduct market surveillance regarding the trades on the digital asset exchange to ensure maintenance of the integrity of the market.
- (4) A licensed undertaking that is a payment services provider, a digital asset exchange or a digital asset custody services provider must conduct an internal technological audit at least annually and, in the event the technological audit detects any deficiencies, notify the Commission of the deficiencies and the proposals for redress of same.
- (5) The Commission may, in its sole discretion, at any time, request from a licensed undertaking evidence of its compliance with any of the requirements set out in the Act and these Regulations.
- (6) Each year, a licensed undertaking shall prepare and submit to the Commission an annual report in the form prescribed by the Commission or in any other form approved by the Commission.
- (7) The annual report shall –
 - (a) certify material compliance with its compliance manual (if applicable) and internal policies and procedures; and
 - (b) provide an update with respect to the functionality and integrity of its technology, including steps to address any inadequacies identified.

(8) A licensed undertaking must give the Commission notice if it proposes to do or knows of any of the following –

(a) acquire either of the following:

(i) for the first time, direct or indirect ownership, beneficial or otherwise, of 10% or more of the voting securities or other securities convertible into voting securities of a licensed undertaking or a subsidiary of a licensed undertaking;

(ii) all or a substantial part of the assets of a licensed undertaking;

(b) it knows or has reason to believe that any person or company is about to acquire or has acquired, for the first time, direct or indirect ownership, beneficial or otherwise, of 10% or more of its voting securities or other securities convertible into voting securities; or

(c) there is any change of direct or indirect ownership, beneficial or otherwise, among the holders of 10% or more of its voting securities or other securities convertible into voting securities.

(9) The notice required pursuant to subregulation (8) shall be sent to the Commission at least 30 days prior to the proposed acquisition and must include all relevant facts regarding the acquisition to enable the Commission to determine –

(a) if the acquisition is likely to give rise to a conflict of interest, likely to hinder the licensed undertaking in complying with the Act or these Regulations, or

(b) if the acquisition is inconsistent with an adequate level of public protection, or is otherwise prejudicial to the public interest.

(10) If, within 30 days of receipt of a notice under subregulation (9), the Commission notifies the licensed undertaking that the Commission objects to the acquisition, the acquisition must not occur until the Commission approves it.

(11) A licensed undertaking that is a digital asset custody services provider shall enter into a custodial agreement with each of its clients listing at a minimum:

(a) The manner in which the digital assets are to be held;

(b) the transactions that the custodian is permitted to engage in, which may include lending, borrowing, providing financial services, or issuing derivatives with respect to, and otherwise dealing with, digital assets, and the manner in which the transactions are to be conducted;

(c) disclosures relating to the risks present in the safekeeping of the digital assets and any mitigating factors;

(d) fees, spreads or other remuneration to the custodian;

(e) the manner in which the client may access the digital assets and how the custodial arrangement may be terminated;

(f) information related to the licensed undertaking's security safeguards;

(g) remedies available to the owner upon the unforeseeable loss of the digital assets by the custodian; and any other information specified by the Commission;

(h) make appropriate disclosures to each client, on a regular basis or alternatively at the client's request, on transactions relating to client account(s) containing at a minimum, the activity period, transaction dates and amount, account balance and valuation of digital assets

in the account, where appropriate, to enable the client to identify any unauthorized or erroneous transactions and ascertain the account's integrity;

(i) ensure that for any digital assets of multiple clients that are pooled or kept together at a single address or common wallet, an accounting system is maintained pursuant to which the digital assets belonging to a client can be distinguished from digital assets belonging to other clients;

(j) ensure that all ancillary or subsidiary proceeds relating to digital assets held in custody shall accrue to the benefit of the owner of the digital asset unless otherwise agreed to with the owner in writing; and

(k) take such steps as may be necessary to safeguard the digital assets held on behalf of third parties.

(12) A licensed undertaking that is a digital asset custody services provider shall not, unless specifically agreed to by the beneficial owners of the digital assets:

(a) encumber; or

(b) have encumbered by a third party,

digital asset deposits held on behalf of clients.

9. Renewal of a digital assets business licence

(1) A licensed undertaking may, not less than 60 days prior to the expiration of its licence, apply to the Commission in the form set out in Form 2 of Schedule I for the renewal of its Digital Asset Business Licence.

(2) The licence undertaking must submit the following with the application for renewal of its licence –

(a) a certificate from the Director or Senior Controller of the licensed undertaking that –

(b) the licensed undertaking has complied with the requirements of its licence;

(c) whether there is to be any material change to the business; and if so,

(d) notice under section 25 of the principal Act of the nature of the material change it intends to effect;

(e) a certificate from its Compliance Officer to show that the licensed undertaking is in compliance with its AML/CFT requirements;

(f) if the application is for renewal of a Class B-Licence, the period for which the licence is to be renewed;

(g) payment of the renewal of a licence fee as set out in the Schedule of Fees.

10. Surrender of a Licensed Undertaking

- (1) A licensed undertaking may make an application to the Commission seeking to surrender its license, which application shall be accompanied by:
 - (a) evidence that all taxes payable under the laws of Antigua and Barbuda have been paid;
 - (b) evidence that all liabilities of the licensed undertaking have been satisfied; and
 - (c) such other documents as may be requested by the Commission.
- (2) The Commission may reject the surrender of the license where the Commission believes it would be in the public interest to do so.
- (3) In the event the Commission accepts the surrender, it shall notify the licensed undertaking in writing of such acceptance, which written notice shall set out the effective date of the surrender.
- (4) The surrender of a licence shall be irrevocable unless the Commission by notice in writing allows it to be withdrawn.

SCHEDULE I

FORM I - Application Form including Personal Questionnaire

FORM 2 – Application for Renewal of Licence

SCHEDULE II

Schedule of Fees

FORM 1 – APPLICATION FORM**Antigua and Barbuda
Financial Services Regulatory Commission****DIGITAL ASSETS BUSINESS
APPLICATION FORM**

Please forward completed questionnaire with any supporting material to:

**Chief Regulatory Officer
Financial Services Regulatory Commission**
P.O. Box 2674
Royal Palm Place
Priars Hill Road
St. John's, Antigua

Tel: (268) 461-1170 • Fax: (268) 463-0422
Email: CR@FSRC.gov.ag
Website: <http://www.fsrc.gov.ag>

FORM 1 – APPLICATION FORM
DIGITAL ASSETS BUSINESS ACT 2020, NO. 16 OF 2020

All parts of this form are to be completed by applicants and shall be submitted, along with any additional information that is required, to the Commission

PART A: APPLICANT'S GENERAL INFORMATION

INDIVIDUAL APPLICANT ☐CORPORATE APPLICANT ☐

A1: INDIVIDUAL APPLICANT

1. Applicant's full legal name:

2. Date of Birth of the Applicant:

3. Current Address of the Applicant:

(Please give street address; district/area; Parish/Town/Province; State/Country; zip code)

4. Email Address:

5. Contact No.:

(Please enter cell, business and home number separated by hyphens)

6. Trading name of business:

7. Date of registration of the business:

8. Tax Identification Number

9. Social Security

10. Medical Benefits

11. Are you licensed to conduct digital asset business in any other jurisdiction?

Yes ☐No ☐

FORM 1 - APPLICATION FORM
DIGITAL ASSETS BUSINESS ACT 2020, NO. 16 OF 2020

If Yes, please -

- (a) specify the date on which the applicant began conducting Digital Assets Business

- (b) state any licence or registration issued

- (c) provide the name and address of each the regulator(s) which has issued the licence or registration

- (d) specify the jurisdiction or jurisdictions in which the applicant is conducting business

- (e) specify whether there are specific requirements, restrictions or prohibitions on the conduct of the activity for which it is registered or licensed;

- (f) state if any office has been opened or if any physical presence has been established.

12. State any penalties or enforcement actions that have been imposed or taken against you or any business in which you have or had a controlling interest in another jurisdiction: issued against you or your business? Do you have a controlling interest in any other business that is engaged in digital asset business activity?

13. Details of the Compliance Officer:

- i. Full name:

- Other names (aliases)

- ii. Personal Address (Mailing and street address):

- iii. Date of birth:

FORM 1 – APPLICATION FORM
DIGITAL ASSETS BUSINESS ACT 2020, NO. 16 OF 2020iv. Country of birth: v. Gender: vi. Occupation and job title: vii. Name of employer:

viii. Street and mailing address of employer:

ix. Phone number of employer: x. Email address of employer:

xi. Professional qualification

*(Please give a description of your credential, name of Accrediting body, date of accreditation or graduation and type)*xii. Attach CV or Resume: ☐

xiii. Address and contact details for the Office of the Compliance Officer:

14. In relation to the Approved Auditor:

(a) Full name (b) Other names (aliases)

(c) Personal Address (Mailing and street address)

FORM 1 – APPLICATION FORM
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(d) Date of birth

(e) Country of birth:

(f) Gender:

(g) Professional qualification —

(i) Description:

(ii) Date:

(iii) Accrediting Body:

(iv) Type:

(h) Attach CV or Resume: ☐

NOTE: ALL INDIVIDUAL APPLICANTS MUST SUBMIT THE FOLLOWING AS A PART OF THE APPLICATION

☐ Copy of the individual applicant's passport

Passport #:

Where Issued:

Issue Date:

Expiration Date:

☐ Police record for the individual applicant for any place where the applicant has resided for more than 6 months in the last 10 years;

☐ Copy of the business certificate of registration;

☐ Statement of Particulars for the business;

☐ All documents that may be necessary to establish the information required in this application.

A2: CORPORATE APPLICANT

(1) Full name:

(2) Date of incorporation:

FORM 1 – APPLICATION FORM
DIGITAL ASSETS BUSINESS ACT 2020, NO. 16 OF 2020

(3) Incorporation number

(4) Place of incorporation

(5) Address of Corporate Entity:

i. Registered Address:

ii. Business Address:

iii. Mailing Address:

(6) Contact information:

i. Telephone number(s):

ii. Fax number:

iii. Email address

iv. Website address

(7) If the Applicant was incorporated or established under a different name or is the result of the merger of two or more companies, please provide –

(a) previous name or names:

i. any trading names (current and previous):

FORM 1 – APPLICATION FORM
DIGITAL ASSETS BUSINESS ACT 2020, NO. 16 OF 2020

- ii. name and registration number for the companies that have merged:

Provide as an attachment and properly marked, the following (as applicable):

- ☐ a copy of articles of incorporation or equivalent documents;
- ☐ certified copy of the Certificate of Incorporation or Registration or official record of formation,
- ☐ provide any business names under which the applicant operates, if different from its legal name;
- ☐ a certificate of good standing (*if the company is more than 12 months old*);
- ☐ provide names and copies of a government-issued photo identification for each director and officer;
- ☐ a corporate organizational chart showing all entities in which the applicant has an interest;
- ☐ the name of each individual who beneficially holds 5% or more of the applicant.

APPLICANT'S BUSINESS RECORD

- Has the applicant ever applied, or held an interest in a business that has applied, to the Commission for a licence?
Yes ☐ No ☐

- Provide information in the table below starting from the most recent record.

DATE OF APPLICATION	TYPE OF LICENCE APPLIED FOR	STATUS OF APPLICATION
<input type="text"/>	<input type="text"/>	<input type="text"/>

- Does the Applicant conduct or carry out Digital Assets Business from jurisdictions outside of Antigua and Barbuda?
Yes ☐ No ☐

- If yes, please provide below details of the address outside of Antigua and Barbuda where Digital Assets Business is carried on from.

- Please indicate below the countries in which the Applicant intends to carry on Digital Assets Business.

- Has the Applicant applied to regulatory authorities in other jurisdictions?

FORM 1 – APPLICATION FORM
DIGITAL ASSETS BUSINESS ACT 2020, NO. 16 OF 2020

Yes ☐

No ☐

If Yes, please provide details:

OFFICERS AND CONTROLLERS

- Complete the following table to identify the officers and controllers. Note that a personal questionnaire form is required to be submitted for each individual.

NAME OF INDIVIDUAL	NATURE OF APPOINTMENT	DATE OF APPOINTMENT

SOURCE OF FUNDS

- Provide a breakdown of the funds received for the applicant's business and the source of the funds in the table below.

☐ – The applicant is fully funded by its officers, beneficial owners, controllers and shareholder controllers.

i. Source of funds:

(Name and/or Description)

ii. Type of source

(Name and/or Description)

iii. Amount received/ to be received in EC dollar

OWNERSHIP STRUCTURE

- Shareholder Controllers and Beneficial Owners

CONTINUED ON NEXT PAGE

FORM 1 – APPLICATION FORM
DIGITAL ASSETS BUSINESS ACT 2020, NO. 16 OF 2020

Please provide information relating to the shareholder controllers and beneficial owners (natural or legal) of the applicant by listing all shareholder controllers and beneficial owners of the applicant. A personal questionnaire form is required for each natural person and must be attached to this application:

- I. Shareholder controller/beneficial owners name:
- II. Percentage of shareholding:
- III. Effective date of shareholding:
- IV. Entity incorporation number:
- V. Place of incorporation
- VI. Date of incorporation

(WHERE THE CONTROLLER IS AN INDIVIDUAL, MARK "N.A." AND COMPLETE A PERSONAL QUESTIONNAIRE FORM)

▪ Trust Relationships

▪ If the Applicant is owned by a Trust(s), please provide as attachments and properly marked, the following information:

- ☐ Copy of the trust deed
- ☐ Copy of any supplement deeds removing or adding beneficiaries
- ☐ Copy of any supplement deeds or appointment and retirement of trustees
- ☐ Names and addresses of the beneficiaries
- ☐ Names and current address of the settlor(s)
- ☐ Names and current address of the trustee(s)
- ☐ Name and address of the relevant supervisory body that regulates the trustee
- ☐ Relationship of the settlor to the beneficiaries

FINANCIAL STATEMENTS AND AUDITORS

- For new companies, to what date will the company make up its first set of audited accounts, and what date will it use annually thereafter?

FORM 1 – APPLICATION FORM
DIGITAL ASSETS BUSINESS ACT 2020, NO. 16 OF 2020

- [Redacted]
- What accounting standards will apply to the accounts of the company?

- [Redacted]
- Who will be the auditors of the company? Give their details like the name, address, telephone and fax number, including the name of a contact person.

- [Redacted]
- List the names and addresses of the correspondent banks in which the company has accounts or in which the company intends to have accounts.

- [Redacted]
- The name, address, telephone and fax number for the principal law firm(s) used by the company in Antigua & Barbuda and/or abroad, including in each case the name of a contact person.

REGULATORY OR OTHER ACTION AGAINST THE APPLICANT

- State whether the Applicant has been the subject of any of the following and, if so, provide full details including reasons.

- [Redacted]
- Refusal of an application for registration, licensing, recognition or authorisation by any authority in any country or jurisdiction?

- [Redacted]
- Suspension, cancellation or revocation of registration, licence or certificate, recognition or authorisation by any authority in any country or jurisdiction

- [Redacted]
- Regulatory or enforcement action by any authority in any country or jurisdiction

[Redacted]

FORM 1 – APPLICATION FORM
DIGITAL ASSETS BUSINESS ACT 2020, NO. 16 OF 2020

- Proceedings relating to receivership or creditors' compromise

- Provide as an attachment and properly marked, details for any of the questions above to which you have answered yes.

PART B – DIGITAL ASSET BUSINESS ACTIVITY

This part is to be completed by all applicants

1. LICENSE SOUGHT (CHECK ALL BOXES THAT APPLY)

- | | | |
|-----|---|--------------------------|
| (a) | Payment Services Provider | <input type="checkbox"/> |
| (b) | Digital Asset Exchange | <input type="checkbox"/> |
| (c) | Digital Asset Services Vendor | <input type="checkbox"/> |
| (d) | Custodial Wallet Services Provider | <input type="checkbox"/> |
| (e) | Digital Asset Custody Services Provider | <input type="checkbox"/> |
| (f) | Special Purpose Depository Services | <input type="checkbox"/> |

2. DETAILS AND ASSESSMENT OF RISK

- (a) Identify the main external and internal risks associated with the proposed business activity and the provision of the services for which you are applying to be licensed including data and security risks.

- (b) State the name, background and experience of the person that will be responsible for risk management;

- (c) State what policies have been put in place to identify, assess, monitor and minimize the risks; to inform clients of any breach of their data and other information, and any insurance arrangements that is to be put in place to compensate clients;

FORM 1 – APPLICATION FORM
DIGITAL ASSETS BUSINESS ACT 2020, NO. 16 OF 2020

- (d) Provide an outline of the internal safeguards and data protection systems that will be put in place to protect the assets and data of clients;

- (e) Provide the following documents with the application – compliance manual; anti-money laundering procedures manual; compliance monitoring programme for the business; risk management policies

- (f) Describe the business continuity and disaster recovery procedures in case of a disruptive event;

- (g) Please refer to these regulations to see what additional information is required by the Commission in respect of the licensing requirements for a specific activity.

3. FINANCIAL INFORMATION

- (a) Provide the most recent audited financial statement for the applicant (Individual and Corporate)

- (b) Provide details of gross revenue for the last 5 years and Profit after taxes and other payments;

- (c) Financial year end date:

PART C: DECLARATION

THIS DECLARATION SHOULD BE SIGNED:

- (a) In the case of an Individual Applicant, by the Individual applicant in the presence of a an Attorney-at-Law

FORM 1 – APPLICATION FORM
DIGITAL ASSETS BUSINESS ACT 2020, NO. 16 OF 2020

(b) In the case of a Corporation, by a Director and the Corporate Secretary or by two Directors and certified by the Companies Accountant.

I/We _____ and _____ Declare that we are duly authorized to make this application.

We confirm that we have read and understood the provisions of the Digital Assets Business Act, No. 16 of 2020 and the provisions of these Regulations, and we declare that the business in respect of which this application is made will be conducted in accordance with the law.

The information contained in this application are true and correct to the best of our knowledge and belief.

Signatures

Name and Position with Company

Name and Position with Company

Date: _____

CERTIFICATION OF APPLICATION

I, [Name of Accountant or Attorney-at-Law], certify that:

1. I have verified the copies of photo identification provided to me by _____ and _____ and have determined them to be true likenesses of the individuals identified thereby;
2. I have reviewed the [articles of incorporation/other formation documents and a certificate of status/good standing, etc.] and, based on such review, to the best of my knowledge, _____ is a [corporation/trust, etc.] governed by the laws of _____ and is still in existence;
3. The applicant has included documents meeting all requirements set out by the Regulations in respect of the licence activity which is intended to be covered by the licence.

Sign: _____

Dated: _____

Application must be submitted to the Chief Regulatory Officer at email address CRO@FSRC.GOV.AG



FORM 2 - APPLICATION FOR

RENEWAL OF LICENCE

PART A – VERIFICATION OF APPLICANT'S IDENTITY

1. Name of Applicant:
2. Licence No.:
3. Do you intend to carry on the same digital assets business activities?

☐ Yes

☐ No

If No, are you:

☐ discontinuing an activity/activities;

☐ engaging in additional digital asset business activity/activities;

4. Please identify the activities that you:

☐ will be discontinuing;

☐ intend to add to your service offering

☐ Payment Services Provider ☐

☐ Digital Asset Exchange ☐

☐ Digital Asset Services Vendor ☐

☐ Custodial Wallet Services Provider ☐

☐ Digital Asset Custody Services Provider ☐

☐ Special Purpose Depository Services ☐

5. Are the Controllers, Chief Executives, Executives, Directors, Managers and the Corporate Secretary the same?

--

- (a) If yes, please provide a declaration that there is no change to the ownership, management or controlling body of the company.

--

- (b) If No, please provide the following information in respect of each new person:

- (i) Full legal name;

--

- (ii) position held with the company/Job Title;

--

- (iii) Date of Birth;

--

- (iv) Country of Birth;

--

- (v) Nationality/nationalities held;

--

- (vi) Contact information (to include physical address, email address, telephone numbers);

--

- (vii) Employment history for the last 10 years;

Name of Employer	
------------------	--

Address of Employer	
Position held	
Period:	
Nature of Business:	
Supervisor/Contact Person:	
Name of Regulator(s) (if any):	
Address: (including contact details - telephone, email, fax)	
Reason for leaving: <ul style="list-style-type: none"> • Resignation <input type="checkbox"/> • Expiration of Contract <input type="checkbox"/> • Redundancy <input type="checkbox"/> • Termination/Dismissal <input type="checkbox"/> • Retirement <input type="checkbox"/> • Other <input type="checkbox"/> 	
If "Other", please specify: If "Termination/Dismissal", please state the reason(s) for the termination or dismissal:	

Please duplicate if more records are needed

- (viii) Percentage of Shareholding (Shareholders and beneficial interest holders only).

NAME	INDICATE SHAREHOLDER OR BENEFICIAL OWNER	PERCENTAGE HELD

6. Give the name, date of birth and contact information of the Controllers, Chief Executives, Executives, Directors, Managers and the Corporate Secretary.

NAME	DATE OF BIRTH	CONTACT INFORMATION	OFFICE HELD

7. Attach a copy of the audited financial statement of the company or business.

.....
Signature of Applicant

.....
Date



Antigua and Barbuda Financial Services Regulatory Commission

DIGITAL ASSETS BUSINESS QUESTIONNAIRE

Please forward completed questionnaire with any supporting material to:

**Chief Regulatory Officer
Financial Services Regulatory Commission**

P.O. Box 2674
Royal Palm Place
Friars Hill Road
St. John's, Antigua

Tel: (268) 463-1170 • Fax: (268) 463-0422

Email: CRO@FSRC.gov.ag

Website: <http://www.fsrc.gov.ag>

1. Name of Entity for which the approval is sought:

APPLICANT DETAILS

1. Title:

2. Surname:

3. First Name:

4. Middle Name(s):

5. Maiden Name (if applicable):

6. Previous name(s) known by (if applicable)

7. Date of Name Change:

8. Reason for change:

9. Date of Birth:

10. Place of Birth:

11. Gender:

☐ Male☐ Female

12. Nationality:

13. Passport No.:

If dual nationality please state including Passport Number

i. Nationality

ii. Passport No

14. Social Security No.:

15. Other Identification No. (Please specify):

16. Occupation:

17. Current residential address:

ADDRESS	LENGTH OF TIME AT CURRENT ADDRESS	DATE FIRST RESIDED
<input type="text"/>	<input type="text"/>	<input type="text"/>

Previous addresses during the last 10 years-

ADDRESS	LENGTH OF TIME AT CURRENT ADDRESS	FROM	TO
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

DETAILS OF POSITION BEING SOUGHT

1. Title for which approval is sought:
2. Are you currently or were you previously approved by the Commission?
 Yes ☐ No ☐

If yes, please provide details:

RELATIONSHIP WITH OTHER ENTITIES

1. Are you currently or were you previously approved (within the last 10 years) by any other Regulatory Body?
 Yes ☐ No ☐

If yes, please provide details

NAME OF REGULATOR	COUNTRY	POSITION HELD	NAME OF ENTITY	DATE APPROVED	IS THE APPROVAL ACTIVE?*

*If no, please provide reasons for cessation

2. Do you have any pending applications with any other regulatory Body?

Yes ☐ No ☐

If yes, please provide details:

NAME OF REGULATOR	COUNTRY	NATURE OF APPLICATION

NAME OF REGULATOR	COUNTRY	NATURE OF APPLICATION

RELATIONSHIP BETWEEN APPLICANT AND THE ENTITY

1. Position held:

2. Shareholding held:

EDUCATION

1. Academic Qualifications/Professional Qualifications

NAME AND ADDRESS OF INSTITUTION(S) ATTENDED	DEGREE/DIPLOMA/OTHER QUALIFICATION RECEIVED	DATE OF COMPLETION

2. Memberships in Professional Bodies

ORGANISATION/ASSOCIATION MEMBERSHIP	STATUS	MEMBER SINCE	MEMBERSHIP NUMBER

3. Experience

(Employment History for past ten years including current position if currently employed) (If there is relevant employment history spanning beyond ten years, that may be included)

Name of Employer	
Address of Employer	
Position held	
Period:	

Nature of Business:	
Supervisor/Contact Person:	
Name of Regulator(s) (if any):	
Address: (including contact details - telephone, email, fax)	
Reason for leaving:	
<ul style="list-style-type: none"> ▪ Resignation <input type="checkbox"/> ▪ Expiration of Contract <input type="checkbox"/> ▪ Redundancy <input type="checkbox"/> ▪ Termination/Dismissal <input type="checkbox"/> ▪ Retirement <input type="checkbox"/> ▪ Other <input type="checkbox"/> 	
If "Other", please specify:	
If "Termination/Dismissal", please state the reason(s) for the termination or dismissal:	

Please duplicate if more records are needed

FITNESS AND PROPRIETY

1. If you answer YES to any of the questions below you must supply full details on a separate sheet and reference the appropriate question.

- i. Has an application for your regulatory approval ever been refused? If yes, please provide full details.

- ii. Have you at any time been involved with an application for regulatory approval in any jurisdiction where that application has been refused or withdrawn? If yes, please provide full details.

- iii. Have you at any time been charged or convicted of any offence (other than a traffic offence) by any court whether civil or military in any jurisdiction? If yes, please provide full details of the charge and if convicted, the date of conviction, the offence and the penalty imposed.

- iv. Have you been censured, disciplined or publicly criticised by any professional body to which you belong or belonged, or been dismissed from office or employment or refused entry to any profession or occupation or held a practicing certificate subject to conditions? ? If yes, please provide full details.

- v. Have you been found guilty of conducting any unauthorised regulated activity or been investigated for possible conduct of unauthorised regulated activity?

- vi. Have you ever filed for bankruptcy or been adjudged bankrupt by a Court anywhere? If yes, please provide full details.

- vii. Have you in the last ten years been found liable in a civil suit which elicited dishonest or unlawful conduct on your part?

- viii. Is there any outstanding litigation (civil or criminal) against you including in your capacity as trustee of a trust or any company with which you are an officer or are there any current proceedings issued by you ? If yes, please provide full details.

- ix. Has any body corporate, partnership or unincorporated institution with which you were associated as a director, shareholder, manager, officer or controller had its licence revoked, suspended or cancelled? ? If yes, please provide full details.

- x. Have you been refused, restricted in, or had suspended, the right to carry on a trade, business or profession for which a specific licence, authorisation, registration, membership or other permission is required? ? If yes, please provide full details.

- xi. Have you ever been suspended, dismissed or requested to resign from any fiduciary office or position of trust or employment or barred from entry to any profession or occupation? ? If yes, please provide full details.

- xii. Has any body corporate, partnership or unincorporated institution with which you are, or have been associated as a director, partner, officer, or manager, or a shareholder owning more than 5% of the voting equity, been the subject of an investigation by a governmental, professional, or other regulatory body? ? If yes, please provide full details.

- xiii. Have you ever at any time been the subject of any adverse findings in relation to a financial institution? If yes, please provide full details

NAME OF THE REGULATORY BODY	*NATURE OF THE INCIDENT	DATE OF THE INCIDENT	DETAILS OF THE INCIDENT	STATUS OF THE INCIDENT	PENALTY AMOUNT	REMEDIAL ACTION TAKEN TO ADDRESS THE INCIDENT.

*Indicate one of the following, or where the categories below are not applicable, briefly describe the nature of the incident:

- Refused membership/registration/right to carry on trade
- Prohibition order

- Suspended
- Imprisonment
- Subject of/notified of disciplinary proceeding/investigation -
 - Subject of/notified of criminal proceeding/investigation
 - Subject of/notified of civil proceeding/investigation
- Subject of complaint
- Fine
- Warning
- Reprimand
- Others: Provide Details

- xiv. Have you have ever been disqualified from acting as a director of a company, or from acting in the management or conduct of the affairs of any company, partnership or unincorporated association. ? If yes, please provide full details.

- xv. Has any body corporate, partnership or other unincorporated institution with which you were associated as a director, partner, controller or manager, been compulsorily wound up, gone into receivership, made subject to any administration order, otherwise made any compromise or arrangement with its creditors where they did not receive or have not yet received full settlement of their claims or ceased trading either while you were associated with it or within one year after you ceased to be associated with it? ? If yes, please provide full details.

- xvi. State whether, in connection with the formation or management of any body corporate, partnership or unincorporated association, you have been adjudged by a court to be civilly liable for any fraud, malfeasance or wrongful trading or other misconduct by you towards such a body or towards any members or creditors of such a body. ? If yes, please provide full details.

- xvii. Have you failed to satisfy any debt adjudged due and payable by you as a judgment-debtor under an order of a court or made any compromise arrangement with your creditors within the last 15 years? ? If yes, please provide full details.

- xviii. Have you, a family member or a close associate, at any time been designated a politically exposed person (PEP)? If yes, please provide full details.

- xix. State below any other material information, which you consider relevant to the assessment of your expertise, experience and record.

ATTACHED DOCUMENTS

Attach the following:

1. legible copy of the pages from the individual's passport(s) containing the person's photograph as well as the passport(s) number and place of issue
2. Copies of Certificates of qualification
3. Copies of Certificates of memberships held.
4. Police certificate
5. Two references from well-established banks addressed and sent to the Chief Regulatory Officer of the Commission.
6. Two other professional references addressed and sent to the Chief Regulatory Officer of the Commission.
7. One character reference addressed and sent to the Chief Regulatory Officer of the Commission.

References must be -

- a) Contain such proof of authenticity such as an official seal or stamp or letterhead;
- b) Should not be older than three months; and
- c) Must not be written by family members, employees or Directors of the company making the application.

DECLARATION

I, _____, do hereby declare that the personal information provided in this application is true and accurate and that all documents submitted with this application in respect thereof are authentic. I understand that providing false or misleading information in respect of this application may cause the Commission to deny the application and any subsequent applications which may be submitted on my behalf.

I also undertake to notify the Commission in case of any change in the information furnished herein within a reasonable time but not exceeding 30 days of such change.

Signed by: _____

Name (Print): _____

Date: _____



SCHEDULE II SCHEDULE OF FEES

TYPE OF ACTIVITY

Category A:

Payment Services Provider
Digital Asset Services Vendors
Custodial Wallet Services Provider
Digital Asset Custody Services Provider
Special Purpose Depository Service

* Turnover is defined as the value of the annual gross sales or revenue or receipts by the business

Application fee (non-refundable)	\$10,000 (plus \$6,800 due diligence fee for each director, manager, officer or shareholder)
Annual licence fee	First time applicant - \$20,000 \$20,000 - *turnover of up to 1 Million \$25,000 - over 1 Million and up to 5 Million \$30,000 - over 5 Million
Statutory Deposit (To be deposited with the Commission)	\$50,000 - *turnover of up to 1 Million \$70,000 - over 1 Million and up to 5 Million \$100,000 - over 5 Million

Category B:

Digital Asset Exchanges

Application fee (non-refundable)	\$20,000 plus \$6,800 due diligence fee for each director, manager, officer or shareholder
Annual licence fee	\$50,000 - *turnover of up to 1 Million \$60,000 - over 1 Million and up to 5 Million \$70,000 - over 5 Million

Category B:
Digital Asset Exchanges

Statutory Deposit (To be deposited with the Commission)	\$100,000 - *turnover of up to 1 Million \$200,000 - over 1 Million and up to 5 Million \$300,000 - over 5 Million
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Category C:**Sandbox Licence**

Valid for 6 months; thereafter, may be extended for 3 months

Application fee	\$10,000.
Application for extension of licence	\$10,000.

Made by the Minister this 14th day of May, 2021
.....
Hon. Gaston Browne
Minister of Finance