

Register of Crypto-Assets Service Providers

Section 61E was inserted into the Prevention and Suppression of Money Laundering Law 2007 (188(I)/2007) by the Prevention and Suppression of Money Laundering (Amendment) Law 2021 (13(I)/2021) transposing requirements of the EU 5th Anti-Money Laundering Directive, Directive (EU) 2018/843 in Cyprus.

61E:

- (1) (a) The Commission¹ shall compile and maintain a Register of Crypto-Asset Service Providers.
 - (b) The Commission shall publish the Register on its website or in any other way it may decide.
 - (c) The Commission may determine by its instruction the manner of operation, maintenance, updating and updating of the Register.
- (2) The following shall be entered in the Register:
 - (a) CASPs² providing or carrying out services or activities on a professional basis in Cyprus,³ irrespective of their entry in the register of a Member State⁴ for the services or activities they provide;
 - (b) CASPs providing or carrying out services or activities on a professional basis in Cyprus, other than persons providing or carrying out services or activities relating to cryptocurrencies and which are registered in a Member State for the services or activities they provide.
- (3) Subject to the provisions of subsection (2), for registration in the Register, CASPs shall submit an application to the Commission.
- (4) A person who is not registered in the Register may provide or carry out services or activities related to crypto-assets in Cyprus, provided they are validly registered in the register of a Member State for the services or activities they provide or carry out.

¹ The Commission refers to the Cyprus Securities and Exchange Commission (**CySEC**).

² CASPs are defined in section 2 as follows:

"Crypto Assets Service Provider" or "CASP" means a person who provides or carries out one or more of the following services or activities to or on behalf of another person, which do not fall under the services or activities of the liable entities referred to in paragraphs (a) to (i) of Article 2A:

(a) exchange between cryptocurrencies and fiat currencies;

(b) exchange between crypto assets;

(c) the management, transfer, retention, and / or safekeeping, including custodianship, of cryptocurrencies or cryptographic keys or means enabling control over cryptocurrencies;

(d) offering and / or selling cryptocurrencies, including the initial public offering; and

(e) participation in and / or provision of financial services related to the distribution, offering and / or sale of cryptocurrencies, including the initial public offering;

³ Cyprus refers to the Republic of Cyprus.

⁴ Member State refers to a Member State of the EU.

- (5) The Commission may
- (a) approve or reject the application for registration on the basis of the conditions laid down in its Directive;⁵
 - (b) delete registered CASPs from the Register or suspend their registration, subject to the terms and conditions set out in a Directive; and
 - (c) modify the registration of the CASP, at their request, in accordance with a procedure set out in a Directive.
- (6) (a) CASPs shall comply on an ongoing basis with the conditions of their registration in the Register and immediately notify the Commission of any material changes.
- (b) The Commission may, by its Directive, determine the conditions of registration whose change is considered a material change and the material changes that may be approved by the Commission.
- (7) (a) CASPs shall adopt and implement organisational and operational requirements.
- (b) The Commission may, by its Directive, determine the organizational and operational requirements that must be applied by each CASP.
- (8) (a) CASPs shall pay to the Commission fees and / or subscriptions for the registration and renewal of its registration in the Register, as well as for the submission and examination of requests, applications, notifications and / or notifications.
- (b) The Commission may, by its Instruction, determine the amount of fees and / or subscriptions referred to in paragraph (a).
 - (c) Fees and subscriptions paid pursuant to the provisions of paragraph (a) shall be deemed to be revenue of the Commission and in the event of non-payment shall be taken, in addition to any other measures set forth in this Law, judicial measures to be collected as civil debt.
- (9) (a) Subject to the provisions of this Article and the Directives issued pursuant to it.
- (b) The Commission shall evaluate the ability and honesty of the persons who hold an administrative position in CASPs, according to the criteria and the procedure determined by its Directive.
 - (c) The Commission may determine by its Directive the obligations of the persons holding an administrative position in CASPs, with which they must always comply in time.
 - (d) CASPs shall ensure that the persons holding an administrative position in it comply with the provisions of this paragraph and the provisions of the Directive, which is issued pursuant to the provisions of paragraph (c).
- (10) A beneficiary of a CASP must always be a competent and honest person, as specified in a Directive of the Commission.
- (b) The Commission evaluates the ability and honesty of the persons who are beneficiaries of CASPs, according to the criteria and the procedure determined by its Directive.
 - (c) The Commission may determine by its Directive, the obligations of the persons who are beneficiaries in CASPs with which they owe at all times to comply.
 - (d) CASPs shall ensure that the persons entitled to it comply with the provisions of this paragraph and the provisions of the Directive, which is issued pursuant to the provisions of paragraph (c).

⁵ Directive refers to a Directive of CySEC to be issued in due course.

(11) (a) Without prejudice to any other provisions of this Law that provide for the issuance of Instructions, the Commission may issue an Instruction which regulates, determines and / or specialises any other issue that needs or is subject to regulation, determination and / and specialisation in this section.

(b) Compliance with the Instructions issued pursuant to the provisions of this section is mandatory for the persons to whom they are addressed and a breach of their provisions constitutes a breach of the provisions of this section under the provisions of which it was issued.

(12) For the purposes of this Law, "**Register**" means the Register of Service Providers Concerning Crypto-Assets provided in subsection (1).

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