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BANKING & FINANCE | FINTECH

VIRTUAL ASSETS – REGISTRATION OBLIGATIONS OF ENTITIES THAT INTEND TO CARRY OUT ACTIVITIES INVOLVING VIRTUAL ASSETS

The Bank of Portugal has submitted to public consultation, until 10 December 2020, a draft notice aimed at regulating the registration obligations of entities that intend to carry out activities involving virtual assets (the “**Draft Notice**”). Pursuant to Article 112-A(1) of Law no. 83/2017 of 18 August (the “**Law**”), all entities wishing to pursue activities with virtual assets must undergo prior registration with the Bank of Portugal, including cases where the entity already holds some type of authorisation. The Bank of Portugal shall regulate the provisions of Article 112-A of the Law, namely:

- (i) the registration process of all entities intending to professionally carry out activities involving virtual assets; and
- (ii) requests for amendments to the elements subject to the registration process mentioned in point i) above.

In accordance with the Draft Notice, those interested in professionally carrying out activities involving virtual assets must submit to the Bank of Portugal a duly completed notification form (Annex I of the Draft Notice), together with all the relevant documentation and the statements of responsibility of the members of the board of directors, supervisory boards and senior management (Annex II of the Draft Notice).

In addition to the comprehensive information requested in Annex I (including, for instance, information on entities’ ultimate beneficial owner(s), governance structure, business plan, risk exposure, anti-money laundering policies, information system, and origin of funds), the Bank of Portugal may request additional information and undertake any inquiries it deems necessary.

Any amendment to the elements foreseen in Article 112-A(4) of the Law shall be notified to the Bank of Portugal within 30 days, by means of the submission of an updated notification form.

The information required under Article 112-A of the Law may be submitted in English or Portuguese, with exception to the notification form and required policies, which must be prepared in Portuguese.

All entities already performing activities involving virtual assets before the amendments to the Law are also obliged to undergo prior registration with the Bank of Portugal and those that have already delivered certain elements of information (and respective supporting documents) can use these for the purposes of the procedure for virtual assets activity.

Vda hopes this update is of assistance to you and welcomes any further queries you may have. We are also available to receive any comments you may want to raise at the following email tcm@vda.pt.