



39-43 Barbados Avenue | Kingston 5, Jamaica W.I.
Telephone: (876) 906-3010 | www.fscjamaica.org

FOR CONSULTATION

PROPOSED LICENSING REQUIREMENTS

For Virtual Asset Service Providers

APPENDIX III – PROPOSED LICENSING REQUIREMENTS FOR VASPs

Contents

List of Acronyms	4
1. Background and Context.....	5
1.1 Legislative Context	5
1.2 International Standards.....	5
2. The Proposed Approach: A Licensing Regime	5
3. Proposed Licence Classes	6
4. Eligible Applicants	6
5. Licensing Criteria	7
5.1 Business Plan.....	7
5.2 Minimum Capital.....	7
5.3 Fit and Proper Assessment.....	7
Integrity and Reputation.....	7
Competence and Capability.....	7
Financial Soundness	7
5.4 Cybersecurity	8
5.5 Prudential Requirements	8
5.6 Market Conduct Requirements	8
5.7 AML/CFT Compliance	9
5.8 Third-Party Relationships	9
5.9 Substance Requirements	9
5.10 Class-Specific Licensing Requirements.....	10
5.10.1 Class A: Virtual Asset Assessment and Listing Policy.....	10
5.10.2 Class B and D: Suitability and Appropriateness	10
Class B: Suitability	10
Class D: Appropriateness	11
5.10.3 Class C and E: Cold Storage and Hot Wallet Requirements	11
5.10.4 Class A and C: Proof of Reserves	11
6. Application Process and Timeline	12
6.1 Pre-Application Engagement	12
6.2 Submission.....	12
6.3 Review Process.....	12
6.4 Proposed Indicative Timelines	12
7. Licence Conditions, Duration, and Renewal	12
7.1 Licence Conditions	12
7.2 Licence Duration.....	13

APPENDIX III – PROPOSED LICENSING REQUIREMENTS FOR VASPs

7.3	Annual Renewal	13
7.4	Change in Control and Material Change Notifications.....	13
7.5	Voluntary Surrender	13
8.	Enforcement, Refusal, and Rejection	14
8.1	Grounds for Refusal	14
8.2	Rejection of Incomplete Applications	14
8.3	Enforcement Powers	14
8.4	Sanctions.....	14
9.	Appeals and Review of Decisions	14
9.1	Internal Review.....	14
9.2	External Review.....	15
10.	Proposed Fee Schedule.....	15
10.1	Rationale	15
10.2	Proposed Application Fees.....	15
11.	Transitional Provisions	15
11.1	Notification Requirement	15
11.2	Application Window	16
11.3	Cessation of Unlicensed Activity.....	16
11.4	FSC Guidance	16

APPENDIX III – PROPOSED LICENSING REQUIREMENTS FOR VASPs

List of Acronyms

Acronym	Meaning
AML/CFT/CPF	Anti-Money Laundering / Countering the Financing of Terrorism / Counter-Proliferation Financing
CDD	Customer Due Diligence
FATF	Financial Action Task Force
FSC / Commission	Financial Services Commission
IBC	International Business Company
KYC	Know Your Customer
ML	Money Laundering
NRA	National Risk Assessment
POCA	Proceeds of Crime Act
TF	Terrorist Financing
TPA	Terrorism Prevention Act
UNSCRIA	United Nations Security Council Resolutions Implementation Act
VA	Virtual Asset
VASP	Virtual Asset Service Provider
VASP Act	Virtual Asset Service Providers Act (proposed)

1. Background and Context

1. The proposed licensing framework for Virtual Asset Service Providers ("VASPs") in Jamaica seeks to balance innovation with risk mitigation. As the virtual asset industry continues to evolve, the framework aims to encourage responsible technological advancement while safeguarding against misuse through illicit activities such as money laundering, terrorism financing, and market manipulation. It is designed as a foundational oversight model tailored to Jamaica's context, informed by international benchmarks, FATF standards, and the national risk assessment carried out for VAs and VASPs in 2025.
2. While Jamaica's local virtual asset sector remains embryonic, indicators point to growing public engagement and market expansion driven largely by offshore providers and informal peer-to-peer activity. This growth, occurring outside a formal regulatory perimeter, introduces significant exposure to AML/CFT risks including ransomware payments, darknet transactions, unregulated peer-to-peer transfers, fund layering through exchanges, and investment scams.

1.1 Legislative Context

3. The Commission is developing a regulatory framework for virtual assets and VASPs. As part of this work, legislation is under development that will establish a legal requirement for VASPs operating in or from Jamaica to be licensed by the Commission. The legislation will set out conditions for the grant, variation, and revocation of licences, and will provide for detailed licensing requirements to be set out in supplementary regulations, the proposed content of which is set out in this document.

1.2 International Standards

4. FATF Recommendations 10, 15, 16, and 20 require that VASPs apply AML/CFT measures equivalent to those applied to traditional financial institutions, and that member countries establish licensing or registration regimes for VASPs. FATF's 2021 updated guidance introduced the Travel Rule (Recommendation 16), requiring transmission of identifying information with virtual asset transfers. Non-compliance with FATF requirements risks Jamaica being placed on the FATF Jurisdictions under Increased Monitoring list, with consequences including heightened regulatory scrutiny, restrictions on cross-border transactions, reputational damage, and deterrence of foreign investment.

2. The Proposed Approach: A Licensing Regime

5. Having considered various regulatory approaches observed internationally, the Commission proposes a licensing regime for VASPs, consistent with the approach applied to other regulated entities it oversees. A registration-only model, adopted in several jurisdictions initially, has been found to frequently fail in mitigating AML/CFT risks. Ownership and control of VASPs frequently changes post-registration without regulatory notification; many registrants have little genuine local presence; and governance and compliance deficiencies frequently only become apparent after registration. Jurisdictions that began with registration have in many cases been required to transition to licensing, incurring significant additional supervisory cost in the process.
6. A licensing model provides the following advantages:
 - Leverages the Commission's existing licensing processes and institutional expertise.
 - Incorporates fitness and propriety requirements for owners, controllers, and senior officers from the outset.

APPENDIX III – PROPOSED LICENSING REQUIREMENTS FOR VASPs

- Extends regulatory scope to include market conduct and prudential requirements, addressing broader governance and operational risks.
- Provides comprehensive oversight of both virtual asset products and the manner in which the business is operated.
- Promotes market integrity through clear prohibitions on fraudulent, deceptive, and manipulative practices.
- Provides legal certainty for VASP businesses, investors, and users.

3. Proposed Licence Classes

7. A separate licence is required for each class of regulated virtual asset activity. The following six classes of licence are proposed:

Class	Licence Category	Regulated Activity
A	<i>Virtual Asset Trading Platform Operator</i>	Operation of a platform or exchange facilitating the trading of virtual assets against fiat currency or other virtual assets.
B	<i>Virtual Asset Advisory Services</i>	Provision of advice to clients in relation to virtual assets, including investment advice and portfolio management.
C	<i>Virtual Asset Custody Services</i>	Safekeeping and/or administration of virtual assets or instruments enabling control over virtual assets on behalf of clients.
D	<i>Virtual Asset Broker-Dealer</i>	Dealing in virtual assets as principal or agent, including purchase and sale on behalf of clients.
E	<i>Virtual Asset Wallet Services</i>	Provision of wallet infrastructure enabling clients to store, manage, and transfer virtual assets.
F	<i>Virtual Asset Conversion Services</i>	Facilitating conversion of one virtual asset into another, or virtual assets into fiat currency and vice versa, outside of an exchange platform.

8. An entity wishing to conduct activities falling within more than one class must obtain a licence for each applicable class. Class-specific authorisation fees apply as set out in Section 10.

4. Eligible Applicants

9. Applicants must be incorporated as a company under either the Companies Act or the International Business Companies Act. Legal entities incorporated outside Jamaica are not eligible to apply. Individuals are also not eligible; it will be an offence under the proposed VASP Act for a natural person to offer virtual asset services in or from Jamaica without a licence. Where an applicant is incorporated under the IBC Act, a board of directors comprising a minimum of two individuals is required.

5. Licensing Criteria

10. The following criteria must be satisfied at the point of application and must continue to be met for the duration of the licence.

5.1 Business Plan

11. Applicants must submit a detailed business plan covering their present and proposed services, target market, revenue model, operational structure, risk management framework, and financial projections — sufficient to allow the Commission to assess the commercial viability and stability of the business.

5.2 Minimum Capital

12. Applicants must demonstrate a minimum paid-up share capital of J\$16,000,000. Evidence of source of funding must be provided, together with confirmation that the funds are not subject to a temporary loan or other financial arrangement put in place solely to satisfy the licensing requirement. The Commission may require higher capital having regard to the licence class and the scale and complexity of proposed operations.

5.3 Fit and Proper Assessment

13. All directors, principal officers, substantial shareholders (holding 10% or more of voting rights or share capital), and other persons exercising significant influence over the management or direction of the applicant must satisfy the Commission's fit and proper requirements. This assessment will be repeated where there is a material change in the persons holding these roles.
14. The Commission will assess the following in determining whether a person is fit and proper:

Integrity and Reputation

- Whether the person has been convicted of, or charged with, any criminal offence, particularly those involving dishonesty, financial crime, fraud, money laundering, or terrorism-related matters.
- Whether the person has been subject to regulatory disciplinary action, adverse findings, or sanctions by a regulator, professional body, or court in any jurisdiction.
- Whether there are grounds to believe the person has been involved in conduct calling into question their honesty, integrity, or professional reputation.

Competence and Capability

- Whether the person has sufficient knowledge and experience in virtual assets, financial services, or a related field appropriate to the role they will perform.
- Whether the person has qualifications, training, or equivalent practical experience to discharge their responsibilities effectively.
- Whether the person demonstrates adequate understanding of the regulatory and AML/CFT obligations applicable to VASPs in Jamaica.

Financial Soundness

APPENDIX III – PROPOSED LICENSING REQUIREMENTS FOR VASPs

- Whether the person has been subject to bankruptcy or insolvency proceedings, or has an unsatisfied judgement debt outstanding.
- Whether the person has been a director, officer, or substantial shareholder of an entity that has been wound up, placed in receivership, or had its licence revoked by a regulator.

15. The Commission may request additional information, conduct interviews, or seek information from other regulators in the course of the fit and proper assessment.

5.4 Cybersecurity

16. Applicants must submit a cybersecurity policy addressing at minimum: governance of cybersecurity risk; access controls and authentication; incident detection and response; data encryption and secure storage; business continuity and disaster recovery; and third-party technology risk management. The Commission will issue supervisory rules on cybersecurity against which applicants will be assessed at licensing and monitored thereafter.

5.5 Prudential Requirements

Requirement	Description
Segregation of Assets	Customer funds and assets must be clearly segregated from the VASP's operational assets at all times. Systems must be in place to ensure safe custody and prevent use of customer assets for operational purposes.
Capital Adequacy	VASPs must maintain minimum capital or financial reserves as prescribed.
Risk Management	VASPs must implement policies addressing operational, credit, market, and liquidity risks, including regular assessment of assets and liabilities.
Reserve Management	VASPs must maintain sufficient reserves to meet customer withdrawal requests and conduct periodic audits to verify reserve holdings.
Insurance	VASPs must maintain appropriate insurance coverage against losses from theft, hacking, fraud, or other unforeseen events affecting client assets.

5.6 Market Conduct Requirements

Requirement	Description
Market Manipulation	VASPs must employ tools and processes to detect and prevent market manipulation, including wash trading, oracle manipulation, pump-and-dump schemes, spoofing, layering, and other abusive practices.
Complaint Handling	VASPs must establish mechanisms for handling customer complaints and disputes, ensuring timely and fair resolution.
Consumer Protection	VASPs must implement consumer protection measures including clear terms of service, transparency of fees and risks, and where applicable, compensation arrangements.
Regulatory Reporting	VASPs must comply with all regulatory reporting obligations, including reporting of large transactions, suspicious activities, and security incidents.

APPENDIX III – PROPOSED LICENSING REQUIREMENTS FOR VASPs

Requirement	Description
Corporate Governance	VASPs must adhere to the FSC's Corporate Governance Standards of Sound Practice applicable to VASPs.
Conflict of Interest	VASPs must develop and maintain policies to identify, manage, and mitigate conflicts of interest.
Data Protection	VASPs must handle client data in compliance with the Data Protection Act.

5.7 AML/CFT Compliance

17. Applicants must submit evidence of their AML/CFT policies, procedures, and systems — including evidence of controls satisfying the Proceeds of Crime Act, Terrorism Prevention Act, UNSCRIA, and the FATF Travel Rule. Applicants must conduct and document an institution-wide risk assessment prior to application, identifying ML/TF/PF risks arising from their proposed activities and the controls to be implemented. The Commission will conduct routine AML surveillance and periodic risk assessments of all licensees.

5.8 Third-Party Relationships

18. Applicants must demonstrate that they have: performed due diligence on all existing and proposed third-party service providers, including assessment of their AML/CFT controls; established contractual agreements assigning AML/CFT obligations and oversight mechanisms; and implemented procedures for regular audit of third parties. The VASP retains full AML/CFT responsibility regardless of what has been outsourced.

5.9 Substance Requirements

Requirement	Description
Functional Office	Applicants must have a functioning office in Jamaica accessible to staff, with equipment to access all documentation related to VASP operations, customers, transactions, and AML/CFT records.
Resident Director	At least one director must be an individual resident in Jamaica. For IBC applicants, at least one of the minimum two directors required must be resident in Jamaica.
Qualified Local Staff	Staff employed at the Jamaica office must have relevant expertise and qualifications in virtual assets and VASP operations.
Record Accessibility	All VASP records — including customer identification, transaction data, and AML/CFT compliance records — must be accessible from the Jamaica office.
Nominated Officer	The VASP must employ a Nominated Officer located in Jamaica as required under the POCA Act and Regulations. This role may not be filled by a person located outside of Jamaica.
Bank Account	The VASP must hold a bank account with a licensed deposit-taking institution in Jamaica.
Complaints Register	A register of consumer complaints and records of their handling must be maintained at the local office.

APPENDIX III – PROPOSED LICENSING REQUIREMENTS FOR VASPs

Requirement	Description
Board Meetings	The VASP must hold at least quarterly board meetings.
Corporate Service Providers	Where an IBC licensee uses a Corporate Service Provider as nominee director, the FSC must be notified of the nominee's identity and provided with evidence of their competence in virtual asset services and AML/CFT obligations.

5.10 Class-Specific Licensing Requirements

19. The following requirements apply in addition to the general licensing criteria set out in Sections 5.1 to 5.9. They are specific to the licence class indicated and must be satisfied at the point of application and maintained for the duration of the licence.

5.10.1 Class A: Virtual Asset Assessment and Listing Policy

20. A Class A licensee must maintain a documented virtual asset assessment policy governing the admission and removal of virtual assets from its trading platform. The policy must be approved by the board of directors, reviewed at least annually, and made available to the Commission on request.

21. At minimum, the policy must address:

- the financial crime risk profile of each virtual asset proposed for listing, including susceptibility to use in money laundering, fraud, market manipulation, or other illicit activity;
- whether the virtual asset constitutes or may constitute a security, commodity, or other regulated financial instrument under Jamaican law, and how any such determination has been assessed;
- the technical integrity and security of the underlying blockchain or distributed ledger protocol;
- the virtual asset's liquidity profile and the potential for price concentration risk on the platform; and
- whether the virtual asset is issued by, or otherwise connected to, any person, entity, or jurisdiction subject to applicable sanctions.

22. A Class A licensee must not admit to its platform any virtual asset designated as prohibited by the Commission. Where the Commission issues a notice requiring a licensee to delist a particular virtual asset, the licensee must comply within the period specified in the notice. The licensee's assessment policy must include procedures for managing client positions and notifying affected clients in the event of a delisting.

5.10.2 Class B and D: Suitability and Appropriateness

23. VASPs holding a Class B (Virtual Asset Advisory Services) or Class D (Virtual Asset Broker-Dealer) licence must implement a documented client suitability and appropriateness framework, commensurate with the nature and scope of the services provided.

Class B: Suitability

24. Before making any recommendation to a client, a Class B licensee must gather sufficient information about the client's financial situation, investment objectives, knowledge and experience in virtual assets, and risk tolerance to establish that the recommendation is suitable for that client.

APPENDIX III – PROPOSED LICENSING REQUIREMENTS FOR VASPs

Where a product or service is assessed as unsuitable for a client, the licensee must not proceed with the recommendation or, where the client requests it proceeds notwithstanding the assessment, must clearly document and disclose its determination to the client prior to acting.

Class D: Appropriateness

25. Where executing transactions on a non-discretionary basis, a Class D licensee must assess whether the client has sufficient knowledge and experience to understand the risks of the proposed transaction. Where a transaction is assessed as inappropriate for a client, the licensee must provide a clear warning to the client before proceeding. Where a licensee also exercises discretion over client assets, the full suitability requirements applicable to Class B licensees apply.
26. Class B and D licensees must maintain records of all suitability and appropriateness assessments conducted and must make those records available to the Commission on request.

5.10.3 Class C and E: Cold Storage and Hot Wallet Requirements

27. VASPs holding a Class C (Virtual Asset Custody Services) or Class E (Virtual Asset Wallet Services) licence must ensure that client virtual assets are held in a manner that prioritises security and protects against loss from hacking, theft, or operational failure.
28. At minimum, Class C and E licensees must:
 - maintain the substantial majority of client virtual assets in cold storage at all times, with the minimum cold storage ratio to be prescribed by the Commission;
 - limit virtual assets held in hot wallets to amounts required for operational and liquidity purposes only, and ensure the Commission is notified where hot wallet holdings materially exceed operational requirements;
 - maintain insurance or an equivalent financial protection mechanism covering the replacement value of all virtual assets held in hot wallets against loss from hacking, theft, or unauthorised access; and
 - implement documented key management procedures including: multi-signature or equivalent controls for transactions above specified value thresholds; secure key generation, storage, and rotation protocols; and documented procedures for key recovery and succession in the event of the loss of a key holder.

5.10.4 Class A and C: Proof of Reserves

29. VASPs holding a Class A (Virtual Asset Trading Platform Operator) or Class C (Virtual Asset Custody Services) licence must demonstrate, on an ongoing basis, that the virtual assets and fiat currency held on behalf of clients correspond fully to the licensee's obligations to those clients.
30. Class A and C licensees must:
 - conduct a proof of reserves exercise no less frequently than quarterly, reconciling client asset holdings against the licensee's recorded client liabilities as at a consistent reference date;
 - engage an independent auditor acceptable to the Commission to verify the proof of reserves exercise and attest to the completeness and accuracy of the reconciliation; and
 - submit the verified proof of reserves report to the Commission within the period prescribed by the Commission in supplementary guidance.
31. The Commission will prescribe the form, content, and submission timeline for proof of reserves reports in supplementary guidance. A shortfall identified in any proof of reserves exercise must be

APPENDIX III – PROPOSED LICENSING REQUIREMENTS FOR VASPs

reported to the Commission immediately and remedied within the period specified by the Commission. Failure to conduct or submit a proof of reserves report as required will constitute a breach of licence conditions.

6. Application Process and Timeline

6.1 Pre-Application Engagement

32. Prospective applicants are encouraged to engage with the Commission prior to formal application. The FSC will offer pre-application meetings to provide guidance on requirements, discuss proposed business models, and identify areas likely to require particular attention. Pre-application engagement does not constitute endorsement of an applicant's suitability.

6.2 Submission

33. Applications must be submitted with all required supporting documentation and the applicable processing fee. An application will not be formally accepted — and review will not commence — until the Commission is satisfied that the application is complete.

6.3 Review Process

34. Once accepted, the Commission will assess the business plan and financial projections; conduct fit and proper assessments of all relevant persons; assess the adequacy of proposed AML/CFT controls; verify cybersecurity compliance; confirm satisfaction of substance requirements; and evaluate the viability and integrity of the business model. The Commission may request additional information at any stage; the review timeline is paused while information requests are outstanding.

6.4 Proposed Indicative Timelines

Stage	Indicative Timeframe
<i>Completeness review</i>	Within 10 business days of receipt
<i>Additional information requests (if required)</i>	Issued during review; timeline paused pending response
<i>Substantive assessment</i>	60-90 business days from acceptance of complete application
<i>Notification of decision</i>	Within 10 business days of completing assessment
<i>Issuance of licence (if approved)</i>	Within 5 business days of decision notification

35. These timelines are indicative and may be extended where applications are complex, incomplete, or raise issues requiring detailed consideration. Applicants will be notified of any material extension.

7. Licence Conditions, Duration, and Renewal

7.1 Licence Conditions

APPENDIX III – PROPOSED LICENSING REQUIREMENTS FOR VASPs

36. A licence may be granted subject to conditions imposed by the Commission, which may include: restrictions on the class of services that may be offered; requirements relating to minimum capital, insurance, or other financial safeguards; reporting or record-keeping obligations; requirements for specific policies, procedures, or systems; restrictions on the types of clients that may be served; or any other condition the Commission considers appropriate. The Commission may vary licence conditions on reasonable notice and will invite representations from the licensee before any variation that would materially affect the conduct of the business.

7.2 Licence Duration

37. A VASP licence remains in force until suspended, revoked, surrendered, or lapsed due to non-renewal. Licences are not issued for a fixed term. Licensees must renew annually and pay the applicable annual renewal fee.

7.3 Annual Renewal

38. Licensees must submit an annual declaration and renewal fee by the prescribed date each year. The declaration must confirm: that licensing information remains accurate and up to date; that all licensing criteria continue to be met; disclosure of any material changes not previously notified; and satisfaction of any licence conditions. Failure to submit the declaration and fee by the prescribed deadline may result in the licence lapsing or being suspended. The Commission will issue at least 30 days' notice to a licensee whose licence is at risk of lapsing.

7.4 Change in Control and Material Change Notifications

39. Licensees must notify the Commission no later than 30 days in advance (where foreseeable) or within 5 business days (where the change arises unexpectedly) of the following:

- any proposed change in ownership of 10% or more of the shares or voting rights of the licensee;
- any proposed or actual change in a director, principal officer, substantial shareholder, or Nominated Officer;
- any material change to the business plan, services offered, or operational structure;
- any material change to the AML/CFT framework, cybersecurity arrangements, or substance profile;
- the commencement of legal or regulatory proceedings against the licensee or any of its directors or principal officers in any jurisdiction; and
- any event of insolvency or financial distress affecting the licensee or a material third-party service provider.

40. The Commission may require that proposed changes be subject to prior approval. Changes involving new directors, principal officers, or substantial shareholders will require a fit and proper assessment of the incoming individual.

7.5 Voluntary Surrender

41. A licensee wishing to surrender its licence must notify the Commission in writing at least 60 days before the intended surrender date. The notice must include: a plan for the orderly wind-down of services, including arrangements for the return or transfer of client assets; a schedule for notifying affected clients; and details of how records and data will be preserved and remain accessible to the Commission. Voluntary surrender does not extinguish liability for regulatory breaches occurring

APPENDIX III – PROPOSED LICENSING REQUIREMENTS FOR VASPs

prior to or during the wind-down. The Commission may impose conditions on or decline to accept a surrender where the interests of clients or market integrity so require.

8. Enforcement, Refusal, and Rejection

8.1 Grounds for Refusal

42. The Commission may refuse to grant a licence where¹:

- the applicant fails to meet the licensing criteria set out in Section 5;
- directors, principal officers, or substantial shareholders do not satisfy the fit and proper requirements;
- the proposed AML/CFT controls are inadequate to satisfy the applicable legislative requirements or to sufficiently mitigate identified financial crime risks;
- an approval would not be in the public interest having regard to the size, scope, and complexity of the proposed business; or
- the applicant has provided false, misleading, or materially incomplete information.

8.2 Rejection of Incomplete Applications

43. Where the Commission determines that an application is incomplete or lacking information relating to mandatory licensing criteria, it may reject the application without substantive assessment. Applicants whose applications are rejected on completeness grounds may reapply. The Commission will publish guidance to assist applicants in preparing complete application materials.

8.3 Enforcement Powers

44. The proposed VASP Act will provide the Commission with enforcement powers to investigate potential breaches and, where necessary, impose enforcement measures including: issuing and publishing warning notices; imposing or varying licence conditions; suspending a licence; revoking a licence; imposing financial penalties; and publicly disclosing enforcement actions. Licensees and former licensees remain subject to the Commission's enforcement jurisdiction for conduct occurring during the period of their licence.

8.4 Sanctions

45. In line with FATF Recommendation 15, the sanctions restrictions applicable to Traditional Obligated Entities apply equally to VASPs. VASPs must ensure that transaction monitoring and screening systems identify possible sanctions target matches and evasion activity in a timely manner, and must freeze and record relevant assets in compliance with Jamaica's national sanctions legislation.

9. Appeals and Review of Decisions

9.1 Internal Review

46. A person aggrieved by a decision of the Commission, including a refusal of an application, suspension or revocation of a licence, or imposition of a financial penalty, may request an internal review within 30 days of receiving notice of the decision. The request must be in writing and set out

¹ This list is not exhaustive.

APPENDIX III – PROPOSED LICENSING REQUIREMENTS FOR VASPs

the grounds for review and any supporting information. The review will be conducted by a senior officer not involved in making the original decision. The Commission will endeavour to complete the internal review within 45 business days of receiving a complete review request.

9.2 External Review

47. Where an applicant or licensee remains dissatisfied following an internal review, further recourse is available through such external review or appeal mechanisms as may be prescribed under the proposed VASP Act or applicable administrative law. Information on available external review mechanisms will be provided in the notice of the internal review outcome. The filing of a review request does not automatically suspend the Commission's decision unless ordered by the reviewing body or court.

10. Proposed Fee Schedule

10.1 Rationale

48. Licensees are required to pay fees to contribute to the cost of the Commission's regulatory oversight of the virtual asset sector. The proposed fee structure is aligned to a risk-based regulatory approach, with fees commensurate with the complexity and risk of each licence class. Fees will enable the Commission to invest in specialised supervisory staff, capacity building, and tools, including blockchain analytics and forensic capabilities. Fees are benchmarked against comparable jurisdictions including Cayman Islands, British Virgin Islands, Mauritius, Seychelles, and Dubai.

10.2 Proposed Application Fees

Fee Description	JMD (approx.)
Processing fee — VASP Licence Application	J\$800,000
Annual fee — Class A (Trading Platform)	J\$4,000,000
Annual fee — Class B (Advisory Services)	J\$500,000
Annual fee — Class C (Custody Services)	J\$400,000
Annual fee — Class D (Broker-Dealer)	J\$1,600,000
Annual fee — Class E (Wallet Services)	J\$2,400,000
Annual fee — Class F (Conversion Services)	J\$800,000

11. Transitional Provisions

11.1 Notification Requirement

49. Upon enactment of the proposed VASP Act, entities currently operating in the virtual asset space in Jamaica will be required to notify the FSC of their activities within 30 days of the Act coming into force. Notification does not constitute a licence or provide immunity from enforcement, but assists the Commission in understanding the landscape and planning supervisory resources.

APPENDIX III – PROPOSED LICENSING REQUIREMENTS FOR VASPs

11.2 Application Window

50. A prescribed application window will be announced following commencement of the proposed VASP Act, during which entities wishing to continue operating must submit a licence application. Entities that submit a complete application within the prescribed window may, at the Commission's discretion, be permitted to continue on a provisional basis pending a decision on their application.

11.3 Cessation of Unlicensed Activity

51. Entities that do not submit an application within the prescribed window, or whose applications are refused, must cease providing virtual asset services in or from Jamaica by such date as the Commission may specify. The Commission reserves the right to take enforcement action against entities that continue to operate without a valid licence beyond the applicable deadline.

11.4 FSC Guidance

52. The Commission will issue detailed guidance on the transitional process, including notification procedures and the application window, prior to or upon commencement of the proposed VASP Act.

FOR CONSULTATION