

Do I need to register with the FCA for carrying on cryptoasset activity?

Does your business:

- Exchange, or arrange or make arrangements with a view to exchange cryptoassets for money or vice versa, or one cryptoasset for another cryptoasset?
- Operate a machine which uses automated processes to exchange money for cryptoassets or vice versa (e.g. an ATM)?
- Provide custodian services for:
 - cryptoassets on behalf of your customers
 - private cryptographic keys to hold, store and transfer cryptoassets?

For a full list of in-scope activities, see Regulation 14A of the MLRs. This includes the definition of a 'cryptoasset' and 'money'. Activities relating to rights to and interests (e.g. beneficial interests) in cryptoassets are in scope of Regulation 14A, unless you only provide custodian services.

Yes

No

Is the activity carried on by way of business in the UK?

Some factors we will consider:

- **Commercial element:** Do you advertise or act in a way that suggests you are providing cryptoasset services by way of business?
- **Commercial benefit:** Do you receive direct or indirect benefit from this service?
- **Relevance to other business:** How significant is the activity to the business' other activities (cryptoasset activities may be only part of the business)?
- **Regularity/frequency:** Does the frequency of the activity suggest that it is being carried on as a business?

Do you:

- Have a registered or head office in the UK and do you carry on day-to-day management of these activities from this office, irrespective of where, geographically, the cryptoasset activity is conducted?
- Operate one or more ATMs in the UK?
- Have any UK presence that is engaged in or facilitates cryptoasset activities?

If you have no UK office or other activity in the UK, beyond having a client in the UK, we are likely to consider that you are not carrying on UK business.

Yes

No

FCA registration is likely to be required

To find out more visit fca.org.uk/firms/financial-crime/cryptoassets-aml-ctf-regime

New cryptoasset businesses that intend to carry on cryptoasset activity must be registered **before** carrying out any activity.

FCA registration may not be required

But we may ask you to explain why you think your activities are not in scope. You must consider the specifics of your business and decide whether registration is required. If you are uncertain, you may wish to seek legal advice.

Complying with the UK’s financial promotions regime

From 8 October 2023, cryptoasset businesses that wish to market to UK customers (i.e. communicate their own cryptoasset financial promotions) will need to be registered with the FCA under the MLRs unless their financial promotions are approved by an authorised person or otherwise rely on an exemption in the Financial Promotion Order.

Cryptoasset businesses seeking registration in order to market to UK customers should consider how they will meet the requirements set out in Regulation 8 and Regulation 9 of the MLRs.