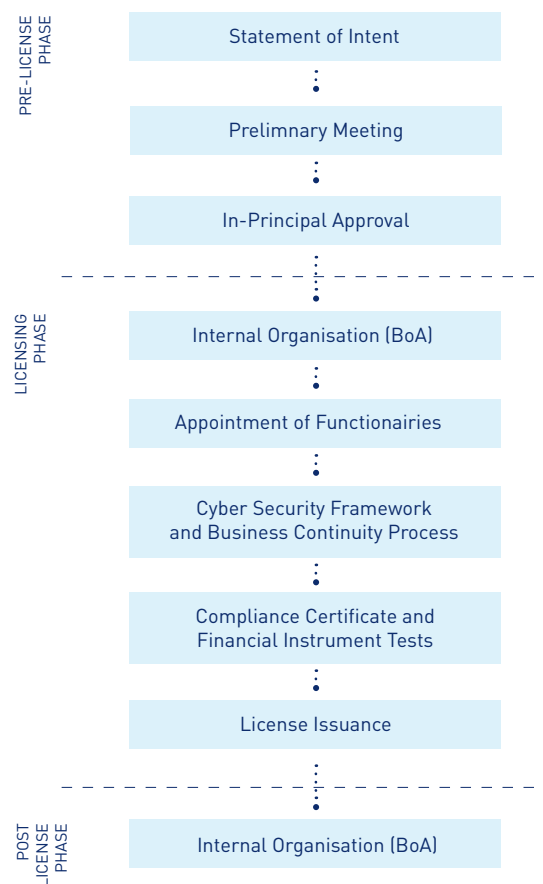


## OVERVIEW OF LICENSES

LICENSES	CONDITIONS
<b>CLASS 1</b>	Receive and transmit orders and/or provide investment advice in relation to 1 or more VFAs and/or placing of VFAs. This license does Not Authorise licensee to hold or control clients' money.
<b>CLASS 2</b>	Provide any VFA service but not operate a VFA exchange or deal for their own account. Authorised to hold or control clients' money in conjunction with the provision on the VFA service.
<b>CLASS 3</b>	Provide any VFA service and deal on own account but not operate a VFA exchange. Authorised to hold or control clients' money in conjunction with the provision on the VFA service.
<b>CLASS 4</b>	Provide any VFA Service. Authorised to hold or control clients' money in conjunction with provision of VFA service.

## FLOWCHART OF LICENSE PROCEDURE



## REGISTRATION AND SUPERVISORY FEES

LICENSES	REGISTRATION FEES (Paid once)	SUPERVISORY ANNUAL FEE	
		The Following is applicable to Revenue figures:	
<b>CLASS 1</b>	€6,000	<€50,000	€5,500
		Further Tranches of €50,000 up to €1,000,000	€700 per tranche
<b>CLASS 2</b>	€10,000	<€250,000	€9,000
		Further Tranches of €250,000 up to €5,000,000	€800 per tranche
<b>CLASS 3</b>	€14,000	<€250,000	€12,000
		Further Tranches of €250,000 up to €5,000,000	€800 per tranche
<b>CLASS 4</b>	€24,000	<€1,000,000	€50,000
		Further Tranches of €1,000,000 up to €100,000,000	€5,000 per tranche

### KEY ROLES AND FUNCTIONS

1. At least 2 directors
2. VFA Agent (Until licensing)
3. Money Laundering Reporting Officer
4. Compliance Officer (Replacing VFA Agent after licensing)
5. Systems Auditor (where applicable)
6. Auditor
7. Custodian (Can be performed by license holder)

### ONGOING REQUIREMENTS

1. Cyber Security Framework
2. Business Continuity Process
3. Financial Instrument Test on new listings or VFA Service Provisions
4. Fitness and Propriety of persons who will directly affect the VFA business
5. Insurance
  - a. Cover for license holder
  - b. Professional Indemnity Insurance for Board of Administrators

### ANNUAL REQUIREMENTS

- Compliance Certificate signed by the Compliance Officer and at least one other member of the Board of Administrators;
- Audited Accounts
- Supervisory Fees paid to the MFSA

For more information on how ARQ Group can help your blockchain project and ICO please contact **Denia Ellul** on [dellul@arqgroup.com](mailto:dellul@arqgroup.com). ARQ Group offers a number of complementary services including corporate structures, tax advice, residency & citizenship, compliance, legal service and accounting.