

Paris, 23 November 2020

## **The AMF and ACPR remind service providers that the transitional period for conducting business on digital assets without registration ends on 18 December 2020**

**The Autorité des Marchés Financiers (AMF) and the Autorité de Contrôle Prudentiel et de Résolution (ACPR) are reminding service providers who were engaged in the provision of digital asset custody services for third parties or the purchase and sale of digital assets in legal tender prior to the entry into force of the Pacte Law, that they have until 18 December 2020 to comply with the registration requirement.**

The Pacte Law entered into force on 24 May 2019 and requires that to carry out their activities, Digital Asset Service Providers (DASP) who provide digital asset custody services for third parties or offer purchase and sale of digital assets in legal tender must be registered with the AMF, after receiving a positive opinion from the ACPR. Registration entails in particular the implementation of an organisation, procedures and internal control system to ensure compliance with the obligations under the anti-money laundering and combating the financing of terrorism (AML/CFT) and the freezing of assets. The white list of registered DASPs is available on the AMF website.

Providers who were engaged prior to 24 May 2019 in one of these two activities for which registration is mandatory, had twelve months after the publication of all the implementing regulations to register with the AMF. This deadline expires on 18 December 2020.

With effect from 19 December 2020, unregistered service providers providing services of custody of digital assets for third parties or the purchase and sale of digital assets in legal tender in France will be liable to a two-year prison sentence and a fine of €30,000 pursuant to Articles L. 54-10-4 and L. 572-23 of the Monetary and Financial Code.

Consequently, service providers who are not registered by that date will have to cease their activity in France pending their registration. The authorities shall oversee compliance with the regulations and take appropriate action in the event of any infringement. In particular, the AMF could publish a black list of unregistered service providers, together with a warning to the general public and, if necessary, take legal action to block access to the websites of any unregistered service providers.

Pending granting of their registration, the service providers concerned must cease all communication and promotion of their activities, and must stop their activities with the sole exception, for those providing digital asset custody services, of the execution of instructions to transfer digital assets to an external portfolio, subject to compliance with AML-CFT and asset freezing regulations.

For service providers who have submitted their application for registration in good time and whose registration procedure is at a very advanced stage, the authorities may take account of their situation on a case-by-case basis. Whatever the case however, these service providers will have to suspend all promotional activities and not accept any new clients until they are registered.

The authorities therefore call upon those service providers who have not submitted their registration application to contact the AMF as soon as possible.

➤ [List of DASPs registered with the AMF](#)

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#### **□ About the AMF**

The AMF is an independent public authority responsible for ensuring that savings invested in financial products are protected and that investors are provided with adequate information. The AMF also supervises the orderly operations of markets.

Visit our website <https://www.amf-france.org>



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#### **□ About the ACPR**

The Autorité de Contrôle Prudentiel et de Résolution is the administrative authority operationally attached to the Banque de France that supervises the banking and insurance sectors and ensures financial stability. The ACPR is also responsible for protecting the customers of the supervised institutions and ensuring the fight against money laundering and the financing of terrorism. It also has resolution powers. The ACPR's operational departments come under its General Secretariat.

Visit our website at <https://acpr.banque-france.fr/>