

Registration of providers of exchange services between virtual currencies and fiat currencies and custodian wallet providers.

Law 4734/2020 (Government Gazette A/196/8.10.2020) amends Law 4557/2018 (prevention and suppression of money laundering and other provisions) and incorporates in Greek legislation the Directive (EU) 2018/843 (5th Directive on the prevention of money laundering and terrorist financing).

According to article 6(1)(b) of law 4557/2018, the Hellenic Capital Market Commission has been named as the competent authority for the registration of and the supervision for the prevention of money laundering and terrorist financing (a) of providers of exchange services between virtual currencies and fiat currencies and (b) of custodian wallet providers, respectively (hereinafter, cumulatively, the "Providers").

Article 3(24) of Law 4557/2018 defines virtual currencies as the “digital representation of value that is not issued by a central bank or public authority, nor has their guarantee, is not necessarily linked to legally circulating currency and does not have the legal status of currency or money, but is accepted by natural or legal persons as a means of transaction and can be transferred, stored or circulated electronically”.

Based on the aforementioned amendment of Law 4557/2018 by Law 4734/2020, which is in force from October 8, 2020,

the Hellenic Capital Market Commission calls

the Providers who intend to provide their services in Greece or to provide their services from Greece to other countries, to be registered in the relevant registers kept by the Hellenic Capital Market Commission, before the commencement of their activity. Providers that are already active in Greece are required to submit an application to be registered in the relevant registers kept by the Hellenic Capital Market Commission by January 31, 2021. After January 31, 2021 the Hellenic Capital Market Commission will impose on any unregistered Providers the sanctions of article 46 of law 4557/2018, which include a ban on the provision of these services.

It is noted that registration in the relevant register does not constitute an authorisation of the Provider by the Hellenic Capital Market Commission. Therefore, the Hellenic Capital Market Commission draws the attention to registered Providers to avoid creating false impressions to investors that the Provider has been authorised by the Hellenic Capital Market Commission and that investors enjoy the relevant protection of the Hellenic Capital Market Commission and of the Investment Guarantee Fund.

Submission of the registration application

The application for registration, including the necessary information and documents, are submitted in electronic form to the Hellenic Capital Market Commission at the email address aml@cmc.gov.gr.

Information and documents submitted to the Hellenic Capital Market Commission for registration in the relevant registers

a) For natural persons as Providers

1. Forename and surname, date and place of birth of the Provider, copy of identity card or passport in force.
2. Tax identification number (TIN).
3. Place of establishment of the Provider (work address) as well as e-mail address and telephone number.
4. An up-to-date copy of the Provider's criminal record certificate or equivalent foreign document.
5. Date of commencement of the planned or existing business activity of the Provider with a detailed description of the services in relation to virtual currencies and how they are provided. Reference of Activity Code Numbers (ACNs).
6. Business Plan of the Provider, setting out, inter alia, the business objectives, the origin and type of customers, the employees of the Provider, governance issues, the adequacy of financial and other resources, information on the volume and value of transactions, pricing and main sources of income and expenses.
7. Organizational structure of the Provider, including any outsourcing of tasks to third parties.
8. IT systems and controls, including IT security policies and procedures.
9. Details of the Compliance Officer, as defined in article 38 of law 4557/2018, including forename and surname, date and place of birth, copy of identity card or passport in force, curriculum vitae, TIN number, e-mail address, telephone number and up-to-date copy of a criminal record certificate or an equivalent foreign document.
10. Internal control system and planned policies and procedures for the fulfillment of the requirements defined in article 35 of law 4557/2018.
11. Business-wide ML/TF risk assessment and identification/detection and mitigation policies.
12. Confirmation by the Provider (in accordance with Law 1599/1986 and its consequences) that the information submitted with the application for registration is true.

b) For legal persons as Providers

1. Information on the legal person (name, articles of incorporation, address of headquarters, address of registered branch, e-mail address, telephone number, commercial registration number).
2. An up-to-date extract from the Commercial Register or equivalent extract from a public register / database for the Provider.
3. Forename and surname, date and place of birth of the representative of the legal person, including a copy of a valid identity card or passport and TIN number.

4. Forename and surname, date and place of birth of the beneficial owner according to article 20 of law 4557/2018 and the shareholders with more than 10% of the capital or voting rights of the legal person, including copies of valid identity card or passport having a photo of said individuals and their TIN number.
5. An up-to-date copy of the criminal record certificate or equivalent foreign document of the members of the management, the beneficial owner and shareholders.
6. Display of ownership and control structure of the Provider, including information on the capital invested and percentage of shareholders.
7. Indication of any membership in a group of companies and the individual parent-subsidiary relationships.
8. Date of commencement of the planned or existing business activity of the Provider with a detailed description of the services in relation to virtual currencies and how they are provided. Reference of Activity Code Numbers (ACNs).
9. Business Plan of the Provider, setting out, inter alia, the business objectives, the origin and type of customers, the employees of the Provider, governance issues, the adequacy of financial and other resources, information on the volume and value of transactions, pricing and main sources of income and expenses.
10. Organizational structure of the Provider, including any outsourcing of tasks to third parties.
11. IT systems and controls, including IT security policies and procedures.
12. Details (if any) of a senior executive, as defined in par. 18 of article 3 of law 4557/2018 and details of the Compliance Officer, as defined in article 38 of law 4557/2018, including forename and surname, date and place of birth, copy of identity card or passport in force, curriculum vitae, TIN number, e-mail address, telephone number and up-to-date copy of a criminal record certificate or an equivalent foreign document.
13. Internal control system and planned policies and procedures for the fulfillment of the requirements defined in article 35 of law 4557/2018.
14. Business-wide ML/TF risk assessment and identification/detection and mitigation policies.
15. Confirmation by the Provider (in accordance with Law 1599/1986 and its consequences) that the information submitted with the application for registration is true.

The Hellenic Capital Market Commission reserves the right to receive additional information and documentation (in relation to the above submitted information and documents) during the process of registration of Providers in the relevant registers.

Providers pay to the Hellenic Capital Market Commission a lump sum registration fee of € 1,500 for the submission of the application and the processing of their registration in the relevant register and an annual fee of € 1,000 covering their supervision costs, according to the Ministerial Decision G.D.E.P. 0000532 2016 (Government Gazette B/999/11.4.2016) providing for the financial resources of the Hellenic Capital Market Commission. The registration fee is paid no later than the date of entry in the relevant register.

The Hellenic Capital Market Commission informs in writing the Provider, who applies to be registered in the relevant register, within two (2) months from the submission of the complete application (complete submission of data), whether the registration took place or not.

Providers that are already active in Greece submit an application to be registered in the relevant register kept by the Hellenic Capital Market Commission by January 31, 2021. The Hellenic Capital Market Commission informs these Providers in writing of the outcome of their application by March 31, 2021 (provided that all information has been submitted). In case their application to be registered is not accepted, the Hellenic Capital Market Commission imposes a ban on the services provided by them.

Entries of Providers in the relevant registers are published on the website of the Hellenic Capital Market Commission.