

## By Email

19 April 2023

**To:** Senior Executive Officers of DFSA Authorised Firms; Authorised Market Institutions; Designated Non-Financial Business or Professions; Managing Partners of Registered Auditors; and Principal Representatives of Representative Offices (“Regulated Entities”).

### **DIFC CRYPTO TOKEN REGIME – END OF TRANSITIONAL PERIOD**

As you are aware, the DFSA issued a Dear SEO Letter on 21 February 2023 reminding Regulated Entities of certain critical dates and other relevant information concerning the DIFC Crypto Token regime, which came into effect on 1 November 2022. You may access that letter [here](#).

This letter is to remind Regulated Entities again of the critical dates and requirements for existing Crypto Business, including the consequences for Relevant Persons who delay in obtaining relevant DFSA authorisation after the end of the transitional period, being 30 April 2023.

In the event a Relevant Person does not obtain authorisation or approval on or before 30 April, the firm must cease all Crypto Business and wind down any existing business.

Any Relevant Person who has submitted a Pre-Application for their existing Crypto Business, but who is not yet in the Application stage, will not have their application approved before the end of the transitional period. Such firms should prepare to notify all clients and cease, and wind down, their Crypto Token activities to avoid contravening DFSA Rules from 1 May 2023 onwards.

While the points above address Regulated Entities who are already conducting Crypto Business, all Regulated Entities are reminded that if they intend to carry on any business in or from the DIFC that involves Crypto Tokens, regardless of the scale, they must apply for the appropriate authorisation from the DFSA.

If you have any questions in relation to this letter, please contact us using the DFSA Supervised Firm Contact Form found on the [DFSA ePortal](#).

Yours faithfully,



Peter Smith  
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Strategy, Policy and Risk