



29 November 2021

NOTICE

Consultation Paper - Digital Asset Business Amendment Act 2021

The Authority is proposing to amend the Digital Asset Business Act 2018 (DABA or Act) along with enhancements to certain Digital Asset Business (DAB) Rules to provide greater clarity to certain sections and to make other changes that are intended to facilitate more effective administration of the Act.

The amendments to the Act (the Bill) will cover, among other things, the following areas:

- (a) Introduction of new definitions for:
 - i. *digital assets lending or digital assets borrowing*;
 - ii. *digital assets repurchase transactions*; and
 - iii. *digital assets lending, digital assets borrowing or digital assets repurchase transactions services provider*;
- (b) Inclusion of a new DAB activity;
- (c) Introduction of exemption for entities licensed under the Investment Business Act 2003;
- (d) Change in approach to the exemptions procedure; and
- (e) Clarification regarding administrative penalties.

The views of the digital asset industry and of other interested persons on the proposals set out in this paper and the Digital Asset Business (Exemption) Rules 2021 are invited. Comments should be sent to the Bermuda Monetary Authority digitally, via the below survey link or QR code, no later than **7 January 2022**.

<https://www.surveymonkey.com/r/ZPHYLYN>

