



CONNECTICUT MONEY TRANSMISSION LICENSE

NMLS Unique ID Number: _____

Applicant Legal Name: _____

VIRTUAL CURRENCY DISCLOSURE

Section 36a-596 of the Connecticut General Statutes defines “virtual currency” to mean:

[A]ny type of digital unit that is used as a medium of exchange or a form of digitally stored value or that is incorporated into payment system technology. Virtual currency shall be construed to include digital units of exchange that (A) have a centralized repository or administrator, (B) are decentralized and have no centralized repository or administrator, or (C) may be created or obtained by computing or manufacturing effort. Virtual currency shall not be construed to include digital units that are used (i) solely within online gaming platforms with no market or application outside such gaming platforms, or (ii) exclusively as part of a consumer affinity or rewards program, and can be applied solely as payment for purchases with the issuer or other designated merchants, but cannot be converted into or redeemed for fiat currency.

1. The money transmission by the Applicant identified above includes the transmission of monetary value in the form of virtual currency (including custodial, buy/sell/hold only services):

☐ Yes ☐ No

2. If the previous statement was answered in the affirmative, answer the following questions:

- (a) Does the Applicant act as an administrator for virtual currency (as [defined by FinCEN](#))?

☐ Yes ☐ No

- (b) Does the Applicant own or operate virtual currency kiosks (as defined by Section 36a-596 of the Connecticut General Statutes) to conduct business in Connecticut?

☐ Yes ☐ No

- (c) Does the Applicant offer custodial wallets in Connecticut?

☐ Yes ☐ No

- (d) Does any entity act as a custodian for Connecticut client funds on behalf of the Applicant?

☐ Yes ☐ No

- (e) The Flow of Funds uploaded to NMLS is accurate for all services offered as of the date this document is signed by a Control Person of the Applicant:

☐ Yes

☐ No

3. The Business Plan uploaded by the Applicant to NMLS must elaborate in detail upon any of the previous questions answered in the affirmative. Additionally, the Applicant must provide the following documents:

- (a) If Question 2(d) above was answered “Yes”, a list of all other entities acting as a custodian on behalf of the Applicant, and the amount held reflected in USD as of the most recent quarter end.

☐ Attached

☐ Not Applicable

- (b) If Question 2(e) above was answered “No”, an accurate Flow of Funds diagram demonstrating in detail, and with narrative, the movement of funds from clients to the Applicant and any other entities involved in all services offered by the Applicant. Clearly indicate who has authority over the funds at each step in the diagram.

☐ Attached

☐ Not Applicable

- (c) A list of all off-balance sheet items and the amounts associated with them as of the most recent quarter end. Include the asset type, location, and the USD amount of each off-balance sheet item.

☐ Attached

☐ Not Applicable

- (d) A list of any loans to/from any other entity engaged in virtual currency, including the name of the other entity, what currency the loan is in, and the amount in USD of each loan to/from said entity (contracts/documentation related to these loans may be requested).

☐ Attached

☐ Not Applicable

- (e) A copy of the Applicant’s most recent BSA/AML Risk Assessment. This may be uploaded either as a part of this document or in the “AML/BSA Policy” or “Additional Requirement(s)” sections of the Document Uploads on the NMLS. If the Applicant does not have a BSA/AML Risk Assessment or its most recent has already been submitted on the NMLS, please provide an explanation in the textbox at the bottom of this document.

☐ Attached

☐ Not Applicable (explanation below)

- (f) A third-party security audit of all relevant computer and information systems, including but not limited to:

- i. Network security;
- ii. Website and web application security;
- iii. Application server security;
- iv. Virtual currency wallet infrastructure;
- v. Security and controls;
- vi. Information security policy assessment;
- vii. Application development controls and policy assessment.

This may be uploaded either as a part of this document or in the “Additional Requirement(s)” sections of the Document Uploads on the NMLS. If the Applicant does not have a third-party security audit or its most recent has already been submitted on the NMLS, please provide an explanation in the textbox at the bottom of this document.

☐ Attached

☐ Not Applicable (explanation below)

4. For all Applicants engaged in the transmission of monetary value in the form of virtual currency, attach the following documents as required by statute and amended by [Public Act 25-66](#):
- (a) Samples of disclosures required by Section 36a-613(a) of the Connecticut General Statutes, as amended by Public Act 25-66;
 - (b) Samples of disclosures required by Section 36a-613(b) of the Connecticut General Statutes, as amended by Public Act 25-66;
 - (c) Samples of disclosures required by Section 36a-613(c) of the Connecticut General Statutes, as amended by Public Act 25-66;
 - (d) A sample receipt as required by Section 36a-613(e) of the Connecticut General Statutes, as amended by Public Act 25-66;

This document should be provided via the “Additional Requirement(s)” section of the Document Uploads on the NMLS. For all Section 3 questions answered as “Attached” and for all documents requested in Section 4, if they are not included with this document upload, list in the textbox below the Document Uploads section of the NMLS it has been uploaded to, the name of the document, and the date it was uploaded on. Additionally, use the textbox below to provide any explanation required by a question or offer any additional narrative.

Date

Signature of Control Person

Print Name