

**ANNEXURE A: INFORMATION REQUEST -** **CRYPTO ASSET**

**RELATED ACIVITIES PERFORMED BY FSPs**

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| **PRIVACY STATEMENT**  Please take note that information collected in this template will be used for the purposes outlined in the Template. In so doing, the identities of the entities and persons commenting on behalf of the entity will be identifiable. All collected information will be processed in line with the FSCA’s Privacy Policy which can be found on [www.fsca.co.za](http://www.fsca.co.za).  **IMPORTANT INFORMATION AND INSTRUCTIONS** |
| * Please note the following instructions for completing the template: |
| * Crypto Asset FSPs are required to answer the questions under Section A and Section B. * Questions relate to products and services offered to customers in South Africa, unless otherwise specified. |
| * In this Information Request, **“FAIS Act”** means the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002), and any word or expression to which a meaning has been assigned in the Act bears that same meaning, unless the context indicates otherwise. * Reference to “regulated” means regulated in terms of the FAIS Act and includes all activities that constitute financial services. * Where a question may not be relevant to your business model respond as “non-applicable,” e.g. question 4.1. refers to trading and therefore may not be relevant to all respondents. * Where a question is relevant but the respondent cannot reasonably obtain the requested information, respond as “not known” and explain why the information cannot be obtained. * Where an exact number is not known and cannot be reasonably obtained, the amount may be estimated or approximated, but should be specified as such and the basis for the estimation or approximation explained. |
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**SECTION A - DETAILS OF CRYPTO ASSET FINANCIAL SERVICES PROVIDER (FSP)**

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| --- | --- |
| **Name of Crypto Asset FSP:** |  |
| **Name and designation of the contact person:** |  |
| **Email address:** |  |
| **Contact number:** |  |
| **Date of completion:** |  |

**SECTION B – INFORMATION ON BUSINESS PRACTICES OF CRYPTO ASSET FSP AS AT 31 DECEMBER 2022**

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| **Supply Side Questions** |  |
|  | **What type of crypto assets are you rendering financial services in?** |
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|  | **What activities are you performing as a business that constitute financial services in respect of crypto assets? You can select one or more options:**  **a) Operating an exchange**  **b) Custody services**  **c) Advice**  **d) Custodial wallet services**  **e) Savings wallet services**  **f) Other wallet services, please specify**  **g) Other, please specify** |
|  |  |
|  | **Where is your head office located?** |
|  |  |
|  | **In which other countries do you have physical offices?** |
|  |  |
|  | **In which other countries do you operate without a physical office?** |
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| **1.6** | **Provide the annual total revenue of the business, which may include both regulated and unregulated activities, as per the most recent annual financial statements (specify if these are audited or not).** |
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| **1.7** | **Provide the annual total revenue of the regulated part of the business i.e. revenue generated from financial services only, as per the most recent annual financial statements.** |
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| **Outsourcing Arrangements** |  |
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|  | **What activities that constitute financial services in respect of crypto assets are being outsourced?** |
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|  | **What is the annual cost to your business of these outsourced activities, per financial service category (as listed in 1.2)?** |
|  |  |
|  | **What technical activities – inherent to providing crypto asset financial services, e.g. cyber security, node operator and blockchain forks - are being outsourced?**  **Note that technical activities are not financial services i.e. these activities will be different from the activities identified as being outsourced in 2.1 and 2.2.** |
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|  | **What is the annual cost to your business of these outsourced technical activities, per activity?** |
|  |  |
| **Business Model** |  |
|  | **Explain your business model in relation to crypto asset financial services, including the linkages and dependencies of the financial services component with any other business activities.** |
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|  | **Explain your remuneration model in respect of crypto asset financial services, including what kinds of fees are charged and other remuneration that is received.** |
|  |  |
|  | **How are cross-border businesses overseen and managed, to ensure amongst others good governance, fair treatment of customers, regulatory compliance etc?** |
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| **Market Dynamics** |  |
|  | **What is the volume and value of crypto assets traded** **for the period January 2022 - December 2022, per month?** |
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|  | **What platforms or mediums are used to advertise and market financial services rendered to the public in respect of crypto assets? Provide us with your marketing strategy document and examples of marketing material and/or advertisements.** |
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|  | **Explain your distribution model for crypto asset financial services, including distribution channels.** |
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|  | **How are risks relating to crypto assets and crypto asset financial services disclosed to the public?** |
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|  | **What types of risks are disclosed? Please provide examples / evidence of your disclosure material.** |
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| **Demand Side Questions** |  |
|  | **Per type of financial service provided (as listed in 1.2.), what proportion of your total customers are retail,[[1]](#footnote-1) by value and volume?** |
|  |  |
|  | **Per type of financial service provided (as listed in 1.2.), what proportion of your total customers are financial institutions, by value and volume?** |
|  |  |
|  | **Per type of financial service provided (as listed in 1.2.), what proportion of your total customers are retirement funds, by value and volume?** |
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|  | **What is the average value per customer trading account, for retail segment, over the period 1 January 2022 – 31 December 2022?** |
|  |  |
|  | **What is the average value per customer trading account, for non-retail segment, over the period 1 January 2022 – 31 December 2022?** |
|  |  |
|  | **For the period 1 January 2022 – 31 December 2022, provide the average number of transactions per retail customer trading account with the following balances:**   * **Less than R1000** * **R1001 to R10000** * **R10001 to R50000** * **Greater than R50000** |
|  |  |
|  | **For the period 1 January 2022 – 31 December 2022, provide the average number of transactions per non-retail customer trading accounts with the following balances:**   * **Less than R1000** * **R1001 to R10000** * **R10001 to R50000** * **Greater than R50000** |
|  |  |
|  | **For the period 1 January 2022 – 31 December 2022, provide the average holding period by retail customer trading accounts of crypto assets with the following balances:**   * **Less than R1000** * **R1001 to R10000** * **R10001 to R50000** * **Greater than R50000** |
|  |  |
|  | **For the period 1 January 2022 – 31 December 2022, provide the average holding period by non-retail customer trading accounts of crypto assets with the following balances:**   * **Less than R1000** * **R1001 to R10000** * **R10001 to R50000** * **Greater than R50000** |
|  |  |
|  | **What is the proportion of number of dormant accounts relative to total number of accounts?** |
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|  | **What is your definition of a dormant account?** |
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|  | **Does a dormant account trigger any particular intervention? If so, briefly explain.** |
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| **Complaints** |  |
|  | **For the period 1 January 2022 – 31 December 2022, what is the total number of customer complaints (including for retail and non-retail segments)?** |
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|  | **What is the source of these complaints?**   1. **Social media** 2. **An ombud office** 3. **Regulator** 4. **Product provider internal complaints; and** 5. **Other, please specify** |
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|  | **How are complaints categorised?** |
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|  | **What category of complaints is the most prevalent?** |
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|  | **How are customers made aware of complaints lodging and handling processes? Provide the complaints handling policy or similar.** |
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1. An individual who is acting for purposes which are outside his trade, business or profession. [↑](#footnote-ref-1)