

capital markets  
and technology  
association.

October 2018

# **AML Standards for Digital Assets**

---

## Introduction

---

The Capital Markets and Technology Association (CMTA) is an independent Swiss association bringing together experts from the financial, technological, audit and legal sectors to promote the use of new technologies in capital markets. The CMTA provides a platform to create open industry standards around issuing, distributing and trading securities and other financial instruments in the form of "**Digital Assets**" using "**Distributed Ledger Technologies**" or "**DLT**".

As part of its mission, the CMTA developed a set of AML standards for Digital Assets (the "**Standards**") and is making the first version of the Standards public. The reference to AML in these Standards includes a reference to CFT.

The Standards are divided in two parts:

<b>Part I</b>	Part I of the Standards is addressed to issuers of Digital Assets (" <b>Issuers</b> ") planning to raise capital by issuing and selling Digital Assets as part of an initial coin or token offering (the " <b>Initial Coin Offering</b> " or " <b>ICO</b> ") or similar Digital Asset sale process, irrespective of its formal designation.
<b>Part II</b>	Part II of the Standards is addressed to Swiss banks, securities dealers and other financial intermediaries pursuant to AMLA (each a " <b>Financial Intermediary</b> ") that enter into business relationships with Issuers, investors in Digital Assets (" <b>IDA</b> ") or other types of clients whose business involves a material exposure to Digital Assets and/or DLT.

The Standards have been developed on the basis of, and taking into account, in particular:

- the [Swiss Anti-Money Laundering Act](#) (AMLA);
- the [Swiss Anti-Money Laundering Ordinance](#) (AMLO);
- [FINMA's Anti-Money Laundering Ordinance](#) (AMLO-FINMA);
- [FINMA Circular 16/7 "Video and online identification"](#);
- the [Agreement on the Swiss banks' code of conduct with regard to the exercise of due diligence \(CDB 16\)](#); and
- the revised versions of the above documents that are expected to enter into force on 1 January 2020.

The Standards also take into consideration the [Leitfaden der SBVg zur Eröffnung von Firmenkonti für Blockchain-Unternehmen](#) published by the Swiss Bankers Association on 21 September 2018.

By contrast, the Standards do not address due diligence, documentation and compliance requirements or obligations of Issuers deriving from other Swiss or foreign legal or regulatory provisions, such as, without limitation, tax or reporting requirements under the Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS), respectively financial markets reporting, securities or other financial market laws and regulations or conduct requirements under applicable laws.

The application of the Standards is not mandatory and does not represent a binding minimum standard. However, the CMTA considers them as a practical toolkit that may, as a matter of ex-

## capital markets and technology association.

ample, be used by Swiss banks, securities dealers and other Financial Intermediaries to develop their own risk-based approach as part of the implementation of their respective obligations in accordance with applicable laws and regulations in the field of AML compliance.

Although the core of the Standards aims to be technology-neutral to all possible extents, they need to be practical. The CMTA may therefore, from time to time, proceed to adjustments and amendments of the Standards and publish revisions, additions or updates.

Any comments or suggestions for future updates may be addressed to the CMTA Secretariat by email to: [admin@cmta.ch](mailto:admin@cmta.ch).

© 2018 CMTA. All rights reserved.

No reproduction or translation of this publication may be made without prior written permission. Applications for such permission, for all or part of this publication, should be made to the CMTA Secretariat by email to: [admin@cmta.ch](mailto:admin@cmta.ch).

---

## Table of contents

---

<b>Part I</b>	<b>Standards for Issuers of Digital Assets</b>	<b>7</b>
Chapter 1	Issuers of Digital Assets	8
<i>Section 1</i>	<i>General provisions</i>	8
§ 1.	Applicability of financial market laws and regulations .....	8
§ 2.	Effect of election to apply the Standards .....	8
<i>Section 2</i>	<i>List of excluded jurisdictions</i>	8
§ 3.	Preparation of the list .....	8
§ 4.	Effect .....	9
§ 5.	Updates .....	9
<i>Section 3</i>	<i>Identification of the Contributor</i>	9
§ 6.	General principles .....	9
§ 7.	Natural persons .....	10
§ 8.	Entities .....	11
<i>Section 4</i>	<i>Establishing the identity of the beneficial owner(s)</i>	11
§ 9.	General principles .....	11
§ 10.	Natural persons .....	12
§ 11.	Entities .....	12
§ 12.	Exceptions .....	13
<i>Section 5</i>	<i>Due diligence procedures at the time of onboarding</i>	13
§ 13.	Screening against databases .....	13
§ 14.	Consistency checks .....	13
§ 15.	Multiple participations .....	14
§ 16.	Clarifying the origin of funds .....	14
§ 17.	Additional information .....	14
<i>Section 6</i>	<i>Due diligence procedures at the time of contribution</i>	15
§ 18.	Reconciliation with respect to the Contribution Amount .....	15
§ 19.	Reconciliation with respect to the origin of the funds .....	15
<i>Section 7</i>	<i>Various</i>	15
§ 20.	Records .....	15

# capital markets and technology association.

§ 21.	Delegation to third parties .....	15
Section 8	<i>Example of risk-based approach implementation</i>	16
<b>Part II</b>	<b>Standards for Financial Intermediaries</b>	<b>17</b>
Chapter 2	Business relationship with an Issuer	18
Section 1	<i>Know Your Issuer (KYI)</i>	18
§ 22.	Collection of relevant information .....	18
§ 23.	Identification of the Issuer as Contracting Party .....	19
Section 2	<i>Assessment and acceptance of business relationship</i>	19
§ 24.	Assessment of the information obtained .....	19
§ 25.	Acceptance of business relationship .....	19
Chapter 3	Business relationship with an Investor in Digital Assets	20
Section 1	<i>General provisions</i>	20
§ 26.	Definitions .....	20
§ 27.	Scope.....	20
Section 2	<i>Inquiring on and verifying the source of wealth</i>	20
§ 28.	Generalities.....	20
§ 29.	Enhanced due diligence.....	21
Chapter 4	Business relationship with a Merchant	22
Section 1	<i>General provisions</i>	22
§ 30.	Definition .....	22
§ 31.	Scope.....	22
§ 32.	Excluded jurisdictions .....	22
Section 2	<i>Inquiring on and verifying the source of revenues and wealth</i>	22
§ 33.	Generalities.....	22
§ 34.	Enhanced due diligence.....	23

---

## Table of appendices

---

Appendix A	Glossary	25
Appendix B	Issuers – Example of risk-based approach implementation	29
Appendix C	Example of DDQ-Issuer	31
Appendix D	Example of DDQ-IDA	45
Appendix E	Example of DDQ-Merchant	48

## **Part I**

# **Standards for Issuers of Digital Assets**

## Chapter 1 Issuers of Digital Assets

This chapter describes the standards that an Issuer planning to receive contributions based on, or in relation to, the issuance of Digital Assets using Distributed Ledger Technologies may decide to apply.

### Section 1 General provisions

#### § 1. Applicability of financial market laws and regulations

- <sup>1</sup> The Issuer shall clarify whether its business model, in particular the issuance and/or offering of Digital Assets (the "**Offering**"), triggers any regulatory approval, licensing or registration requirements, in particular:
  - (a) as a Financial Intermediary; or
  - (b) otherwise as a business subject to AMLA and/or financial market supervision in accordance with Art. 3 of the Federal Act on the Swiss Financial Market Supervisory Authority (FINMASA) under any of the applicable Swiss financial market laws (as defined in FINMASA).

FINMA circulars, published practice and guidelines shall be duly taken into account in this regard.
- <sup>2</sup> If the Issuer is a Financial Intermediary or is otherwise subject to AMLA:
  - (a) the Issuer may elect to apply the Standards in addition to its obligations under AMLA and its implementing provisions, in particular to implement a risk-based approach; and
  - (b) AMLA and its implementing regulations shall in any event prevail over the Standards.
- <sup>3</sup> If the Issuer is not subject to AMLA, the Issuer may elect to voluntarily apply the Standards in order to manage its reputational risks and/or satisfy the requirements of Financial Intermediaries with which the Issuer may wish to establish or maintain business relationships.

#### § 2. Effect of election to apply the Standards

The Issuer that has elected to apply the Standards and wishes to claim compliance with the Standards, shall apply all of the provisions of the Standards set forth in this Part I.

### Section 2 List of excluded jurisdictions

#### § 3. Preparation of the list

- <sup>1</sup> The Issuer shall establish a list of Excluded Jurisdictions that will serve as a key element of its risk-based approach and for the due diligence procedures described in the Standards. For the purpose of this Chapter 1, an "**Excluded Jurisdiction**" means a jurisdiction in which, for legal, regulatory or other reasons, the Offering cannot be conducted and/or the Issuer has determined that contributions from such Excluded Jurisdictions shall not be accepted.
- <sup>2</sup> The preparation of the list of Excluded Jurisdictions shall take into consideration all sanctions or other restrictions applicable in Switzerland, as well as in each jurisdiction where the Issuer intends to conduct its business or the Offering.



#### § 4. Effect

The Issuer shall exclude from the Offering any person or entity participating in the Offering (each a "**Contributor**") whose domicile or registered address is in an Excluded Jurisdiction.

#### § 5. Updates

- <sup>1</sup> The Issuer shall ensure that, throughout the Offering, the list of Excluded Jurisdictions is maintained up-to-date.
- <sup>2</sup> Unless new relevant sanctions are adopted or other restrictions introduced, due diligence procedures performed in relation to a Contributor on the basis of a previously adopted list of Excluded Jurisdictions should not necessarily be renewed based on the newly adopted list of Excluded Jurisdictions.

### Section 3 Identification of the Contributor

#### § 6. General principles

- <sup>1</sup> The Issuer shall:
  - (a) identify the Contributor prior to any participation of the Contributor in the Offering, and appropriately record the identity of the Contributor; and
  - (b) verify and appropriately document the identity of the Contributors:
    - (1) in accordance with the applicable requirements of AMLA and its implementing regulations, if the Issuer is subject to AMLA, it being understood that the Issuer may implement some of the risk-based approach elements set out in the Standards to the extent compatible with AMLA; and/or
    - (2) by applying a risk-based approach depending on the amount of the Contributor's contemplated contribution in the Offering (the "**Contribution Amount**"), provided that if the actual contribution were to exceed the Contribution Amount, additional verifications be conducted if need be.
- <sup>2</sup> The following information and documents shall be recorded as a minimum as part of the onboarding of the Contributor:
  - (a) for natural persons (i.e., individuals):
    - (1) name(s) and first name(s);
    - (2) date of birth;
    - (3) nationality;
    - (4) current domicile address (i.e., permanent residence address); and
    - (5) document used to verify the identity.
  - (b) for entities (incl. corporations, partnerships, trusts, foundations, and other legal forms or arrangements):
    - (1) registered name;
    - (2) current registered office address, and business address (if different);
    - (3) document used to verify the identity; and

- (4) details in accordance with § 6.2(a) for each natural person acting on behalf of the Contributor to participate in the Offering;
- (c) for all Contributors, depending on the manner in which the Contribution Amount is expected to be paid, either:
  - (1) a bank account number (IBAN); or
  - (2) a Distributed Ledger Account Number (the "**DLAN (public address)**").

<sup>3</sup> A Contributor whose identity has been verified by the Issuer in relation to an Offering does not need to be identified again for a subsequent Offering by the same Issuer within twelve (12) months from the start of the initial Offering.

## § 7. Natural persons

<sup>1</sup> The verification of the identity of a Contributor who is a natural person shall follow a risk-based approach depending on the Contribution Amount and shall require as a minimum the following information and/or documents from the Contributor:

- (a) **Tier 1 - Less than CHF 15'000** (or the equivalent in any other currency)
  - (1) a simple copy (incl. electronic copy such as a scan or photograph) of an official identification document with a photograph;
  - (2) a photograph (selfie) of the Contributor, holding such Contributor's official identification document and a document with the current date (e.g., self-issued note with current date); and
  - (3) confirmation of the Contributor's current domicile address by means of IP-geolocation or control of the mobile phone number.
- (b) **Tier 2 - Equal to or higher than CHF 15'000 and less than CHF 100'000** (or the equivalent in any other currency):
  - (1) a simple copy (incl. electronic copy such as a scan or photograph) of an official identification document with a photograph;
  - (2) a photograph (selfie) of the Contributor, holding such Contributor's official identification document and a document with the current date (e.g., self-issued note with current date); and
  - (3) confirmation of the Contributor's current domicile address by the provision of a simple copy (incl. electronic copy such as a scan or photograph) of a recent proof of residence (i.e., less than 6 months), such as:
    - (i) power, water, telephone invoice or another utility bill; or
    - (ii) tax or another official invoice;or by such other means permitted by the CDB or FINMA Circular 2016/7 "Video and online identification".
- (c) **Tier 3 - Equal to or higher than CHF 100'000** (or the equivalent in any other currency):
  - (1) a certified copy of an official identification document with a photograph (or equivalent), obtained by either of:
    - (i) a face-to-face meeting;
    - (ii) an identification via a video-conference; or

(iii) a certification by a person or entity authorized to provide authentication pursuant to the CDB;

or by such other means permitted by the CDB or FINMA Circular 2016/7 "Video and online identification".

(2) confirmation of the Contributor's current domicile address by the provision of a simple copy (incl. electronic copy such as a scan or a photograph) of a recent proof of residence (i.e., less than 6 months), such as:

(i) power, water, telephone invoice or another utility bill; or

(ii) tax or another official invoice;

or by such other means permitted by the CDB or FINMA Circular 2016/7 "Video and online identification".

<sup>2</sup> Only official identification documents with a photograph of the respective issuing jurisdictions shall be used to verify the identity of the Contributor. The presence of a machine-readable zone or optical security features (such as holographic-kinematic features or printing elements with a tilting effect) on the identification document may be set as additional requirements by the Issuer, but are not required by the Standards.

## § 8. Entities

<sup>1</sup> For the purpose of the verification of the identity of a Contributor which is an entity, the Issuer shall obtain from the Contributor at least (depending on the legal form of the entity and the jurisdiction of incorporation):

(a) a certificate of incorporation, commercial registrar extract or equivalent, issued by an official registrar or public database;

(b) a copy of the articles of association or equivalent constitutive documents of the entity; and

(c) documentation establishing the identity and powers of the individuals acting on behalf of the Contributor for the purpose of participating in the Offering;

or equivalent documentation.

<sup>2</sup> Documentation provided by the Contributor may not be more than twelve (12) months old.

<sup>3</sup> The Issuer shall identify the natural person(s) acting on behalf of the Contributor which is an entity in accordance with the requirements set out in § 7.

## Section 4 Establishing the identity of the beneficial owner(s)

### § 9. General principles

<sup>1</sup> In addition to the identification of the Contributor, the Issuer shall obtain from each Contributor a statement confirming the identity of the beneficial owner(s) and/or the controlling person(s) of the contribution to be made by the Contributor in the Offering, as a minimum:

(a) **Tier 1:** either:

(1) if the Contributor is an entity (unless an exception applies); or

(2) irrespective of the identity and type of Contributor, in situations where the Issuer has doubts that the Contributor is the beneficial owner of the assets;

(b) **Tier 2 and Tier 3:** in all instances, unless an exception applies in accordance with § 12.

2 The beneficial owner and/or controlling person shall be a natural person (i.e., individual) and not an entity.

3 The declaration as to the beneficial owner(s) may be made in writing or in any other form demonstrable via human readable text, provided that such declaration may be attributed to the Contributor by verifiable means. The declaration may be provided as an electronic copy such as a scan or a photograph.

4 The Issuer shall identify the beneficial owner(s) and/or controlling person(s) by obtaining at least the following information and document in respect to each such person:

- (1) name(s) and first name(s);
- (2) date of birth;
- (3) nationality;
- (4) current domicile address (i.e., permanent residence address); and
- (5) copy of official identification document with a photograph.

5 The Issuer shall apply the relevant provisions of the CDB by analogy, to the extent appropriate.

#### § 10. Natural persons

The Issuer may rely on a declaration or representation by the Contributor who is a natural person that the Contributor is the beneficial owner of the Contribution Amount including where such declaration or representation is included in the Offering documentation and not on a separate document.

#### § 11. Entities

1 The Issuer shall establish and document the identity of the beneficial owner(s) and/or controlling person(s) of a Contributor that is an entity as follows:

- (a) **Operating company:** The Issuer shall identify the controlling person(s) of an operating company in lieu of the beneficial owner(s) in the following order of priority:
- (1) natural persons with voting rights or ownership of capital of 25% or more in the Contributor;
  - (2) failing those, natural persons who exercise control over the Contributor by other discernible means; or
  - (3) if no controlling persons can be determined, the highest managing director of the Contributor is to be identified as a substitute for the controlling person.
- (b) **Domiciliary company:** The Issuer shall identify the ultimate beneficial owner(s) of a domiciliary company without applying any threshold. For the purposes of the Standards, the term "domiciliary company" includes any entity, either Swiss or foreign, irrespective of its legal form or structure, that is not an operating company (i.e., which generally conducts no business, has no employees, or own premises).

2 For other situations or in case of doubt as to the appropriate identification measures to be implemented, in particular for Contributors that are trusts, foundations or other types of entities not otherwise covered in this § 11, the Issuer shall apply the relevant provisions of the CDB by analogy, to the extent appropriate.

## § 12. Exceptions

- <sup>1</sup> Generally, no identification of beneficial owner(s) and/or controlling person(s) by the Issuer shall be required for:
- (a) entities that are regulated Financial Intermediaries such as banks, broker-dealers, asset managers and insurance companies, provided that they are subject to appropriate prudential supervision and regulation with respect to combating money laundering;
  - (b) entities that are listed on a recognised stock exchange; or
  - (c) governmental authorities and entities.
- <sup>2</sup> The Issuer shall appropriately document any such exceptions.

## Section 5 Due diligence procedures at the time of onboarding

### § 13. Screening against databases

- <sup>1</sup> The Issuer shall screen the first and last name(s), respectively registered name, of each of:
- (a) the Contributor;
  - (b) the natural person(s) acting on behalf of the Contributor (if an entity); and/or
  - (c) the beneficial owner(s) and/or the controlling person(s)
- against appropriate databases covering at least relevant information on sanctions, politically exposed persons and adverse media.
- <sup>2</sup> The Issuer shall review the results of the screening to determine whether to reject a particular Contributor, following a risk-based approach.
- <sup>3</sup> The Issuer shall appropriately document the screening, the results thereof and any clarifications conducted.
- <sup>4</sup> The Issuer shall exclude any Contributor from the Offering in case of:
- (a) a confirmed positive hit on any of the databases (e.g., sanctions) on the Contributor, any beneficial owner, controlling person or natural person(s) acting on behalf of the Contributor; or
  - (b) reasonable doubts which the Issuer was not in a position to adequately lift.

### § 14. Consistency checks

- <sup>1</sup> The Issuer shall conduct consistency checks on a risk-based or sample basis, including as a minimum as follows:
- (a) consistency of the elements of the official identification document;
  - (b) consistency of the photograph on the official identification document and the selfie; and
  - (c) general consistency of other information(s) provided (e.g., domicile address and address on utility bill).
- <sup>2</sup> In case of any doubts or suspicions, the Issuer shall perform additional clarifications, including by means of additional documents or information to be requested from the Contributor, respectively by checking documents or information provided against databases.
- <sup>3</sup> The Issuer shall appropriately document the consistency checks and the results thereof.

4 The Issuer shall exclude any Contributor from the Offering in case of inconsistency which the Issuer was not in a position to adequately clarify.

### § 15. Multiple participations

1 The Issuer shall put in place controls to identify cases where the same Contributor participates several times in the Offering. This shall be done by checking whether the same identification document, the same DLAN (public address) and/or the same IP address are used for several Contributions. Controls may also include the review of the selfie.

2 The Issuer shall:

- (a) prevent a Contributor from participating multiple times; or
- (b) ensure that the relevant due diligence requirements take into consideration the aggregate Contribution Amount and obtain appropriate explanations on the Contributor's reasons to participate multiple times.

### § 16. Clarifying the origin of funds

1 The Issuer shall obtain from the Contributor a confirmation whether the Contribution Amount will be in "**Fiat Currencies**" or in Digital Assets.

2 With respect to Contributions in Fiat Currencies, the Issuer shall obtain the details of the bank account number (IBAN) of the Contributor and determine whether such bank account is acceptable, in particular in view of the list of Excluded Jurisdictions. Such information shall be duly recorded in the Issuer's systems in order to enable the reconciliation procedures referred to in § 18 to be performed.

3 With respect to a Contribution by means of Digital Assets, the Issuer shall:

- (a) obtain the DLAN (public address) that the Contributor intends to use for the Contribution;
- (b) perform a "**DL Analysis**" of such DLAN (public address) via the systems of an acceptable DL Analysis provider.

The information and results of the DL Analysis shall be duly recorded in the Issuer's systems in order to enable the reconciliation procedures referred to in § 18 to be performed.

### § 17. Additional information

1 The Issuer shall obtain, review and appropriately record the following additional information on the Contributors with Tier 3 Contribution level:

- (a) employment status (position, company, business industry, etc.);
- (b) source of the funds to be contributed and source of wealth of the Contributor; and
- (c) information on any important public function.

2 Obtaining the additional information referred to in § 17.1 is recommended, but not mandatory, for Contributors with the Tier 2 Contribution level.

## Section 6 Due diligence procedures at the time of contribution

### § 18. Reconciliation with respect to the Contribution Amount

- 1 The Issuer shall maintain a system enabling it to identify cases where the Contributor transferred funds in an amount higher than the Contribution Amount.
- 2 When identifying such inconsistencies, the Issuer shall either:
  - (a) subject the Contributor to the requirements applicable to the Contribution Tier level corresponding to the actual contribution amount; or
  - (b) return the funds in excess of the upper limit of the Contribution Tier level for which the due diligence procedures performed on the Contributor were completed to the Issuer's satisfaction.
- 3 The Issuer shall document the process and outcomes of the reconciliation procedures.

### § 19. Reconciliation with respect to the origin of the funds

- 1 The Issuer shall ensure that invested funds (be they Fiat Currencies or Digital Assets) only come from the bank account, respectively the DLAN (public address) indicated as part of the onboarding.
- 2 In case of discrepancy, the Issuer shall either:
  - (a) reject the invested funds (or, send them back, in the case of Digital Assets); or
  - (b) carry out the appropriate due diligence procedures with respect to these new elements and obtain from the Contributor adequate explanations.
- 3 The Issuer shall document the process and outcomes of the reconciliation procedures.

## Section 7 Various

### § 20. Records

The Issuer shall keep appropriate records in its files of all information and documents obtained during the procedures set forth in the Standards.

### § 21. Delegation to third parties

- 1 The Issuer may delegate the performance of the due diligence procedures set out in the Standards to a service provider, provided that:
  - (a) the delegation is formalised in writing or in any other form demonstrable via human readable text; and
  - (b) the service provider has the requisite professional knowledge and technology to perform the due diligence procedures.
- 2 The service provider shall provide all information and documents obtained as part of the performance of the due diligence procedures to the Issuer, for the Issuer's records.

## Section 8 Example of risk-based approach implementation

A synthetic example of a possible risk-based approach implementation that an Issuer which is not subject to AMLA may decide to adopt is enclosed as [Appendix B](#).



## Part II

# Standards for Financial Intermediaries

## Chapter 2 Business relationship with an Issuer

This chapter describes the standards that a bank, securities dealer or other Financial Intermediary subject to AMLA may decide to apply when examining a request from an Issuer to enter into a business relationship.

### Section 1 Know Your Issuer (KYI)

#### § 22. Collection of relevant information

- <sup>1</sup> Issuers shall be required to complete a due diligence questionnaire (the "**DDQ-Issuer**"). The Financial Intermediary may also complete the DDQ-Issuer on the basis of the information and documents provided by the Issuer.
- <sup>2</sup> The DDQ-Issuer shall cover the following information:
  - (a) the Issuer, its management and its shareholders;
  - (b) the business plan;
  - (c) the Offering, whether it was already carried out, is in progress or is planned;
  - (d) the Digital Asset(s) issued or to be issued;
  - (e) the means of payment accepted by the Issuer as contribution for the acquisition of Digital Assets as part of the Offering;
  - (f) the status of the Issuer and the Offering from a legal and regulatory perspective;
  - (g) the Issuer's advisors and other persons involved in the business plan and Offering;
  - (h) the general AML/CFT approach taken by the Issuer (e.g., due diligence tiers, list of Excluded Jurisdictions);
  - (i) the manner in which AML requirements were, are or will be handled by the Issuer, in particular information on whether the following due diligence measures were or will be performed by the Issuer with respect to which categories of Contributors:
    - (1) check of the Contributor's identification document;
    - (2) check of a photograph of the Contributor taken during the identification process against the photograph on the identification document;
    - (3) verification of the identity by video-conference;
    - (4) check of the Contributor's proof of residence (e.g., utility bill);
    - (5) check of the Contributor's domicile address against the list of Excluded Jurisdictions;
    - (6) check of the Contributor's first and last name(s) against sanctions, adverse media and PEP databases;
    - (7) DL Analysis of the Contributor's DLAN (public address) from which Digital Assets will be transferred;
    - (8) verification of acceptability of the bank account of the Contributor (for contribution in Fiat Currency);
    - (9) handling of multiple participations by the same Contributor;
    - (10) check of the Contributor's IP address;

- (11) check of the Contributor's source of funds;
- (12) check of the Contributor's source of wealth;
- (j) where applicable, the Issuer's compliance function and/or service provider in the field of AML;
- (k) where applicable, the Issuer's AML policy, guidelines, procedures or any other similar documents.

<sup>3</sup> An example DDQ-Issuer is enclosed as **Appendix C**.

### **§ 23. Identification of the Issuer as Contracting Party**

- <sup>1</sup> The verification of the identity of the Issuer as the Financial Intermediary's "**Contracting Party**" shall be performed in accordance with the AML requirements applicable to the Financial Intermediary (e.g., CDB, SRO Regulations, and/or AMLO-FINMA). The same shall apply to the establishment of identity of the controlling person(s) and the establishment of the identity of the beneficial owner(s) of the assets.
- <sup>2</sup> The Financial Intermediary shall, for the purpose of the identification procedures, take into account the legal nature of the Issuer and whether the Issuer is the legal entity operating the business in question or not.

## **Section 2 Assessment and acceptance of business relationship**

### **§ 24. Assessment of the information obtained**

- <sup>1</sup> The Financial Intermediary shall carefully review the information obtained and assess the level of due diligence requirements of the Issuer against:
- (a) the AML requirements for Issuers which are subject to AMLA (e.g., Issuers of Digital Assets that are means of payment or "**Payment Tokens**" according to FINMA ICO Guidelines classification); and
  - (b) Part I of the Standards.
- <sup>2</sup> The Financial Intermediary shall document the findings of the assessment, with explanations or comments for material discrepancies or derogations to the applicable minimum level of expected due diligence, in accordance with its risk-based approach policy.

### **§ 25. Acceptance of business relationship**

- <sup>1</sup> Based on the outcome of the assessment and the risk appetite of the Financial Intermediary, the Financial Intermediary shall decide whether it approves the business relationship with the Issuer, applying a risk-based approach.
- <sup>2</sup> The Financial Intermediary shall establish criteria to be used in order to categorize Issuers as higher risk relationships. Depending on its familiarity with and understanding of the Digital Assets, a Financial Intermediary may wish to categorize all Issuers as higher risk relationships, regardless of the purpose of the business relationship, of the amounts concerned and of any other aspect.

## Chapter 3 Business relationship with an Investor in Digital Assets

This chapter describes the standards that a Financial Intermediary may decide to apply when examining a request to enter into a business relationship from an investor in Digital Assets.

### Section 1 General provisions

#### § 26. Definitions

- <sup>1</sup> Investors in Digital Assets ("**IDA**") are natural persons or entities who either:
  - (a) hold financial assets with a market value in excess of CHF 100'000 (or the equivalent in any other Fiat Currency), which have been generated through investments in or transactions involving Digital Assets; or
  - (b) contemplate to transfer to the Financial Intermediary or request services to be provided by the Financial Intermediary in respect to Digital Assets with a market value in excess of CHF 50'000 (or the equivalent in any other Fiat Currency).
- <sup>2</sup> Financial Intermediaries may define other thresholds, depending on their respective business model, financial services to be provided to the IDAs and client typology.

#### § 27. Scope

- <sup>1</sup> The Standards set forth the minimum due diligence procedures applicable to:
  - (a) the onboarding of IDA; and
  - (b) existing business relationships that, during the course of the business relationship, are identified as IDA, as part of the ongoing monitoring of relationships or during periodic reviews.
- <sup>2</sup> Such minimum due diligence procedures are in addition to the applicable AML procedures to be performed by the Financial Intermediary in application of, among others, AMLA, AMLO-FINMA, sanctions regimes and other applicable regulations.

### Section 2 Inquiring on and verifying the source of wealth

#### § 28. Generalities

- <sup>1</sup> The IDA shall be required to complete a due diligence questionnaire (the "**DDQ-IDA**"). The Financial Intermediary may also complete the DDQ-IDA on the basis of the information and documents provided by the IDA.
- <sup>2</sup> The DDQ-IDA shall cover the following information:
  - (a) information on the IDA's sophistication, knowledge and background in relation to Digital Assets and/or DLT;
  - (b) total and origin of the Fiat Currencies invested in Digital Assets;
  - (c) date of the first investment(s) in Digital Assets;
  - (d) description of the IDA's holdings of Digital Assets, together with the planned use of such holdings (e.g., long term investments, payment for services);

- (e) total current value of the IDA's holdings of Digital Assets;
- (f) description and amount of the Digital Assets to be transferred to the Financial Intermediary or in respect to which the Financial Intermediary is to provide services, as applicable;
- (g) list of the IDA's main DLANs (public addresses);
- (h) list of the DLANs (public addresses) from which the IDA intends to transfer Digital Assets to the Financial Intermediary, if applicable;
- (i) list of exchanges, brokers and platforms used to acquire, trade, sell and transfer Digital Assets and relevant account statements;
- (j) description of past uses of Digital Assets (incl. confirmation that the IDA did not use such Digital Assets on the "**Dark Web**");
- (k) confirmation of compliance with local tax rules in regards to Digital Assets as per the tax compliance policy of the Financial Intermediary;
- (l) confirmation that the IDA will not receive on his account with the Financial Intermediary Digital Assets from third parties and will not instruct the Financial Intermediary to transfer Digital Assets to third parties (it being specified that transfers from or to DLANs (public addresses) owned by an exchange, a broker or another platform where the IDA holds an account are not considered as third-party transfers).

3 An example DDQ-IDA is enclosed as **Appendix D**.

### **§ 29. Enhanced due diligence**

1 The Financial Intermediary shall define, on the basis of a risk-based approach, criteria (e.g., thresholds, origin/background of IDA, transactions patterns, etc.) allowing to determine which business relationships with IDA should be classified as higher risk relationships (HRR).

2 A DL Analysis shall be performed by the Financial Intermediary on:

- (a) the IDA's main DLANs (public addresses), and
- (b) where applicable, the DLANs (public addresses) from which Digital Assets will be transferred to the Financial Intermediary.

3 In case of HRR IDA or where the Financial Intermediary deems it necessary, the Financial Intermediary shall conduct a "**Private Key Control Procedure**" on the relevant DLANs (public addresses).

4 If the outcome of the DL Analysis and/or of the Private Key Control Procedure is:

- (a) positive, then such DLANs (public addresses) are "whitelisted" and only transfers from such DLANs (public addresses) will be permitted by the Financial Intermediary, unless additional DLANs (public addresses) are added at a later stage to the list of white listed addresses (after due completion of the same procedures); or
- (b) negative, then the Financial Intermediary shall take the necessary measures (e.g., additional clarifications, refusal of the business relationship with the IDA, filing with the MROS).

## Chapter 4 Business relationship with a Merchant

This chapter describes the standards that a Financial Intermediary may decide to apply when examining a request to enter into a business relationship from a Merchant (as defined in § 30).

### Section 1 General provisions

#### § 30. Definition

For the purpose of this Chapter 4, "Merchant" shall mean a natural person or entity which:

- (a) conducts a professional activity (business) which involves providing services or selling goods; and
- (b) accepts payments from its customers in Digital Assets as part of such business.

#### § 31. Scope

- <sup>1</sup> The Standards set forth the due diligence procedures applicable to:
  - (a) the onboarding of Merchants by a Financial Intermediary; and
  - (b) existing business relationships that, during the course of the business relationship, are identified by the Financial Intermediary as Merchants, as part of the ongoing monitoring of relationships or during periodic reviews.
- <sup>2</sup> Such due diligence procedures are in addition to the applicable AML procedures to be performed by the Financial Intermediary in application of, among others, AMLA, AMLO-FINMA, sanctions regimes and other applicable regulations.

#### § 32. Excluded jurisdictions

- <sup>1</sup> For the purpose of this Chapter 4, an "Excluded Jurisdiction" shall mean a jurisdiction in which for legal, regulatory or other reasons the Merchant does not conduct its business and/or the Merchant has determined that payments in from such Excluded Jurisdictions shall not be accepted.
- <sup>2</sup> The Merchant shall establish and keep up-to-date a list of Excluded Jurisdictions which shall take into consideration all sanctions or other restrictions applicable in Switzerland, as well as in each jurisdiction where the Merchant conducts its business.

### Section 2 Inquiring on and verifying the source of revenues and wealth

#### § 33. Generalities

- <sup>1</sup> The Merchant shall be required to complete a due diligence questionnaire (the "DDQ-Merchant"). The Financial Intermediary may also complete the DDQ-Merchant on the basis of the information and documents provided by the Merchant.
- <sup>2</sup> The DDQ-Merchant shall cover the following information:
  - (a) the types of services provided and/or goods sold, their jurisdiction of origin and the main providers;

- (b) the method of commercialisation (own website or application, public platform, etc.);
- (c) the targeted markets (type of clients and countries) and Excluded Jurisdictions;
- (d) the global figures of the Merchant, including an estimation of the global volume of Digital Assets (in proportion to the activity in Fiat Currencies if applicable);
- (e) the Digital Assets accepted as means of payment;
- (f) information on the Merchant's sophistication, knowledge and background in relation to Digital Assets and/or DLT;
- (g) description of the Merchant's holdings of Digital Assets, together with the planned use of such holdings;
- (h) total current value of the Merchant's holdings of Digital Assets;
- (i) description and amount of the Digital Assets to be transferred to the Financial Intermediary or in respect to which the Financial Intermediary is to provide services, as applicable;
- (j) list of the Merchant's main DLANS (public addresses);
- (k) list of the DLANS (public addresses) from which the Merchant intends to transfer Digital Assets to the Financial Intermediary, if applicable;
- (l) list of exchanges, brokers and platforms used by the Merchant to acquire, trade, sell and transfer Digital Assets and relevant account statements;
- (m) description of past uses of Digital Assets (incl. confirmation that the Merchant did not use such Digital Assets on the Dark Web);
- (n) confirmation of compliance with local tax rules in regards to Digital Assets as per the tax compliance policy of the Financial Intermediary;
- (o) confirmation that the Merchant will not receive on its account with the Financial Intermediary Digital Assets from third parties and will not instruct the Financial Intermediary to transfer Digital Assets to third parties (it being specified that transfers from or to DLANS (public addresses) owned by an exchange, a broker or another platform where the Merchant holds an account are not considered as third-party transfers);
- (p) description of the measures taken by the Merchant regarding the enforcement of AML requirements, if applicable;
- (q) confirmation that there is no link with Excluded Jurisdictions, whether in relation to the goods and services or the Merchant's clients.

<sup>3</sup> An example DDQ-Merchant is enclosed as **Appendix E**.

### **§ 34. Enhanced due diligence**

<sup>1</sup> The Financial Intermediary shall define, on the basis of a risk-based approach, criteria (e.g., thresholds, business activity of Merchant, transactions patterns, etc.) allowing to determine which Merchants should be classified as higher risk relationships (HRR).

<sup>2</sup> A DL Analysis shall be performed by the Financial Intermediary on:

- (a) the Merchant's main DLANS (public addresses), and
- (b) where applicable, the DLANS (public addresses) from which Digital Assets will be transferred to the Financial Intermediary.

- 3 In case of HRR Merchant or where the Financial Intermediary deems it necessary, the Financial Intermediary shall conduct a Private Key Control Procedure on the relevant DLANs (public addresses).
- 4 If the outcome of the DL Analysis and/or of the Private Key Control Procedure is:
- (a) positive, such DLANs (public addresses) are "whitelisted" and only transfers from such DLANs (public addresses) will be permitted by the Financial Intermediary, unless additional DLANs (public addresses) are added at a later stage to the list of white listed addresses (after due completion of the same procedures); or
  - (b) negative, the Financial Intermediary shall take the necessary measures (e.g., additional clarifications, refusal of the business relationship with the Merchant, filing with the MROS).



## Appendix A

## Glossary

Defined term	Definition
AML	Anti-Money Laundering.
AMLA	Federal Act on Combating Money Laundering and Terrorist Financing (Anti-Money Laundering Act; RS 955.0).
AMLO	Anti-Money Laundering Ordinance (RS 955.01).
AMLO-FINMA	FINMA Anti-Money Laundering Ordinance (RS 955.033.0).
Asset Tokens	See Token.
CDB	Current version of the "Agreement on the Swiss banks' code of conduct with regard to the exercise of due diligence", as issued by the Swiss Bankers Association.
CFT	Countering the financing of terrorism.
Contracting Party	Person or entity entering into a business relationship with a Financial Intermediary.
Contribution Amount	Contributor's contemplated contribution in an Offering.
Contributor	Any person or entity participating in an Offering.
Cryptocurrencies	Cryptocurrencies are a subset of Digital Assets that rely on cryptographic techniques to achieve consensus (e.g., Bitcoin and ether).
Dark Web	Encrypted online content that is not indexed on conventional search engines. The Dark Web is part of the deep web that does not appear through regular internet browsing.
DDQ	Due Diligence Questionnaire.
Digital Assets	Any type of financial assets, whether natively digital or digitised, issued through the use of DLT such as Payment Tokens (incl. Cryptocurrencies), Utility Tokens and Asset Tokens.

Defined term	Definition
Distributed Ledger (DL)	Database that is consensually shared and synchronized according to a protocol by nodes participating to a peer-to-peer decentralized network. It allows transactions to have public "witnesses" who can access the recordings shared across that network and can each store an identical copy of it. Any changes or additions made to the ledger are reflected and copied to all nodes. One form of distributed ledger design is the blockchain, which can be either public, permissioned or private.
Distributed Ledger Technology (DLT)	Technology recording and sharing data across multiple data stores (or ledgers). This technology allows for transactions and data to be recorded, shared, and synchronized across a distributed network of different network participants.
DL Analysis	<p>Review of the transactions performed on a specific Distributed Ledger in relation to one or more DLANs (public addresses) with the purpose of, in particular, determining to the extent possible whether:</p> <ul style="list-style-type: none"> <li>• such DLANs (public addresses) are known to be associated with transactions or DLANs (public addresses) that are thought to be used for illegal purposes;</li> <li>• such DLANs (public addresses) are known to be associated with transactions on the Dark Web;</li> <li>• transactions relating to such DLANs (public addresses) are not (or less) traceable due to darkening/obscuring techniques (e.g., mixing, conjoining, u-turn transactions);</li> <li>• such DLANs (public addresses) are known to be associated with miners or other entities and are therefore, as a result of the business activities of such miners or other entities, not (or less) traceable;</li> <li>• such DLANs (public addresses) are known to be associated with money laundering, financing of terrorism or cybercrime (e.g., stolen Digital Assets); and/or</li> <li>• such DLANs (public addresses) are to be associated with transactions relating to sanctioned countries or persons.</li> </ul> <p>A DL Analysis requires an appropriate clustering of DLANs (public addresses) by competent data scientists as well as powerful algorithms. The DL Analysis shall take into account the specificities of the protocol used by the relevant DLT.</p>

Defined term	Definition
DLA	Distributed Ledger Account or address, being a unique identifier on a specified DL that serves as a virtual location for recording incoming and outgoing transactions in one or several Digital Assets.
DLAN (public address)	DLA number (public address), or equivalent concept in terms of terminology applicable for the relevant DLT implementation.
Excluded jurisdiction	<p>Jurisdiction in which for legal, regulatory or other reasons, depending on context:</p> <ul style="list-style-type: none"> <li>• an Offering is not permissible to be conducted and/or the Issuer has determined that contributions from such excluded jurisdictions shall not be accepted; or</li> <li>• the Merchant does not conduct its business and/or the Merchant has determined that payments received from such excluded jurisdictions shall not be accepted.</li> </ul>
Fiat Currency	Currency designated by applicable law as legal tender in the relevant jurisdiction such as national currencies in circulation, issued and managed by the respective central banks.
Financial Intermediary	Swiss bank, securities dealer or other financial intermediary pursuant to Art. 2 para. 2 or 3 AMLA.
Initial Coin Offering (ICO)	Method of raising funds by issuing Digital Assets (Tokens or coins) in exchange for Cryptocurrencies and/or Fiat Currencies.
Issuer	Person or entity issuing and offering Digital Assets.
Merchant	<p>Natural person or entity which:</p> <ul style="list-style-type: none"> <li>• conducts a professional activity (business) which involves providing services or selling goods; and</li> <li>• accepts payments in Digital Assets as part of such business.</li> </ul>
Offering	The issuance or offering of Digital Assets.
Payment Token	See Token.
Private Key Control Procedures	Procedures aiming at ascertaining that the private key corresponding to the DLAN (public address) is controlled by the relevant person,

Defined term	Definition
	<p>which is an indication that such relevant person may be the legal and economic owner of such DLAN (public address).</p> <p>Each of the following procedures are examples of Private Key Control Procedures:</p> <ul style="list-style-type: none"> <li>• the relevant person unlocks the DLA with the corresponding private key in the presence of the Financial Intermediary;</li> <li>• the relevant person executes a transaction (generally, for a small amount) from the DLA to another of the relevant person's own DLA (whether existing or newly created for this purpose); or</li> <li>• the relevant person sends to a DLA owned or controlled by the Financial Intermediary a signed message (whose text is provided by the person conducting the Private Key Control Procedure, typically the Financial Intermediary) from the DLA using an adequate tool (for example with respect to a bitcoin DLA: <a href="https://tools.bitcoin.com/verify-message/">https://tools.bitcoin.com/verify-message/</a>).</li> </ul>
Standards	CMTA's AML Standards for Digital Assets.
Token	<p>Digital Asset which may have various features, depending on the DLT on which it was issued and the terms of the issuance. The primary types of Tokens, as per the Swiss Financial Markets Supervisory Authority FINMA's classification:</p> <ul style="list-style-type: none"> <li>• <b>Payment Tokens</b> are generally synonymous with Cryptocurrencies, the sole or primary purpose and function of which is to serve as means of payment, so that Payment Tokens have no other material functions or links to development projects.</li> <li>• <b>Utility Tokens</b> are Digital Assets that are intended to provide digital access to an application or service.</li> <li>• <b>Asset Tokens</b> represent assets such as participations in real physical underlyings, companies, or earnings streams, or an entitlement to dividends or interest payments. In terms of their economic function, Asset Tokens are analogous to equities, bonds, derivatives or other investment instrument.</li> </ul> <p>In many instances, Tokens will be a hybrid combination of the above primary types, depending on their features.</p>
Utility Tokens	See Token.

## Appendix B Issuers – Example of risk-based approach implementation

Applicable for Contributors who are natural persons (i.e., individuals).

Tier level	Information/document required	Checks
<b>Tier 1</b> <b>(less than CHF 15'000)</b>	First name(s), last name(s) and date of birth	Against adverse media/PEP/sanctions databases
	Copy of an identification document	Coherence of the elements of the identification document and consistency with selfie
	Domicile address (including country)	Against list of Excluded Jurisdictions
	Contribution Amount	Tier definition
	Email address	Usability
	Phone number	Consistency of address
	Origin of the funds: DLAN (public address) (from which Digital Assets will be transferred)  Or Bank account (IBAN) owned by the Contributor in an accepted country (account from which Fiat Currencies will be transferred)	DL Analysis  Acceptability of the bank account
	Selfie (of the Contributor holding his/her ID and a post-it with the current date)	Consistency with the photograph on the identification document
	IP address	Consistency of the domicile address via geo-localisation
	Combination of information/documents (as per above list)	Multiple participations by the same Contributor

Tier level	Information/document required	Checks
<b>Tier 2</b> (less than CHF 100'000)	All Tier 1 information and documents (other than IP address)	See Tier 1 above (except checks on the phone number and IP address)
	Employment status (position, sector, company)	Background of the Contributor
	Important public function (if yes, details)	Background of the Contributor
	Source of funds	Background of the Contributor
	Utility bill (not older than 6 months)	Consistency of the domicile address
	Declaration as to beneficial owner(s)	Review if properly filled in
<b>Tier 3</b> (CHF 100'000 or more)	All Tier 1 and Tier 2 information and documents (other than selfie and IP address)	See Tier 1 and Tier 2 above (except checks on the phone number, selfie and IP address)
	Video-conference	Identity and background of the Contributor via a KYC interview

## Appendix C

## Example of DDQ-Issuer

**Preliminary notes:**

This questionnaire was drafted to take into consideration a planned Token Offering. If the Token Offering already took place, the questions of this questionnaire remain valid: please answer accordingly.

### 1. Issuer and other relevant material entities

1.1. Name	
1.2. Full address	
1.3. Type of legal entity	
1.4. Commercial register number	
1.5. Website	
1.6. Organization chart of the Issuer	
1.7. Organization chart of the group of the Issuer	
1.8. Copy of latest financial statements	
1.9. Regulatory status	

In case the Issuer is not the legal entity developing the business plan referred to in Section 4, please also provide the same details in respect of that legal entity.

## 2. Directors, management & key personnel

<b>2.1. Personal details (Issuer):</b>	For each of the members of the board of directors, senior management and/or other key persons:  2.1.1. First name 2.1.2. Last name 2.1.3. Full address 2.1.4. Date of birth 2.1.5. Short biography  Alternative: CV of each of these persons
--	--

In case the Issuer is not the legal entity developing the business plan referred to in Section 4, please also provide the same details in respect of that legal entity:

<b>2.2. Personal details (relevant material entity):</b>	For each of the members of the board of directors, senior management and/or other key persons:  2.2.1. First name 2.2.2. Last name 2.2.3. Full address 2.2.4. Date of birth 2.2.5. Short biography  Alternative: CV of each of these persons
--	--



### 3. Major shareholders

**Note:** any person or entity holding 10% or more of the shares of the Issuer or of the voting rights is a major shareholder for the purposes of this questionnaire.

<b>3.1. Personal details (major shareholders of Issuer):</b>	For each of the members of the board of directors, senior management and/or other key persons:  3.1.1. First name  3.1.2. Last name  3.1.3. Full address  3.1.4. Date of birth  3.1.5. Short biography   Alternative: CV of each of these persons
--	--

In case the Issuer is not the legal entity developing the business plan referred to in Section 4, please also provide the same details in respect of that legal entity:

<b>3.2. Personal details (major shareholders of relevant material entity):</b>	For each of the members of the board of directors, senior management and/or other key persons:  3.2.1. First name  3.2.2. Last name  3.2.3. Full address  3.2.4. Date of birth  3.2.5. Short biography   Alternative: CV of each of these persons
--	--

### 4. Business plan

<b>4.1. Short description of the business plan, including information on the key milestones</b>	
---	--

<p>4.2. Information on the technologies to be used (incl. indication whether the business plan relies on open source software and/or will lead to the development of open source software)</p>	
<p>4.3. Connection between the business plan and Distributed Ledger Technologies (if any; e.g., decentralization of a centralized service) and, in this context, role played by the Token offered</p>	
<p>4.4. Copy of full business plan, white paper, brochures and other documents describing the products and/or services offered by the Issuer</p>	
<p>4.5. Description of the main business risks/challenges relating to the business plan</p>	<p>4.5.1. market</p> <p>4.5.2. competition</p> <p>4.5.3. financing</p> <p>4.5.4. regulation</p> <p>4.5.5. IT systems</p> <p>4.5.6. time-to-market</p> <p>4.5.7. human resources</p> <p>4.5.8. other risks</p>
<p>4.6. Description of the Issuer's competitive advantage</p>	

## capital markets and technology association.

4.7. Copy of any research paper backing the Issuer's business plan	
4.8. Key one-year projections in terms of	4.8.1. headcount 4.8.2. revenues 4.8.3. pre-tax profit 4.8.4. capex 4.8.5. equity 4.8.6. debt 4.8.7. cash flow 4.8.8. net cash position 4.8.9. market share
4.9. Key five-year projections in terms of:	4.9.1. headcount 4.9.2. revenues 4.9.3. pre-tax profit 4.9.4. capex 4.9.5. equity 4.9.6. debt 4.9.7. cash flow 4.9.8. net cash position 4.9.9. market share

## 5. Token Offering

5.1. Reasons for the Issuer to launch a Token Offering	
--	--

<p>5.2. Timing of the pre-sale(s), the public Offering and the subsequent steps/milestones of development of the business plan (road map)</p>	
<p>5.3. Targeted amount (with a distribution between pre-sale(s) and public Offering) and underlying reasons</p>	
<p>5.4. Amount of Tokens to be offered and underlying reasons</p>	
<p>5.5. Soft cap and hard cap and underlying reasons</p>	
<p>5.6. List of Cryptocurrencies and Fiat Currencies accepted during the Offering</p>	
<p>5.7. Information on the Tokens reserved for the members of the board of directors, the senior management, the employees and other persons involved in the business plan and/or the Offering (e.g., advisors)</p>	
<p>5.8. Description of the targeted Contributors</p>	
<p>5.9. Description of the restrictions applicable to Contributors (e.g., prohibited countries)</p>	

## capital markets and technology association.

5.10. Description of the regime of discount or bonus and underlying reasons	
5.11. Description of the material to be produced for the Offering and indication on the languages used in such material	
5.12. Description of planned roadshows (if any)	
5.13. Description of online marketing (e.g., webinar, Reddit AMA)	
5.14. Description of the opportunity for the Contributors	
5.15. Description of the main risks incurred by Contributors (e.g., business, market, liquidity risks)	
5.16. Description of the worst case scenario for the Contributors	
5.17. Information on the subscription and redemption processes, including on any optional or mandatory buy back process (i.e., forced redemption)	
5.18. Information on when the Token will be transferred to the Contributors	

5.19. Information on what will be done with unsold Tokens	
5.20. Information on how surplus funds (if any) will be handled/allocated	
5.21. Level of confidence of the senior management with respect to the achievement of the targeted amount	

**6. Token features**

6.1. Name and symbol	
6.2. Underlying platform (e.g., Ethereum, NEO)	
6.3. Consensus algorithm used and reasons for this choice (if not resulting from the choice of the underlying platform)	
6.4. So-called "fiscal policy" (e.g., instamines, premines, buying, spending, icing, discounting, or burning of Tokens)	
6.5. So-called "monetary policy" (e.g., inflationary, deflationary, fixed supply or additional Tokens to be issued)	

## capital markets and technology association.

6.6. Estimate of the time required by the network to launch and adopt the Token	
6.7. Price setting mechanism	
6.8. Rights/functionalities included in the Token, together with an estimate of the timing and information on how such rights/functionalities are documented (e.g., participation and issuing conditions)	
6.9. Indication whether the above-mentioned rights/functionalities are already usable	
6.10. Information whether the Token can be used to buy goods or services or make payments to third parties	
6.11. Information on wallets compatible with the Token, together with relevant technical specifications	
6.12. Information on any potential listing on a crypto-exchange	

**7. Legal and regulatory situation**

<p>7.1. Copy of any legal opinion obtained from a law firm</p>	
<p>7.2. Copy of any tax opinion and tax ruling (e.g., VAT)</p>	
<p>7.3. Copy of any intellectual property opinion</p>	
<p>7.4. Copy of FINMA's ruling (if any)</p>	
<p>7.5. If not covered by the previous items, detailed explanations on the qualification of the Token and its legal and regulatory consequences (e.g., securities laws, money laundering laws)</p>	
<p>7.6. Specific information on the application of U.S. laws and/or regulations to the Token Offering (e.g., SEC regulations)</p>	
<p>7.7. Information on current and past (in the last 5 years) claims and litigations encountered by the Issuer or any related legal entities or private persons in relation to the business plan</p>	



## 8. Advisors and other persons involved in the business plan and/or the Offering

8.1. Details on the law firm mandated by the Issuer	
8.2. Details on the tax advisor mandated by the Issuer	
8.3. Details on the auditors mandated by the Issuer	
8.4. Details on any Swiss Financial Intermediary subject to Swiss money laundering laws mandated by the Issuer to meet the due diligence requirements under Swiss AML laws	
8.5. Details on any Token sellers, ICO organizers, etc. (incl. on their regulatory status such as licenses under financial markets law)	
8.6. Details on the intellectual property expert mandated by the Issuer	
8.7. Details on any early backers	

8.8. Details on any person having an influence on the business plan and/or the Offering and who is a related party to the Issuer's or the legal entity's member of the board of directors, member of the senior management or shareholders	
8.9. Details on other key persons involved in the business plan and/or the Offering	

**9. Intellectual property**

9.1. List of intellectual property material owned or licensed that are mandatory or important for the realization of the business plan	
9.2. For each intellectual property material licensed, details of the owner, start of the license, description of the most relevant rights and obligations under the license, end date (if any)	

## 10. Fight against money laundering (AML) and terrorism financing (CFT)

10.1. Description of the general approach (due diligence Tiers, etc.)

10.2. If the proposed due diligence measures are covered, please tick the appropriate box and provide any relevant information in the empty space.

- Check of an identification document  
\_\_\_\_\_
- Check of a selfie against the photograph on the identification document  
\_\_\_\_\_
- Check address against Excluded Jurisdictions  
\_\_\_\_\_
- Check against sanctions, adverse media and PEP databases  
\_\_\_\_\_
- Check of the phone number  
\_\_\_\_\_
- DL Analysis of the DLAN (public address) from which funds will be transferred  
\_\_\_\_\_
- Prevention or handling of multiple participations by the same Contributor  
\_\_\_\_\_
- Check of the IP address  
\_\_\_\_\_
- Check of a proof of residence (e.g., utility bill)  
\_\_\_\_\_

<p>10.3. Information on any mandated service provider in the field of AML/CFT</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Check of the source of the funds _____</li> <li><input type="checkbox"/> Check of the source of wealth _____</li> <li><input type="checkbox"/> Video-conference _____</li> </ul>

**11. Various**

<p>11.1. Measures to prevent scammers from misleading Contributors into sending funds to an incorrect address</p>	
<p>11.2. Other cybersecurity measures put in place/used</p>	
<p>11.3. Information on the cold storage solution used for storing the Cryptocurrencies accepted as investment and the Tokens offered</p>	

## Appendix D Example of DDQ-IDA

Applicable to business relationships with IDAs (in addition to standard AML procedures of the Financial Intermediary).

### 1. Background and knowledge

1.1. Description of the IDA's background in relation to Digital Assets and/or DLT (e.g., previous or current occupation, studies)	
1.2. In general, description of the IDA's knowledge and expertise in relation to Digital Assets and/or DLT	

### 2. Investments in Digital Assets

2.1. Total and origin of the Fiat Currencies the IDA invested in Digital Assets	
2.2. Date of the IDA's first investment(s) in Digital Assets	
2.3. Description of the IDA's current holdings of Digital Assets	
2.4. Total current value of the IDA's current holdings of Digital Assets	

<p>2.5. Planned use of the IDA's current holdings of Digital Assets (e.g., long term investments, payment for services)</p>	
<p>2.6. Description and amount of the Digital Assets to be transferred to the Financial Intermediary or in respect to which the Financial Intermediary is to provide services, as applicable</p>	
<p>2.7. List of exchanges, brokers and platforms used by the IDA to acquire, trade, sell and transfer Digital Assets, together with a copy of the relevant account statements</p>	
<p>2.8. Description of past uses of Digital Assets</p>	
<p>2.9. Please confirm that the IDA did not use any Digital Assets on, or in relation to, the Dark Web</p>	

**capital markets  
and technology  
association.**

<p>2.10. Please confirm that the IDA will not receive on his account with the Financial Intermediary Digital Assets from third parties and will not instruct the Financial Intermediary to transfer Digital Assets to third parties (it being specified that transfers from or to DLANs (public addresses) owned by an exchange, a broker or another platform where the IDA holds an account are not considered as third-party transfers)</p>	
<p>2.11. Please confirm that the IDA complies with local tax rules in regards to Digital Assets</p>	

**3. DLANs (public addresses)**

<p>3.1. List of the IDA's main DLANs (public addresses)</p>	<p>Alternative: provide respective QR Codes (if more convenient)</p>
<p>3.2. List of the DLANs (public addresses) from which the IDA intends to transfer Digital Assets to the Financial Intermediary, if applicable</p>	<p>Alternative: provide respective QR Codes (if more convenient)</p>

**Appendix E Example of DDQ-Merchant**

**1. Merchant's business activities**

1.1. Services provided and/or goods sold by the Merchant	
1.2. Main providers of the goods sold by the Merchant (where applicable), incl. countries of origin	
1.3. Method of commercialisation (own website or application, public platform, etc.)	
1.4. Marketing (promotion) means	
1.5. Targeted clients	
1.6. Targeted countries and Excluded Jurisdictions	

**2. Use of Digital Assets by the Merchant**

2.1. Digital Assets accepted as a mean of payment	
2.2. Global figures of the Merchant, including an estimation of the global volume of Digital Assets (in proportion to the activity in Fiat Currencies if applicable)	



## capital markets and technology association.

2.3. List of the Merchant's main DLANs (public addresses) on which it receives Digital Assets	Alternative: provide respective QR Codes (if more convenient)
2.4. Description of the Merchant's holdings of Digital Assets, together with the planned use of such holdings	
2.5. Total current value of the Merchant's holdings of Digital Assets	
2.6. Description and amount of the Digital Assets to be transferred to the Financial Intermediary or in respect to which the Financial Intermediary is to provide services, as applicable	
2.7. List of the DLANs (public addresses) from which the Merchant intends to transfer Digital Assets to the Financial Intermediary, if applicable	Alternative: provide respective QR Codes (if more convenient)
2.8. List of exchanges, brokers and platforms used by the Merchant to acquire, trade, sell and transfer Digital Assets and relevant account statements	
2.9. Past uses of Digital Assets	

<p>2.10. Please confirm that the Merchant will not receive on its account with the Financial Intermediary Digital Assets from third parties and will not instruct the Financial Intermediary to transfer Digital Assets to third parties (it being specified that transfers from or to DLANs (public addresses) owned by an exchange, a broker or another platform where the Merchant holds an account are not considered as third-party transfers)</p>	
<p>2.11. Please confirm that the Merchant did not use any Digital Assets on, or in relation to, the Dark Web</p>	

**3. Organisation of the Merchant in relation to Digital Assets**

<p>3.1. Information on the Merchant's sophistication, knowledge and background in relation to Digital Assets and/or DLT</p>	
<p>3.2. Legal or regulatory clarifications carried out in relation to the use of Digital Assets in the Merchant's business, if applicable</p>	

## capital markets and technology association.

3.3. Description of the measures taken by the Merchant regarding the enforcement of AML requirements, if applicable

3.4. Please confirm that there is no link with Excluded Jurisdictions, whether in relation to the goods and services or the Merchant's clients

3.5. Please confirm that the Merchant complies with local tax rules in regards to Digital Assets

**cmta.**  
**capital markets and**  
**technology association**  
Route de Chêne 30  
1208, Genève

Contact:  
Tel. +41 22 318 73 13  
admin@cmta.ch  
cmta.ch