CAPITAL MARKETS AUTHORITY
Promoting Capital Markets Integrity

VIRTUAL ASSET MANAGER CHECKLIST

Compliance with License Requirements[i]

Virtual Asset Service Providers Act, 2025, Capital Markets Act, Part II, Part III and Part IV of the Virtual Asset Service Providers Regulations, 2026,, and any other relevant Regulations.

Virtual Asset Manager means a person licensed to manage a portfolio of virtual assets on a discretionary basis on behalf of, or for the benefit of, consumers, including under a mandate to invest, trade or otherwise deal in virtual assets without the consumer's prior consent to each transaction.

No.	Requirement	Met (Y/N/NA)	Comment
1.	Contact person ofthe applicant- name, business telephone number and email address of a senior officer knowledgeable about the application.		
2.	Duly completed Application Form for a Virtual Asset Service Provider License (Second Schedule).		
3.	Certified copy of the Certificate of Incorporation or an equivalent		
4.	Certified copy of Memorandum and Articles of Association		
5.	Up-to-date details of the directors and shareholders of the applicant (CR12 or an equivalent).		
6.	A copy of the register of beneficial owners of the applicant (Form BOF1- downloaded from BRS or an equivalent).		
7.	Copy of PIN tax compliance certificate for the Applicant.		
8.	Evidence of paid-up capital as per the audited financial statements of at least Kshs. 20,000,000 and liquid capital of at least Kshs. 4,000,000 or 8% of total liabilities, whichever is higher (Fifth Schedule) and certified bank statements. For companies newly incorporated, provide opening financial statements certified by an independent auditor and certified bank statements.		

No.	Requirement	Met (Y/N/NA)	Comment
9.	Evidence of shareholders' funds of at least Kshs. 20,000,000 as per the audited financial statements or an opening statement for newly incorporated entities.		
10.	Audited financial statements for the three years preceding the application, or the opening financial statements verified by an external auditor in the case of a newly incorporated applicant.		
11.	In addition to 8, 9 and 10, where the applicant is a subsidiary of a foreign-incorporated parent entity, the audited consolidated financial statements of the parent entity for the three years preceding the application.		
12.	Confirmation that the applicant's financial year shall end on 31st December of each year.		
13.	A declaration by the individual significant shareholders and directors on the sources of funds. The declaration should be certified by a Commissioner for Oaths.		
14.	Tabulated full disclosure of the applicant's cross-border operations, affiliates, and regulatory status in other jurisdictions.		
15.	Board composition: i. a minimum of three directors, of which three shall be natural persons. ii. iii. at least one-third of whom are independent, and not more than one-third of whom are related to any other director; iv. The chairperson of the Board shall be a non-executive director or independent director. v. vi.		
16.	The chairperson shall not also be appointed chief executive officer.		
17.	A Board Audit and Risk Committee and any other relevant committees.		

No.	Requirement	Met (Y/N/NA)	Comment
18.	Board Charter specifying roles of the Board, the Chairperson and the Chief Executive Officer.		
19.	Human Resources[1]: Evidence[2] of the existence of sufficient human resources to operate a virtual asset management business with a minimum of the following: a) Chief Executive Officer b) Chief Financial Officer c) Risk Officer d) Compliance Officer e) Money Laundering and Reporting Officer f) Internal Auditor g) Chief Investment Officer		
20.	For Fit and Proper of: **a) Significant Shareholders (Holding 10% or more), Directors, Senior Officers:** i. Duly filled and executed Fit and Proper Assessment Form (Fourth Schedule) ii. Updated CV iii. Police Clearance Certificate from country of residence(must have been issued within the last 12 months). iv. National ID or Passport biodate page v. Credit Reference Bureau Certificate or an equivalent. vi. Passport Photo **b) For Chief Executive Officer** (in addition to (a) above), evidence of: i. professional competence in virtual assets or other relevant fields, and ii. Being domiciled in Kenya. **c) For Persons in charge of Finance and Internal Audit Functions** (in addition to (a) above)		

[1] Risk Officer, Compliance Officer, and Money Laundering and Reporting Officer may be combined as one role where applicable.

[2] The assessment of key personnel shall be against the requirements provided under Paragraph 5 of Circular No.6 of 2026.

No.	Requirement	Met (Y/N/NA)	Comment
	Letter of good standing from ICPAK or an equivalent international professional body recognised by ICPAK.		
21.	Systems: i. A description of the systems and controls of the proposed virtual asset business. ii. An independent information systems audit report, including a vulnerability assessment and penetration test. iii. Evidence of the existence of systems and controls to maintain market integrity.		
22.	**Organizational Chart** (Organogram with names of personnel) - *should include proper reporting lines to the CEO who in turn reports to the Board. In the organogram, the Risk Management & Compliance Officer and the Internal Auditor should report administratively to the CEO (indicate using dotted line), and directly to the Board (indicate using a continuous line).*		
23.	Business Plan: A business plan prepared in accordance with the Third Schedule, covering: i. executive summary; ii. corporate governance structure; iii. iv. a clear organisational structure with names of incumbents inserted (with a separate virtual asset business unit with its own management structure and books of account where applicable); v. operational plan; vi. The class(es) of virtual assets in respect of which the applicant intends to provide asset management services; vii. technology and security infrastructure; viii. risk management framework; ix. compliance and internal controls; x. financial projections; xi. market analysis;		

No.	Requirement	Met (Y/N/NA)	Comment
	xii. fees and charges structure; xiii. consumer asset safeguarding arrangements; and xiv. implementation plan.		
24.	Details of business physical premises and email address and website.		
25.	Copies of contracts in case of outsourcing arrangements.		
26.	Operational policies including: i. Risk management policy ii. AML/CFT/CPF policy iii. Data protection and privacy policy iv. Cybersecurity and information technology policy v. Complaints management policy vi. Market conduct policy vii. Consumer protection policy viii. Conflict of interest policy ix. Business continuity and disaster recovery plan		
27.	A Declaration indicating whether the applicant intends to provide any other services which are regulated under the Act and these Regulations.		
28.	Evidence of the applicant's registration with any other regulatory authority, if applicable.		
29.	Letters from the principal bankers for the virtual asset business bank(s) confirming accounts held.		
30.	Evidence of adequate insurance coverage commensurate with the risks and scale of the proposed Virtual Asset Manager business, by an insurance company licensed in Kenya or an insurer in a jurisdiction outside of Kenya which has been approved by the relevant regulatory authority, in consultation with the Insurance Regulatory Authority.		
31.	Evidence of the appointment of a virtual asset custodian licensed in Kenya.		

No.	Requirement	Met (Y/N/NA)	Comment
32.	Full disclosure of the applicant's cross-border operations, affiliates, and regulatory status in other jurisdictions.		
33.	Declaration, signed by at least two directors, confirming: i. the accuracy of the application and undertaking that the business will be conducted in accordance with the Act, the Regulations, and the Proceeds of Crime and Anti-Money Laundering Act. ii. risk-based capital shall be maintained at all times to cover operational and technology-related risks, and that any investment in or through a related company shall not exceed ten percent of the value of total virtual assets under management, unless otherwise approved.		
34.	Procedures for the following: i. providing information at the point of service under regulation 31 ii. Customer due diligence prior to onboarding a consumer, in accordance with the Proceeds of Crime and Anti-Money Laundering Act iii. Obtaining and documenting information about consumers iv. Ensuring consumers understand the risks of their investment v. Valuation policies and procedures of virtual asset holdings, and arrangements for an annual independent valuation of all assets under management.		
35.	Proof of payment of the application fee of Kshs. 50,000 (First Schedule) on eCitizen. Submission of a complete application via E- Citizen and delivery of physical application at the Authority's offices.		
36.	Please note that upon request, the Applicant shall be required to participate in an interview to obtain		

No.	Requirement	Met (Y/N/NA)	Comment
	further information concerning its application or supporting information and records.		

[i] The checklists issued by the Capital Markets Authority Kenya (CMA) are intended to provide clarity and assistance in navigating regulatory requirements. However, it is important to note that these checklists are not intended to serve as a substitute for reading and comprehending the regulations themselves. Individuals and entities subject to regulatory oversight should familiarize themselves with the applicable laws, rules, and regulations, and seek appropriate legal or professional advice as needed. The checklists provided by the Capital Markets Authority are meant to supplement, not replace, a thorough understanding of regulatory obligations