CAPITAL MARKETS AUTHORITY
Promoting Capital Markets Integrity

VIRTUAL ASSET OFFERING PROVIDER (TOKEN ISSUANCE PLATFORM) CHECKLIST

Compliance with License Requirements[i]

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

Token Issuance Platform means a person licensed to tokenization platform for issuance and secondary trading of tokens of real-world assets.

No.	Requirement	Met (Y/N/NA)	Comment
1.	Contact person of the 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 Licence (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 equivalent).		
6.	A copy of the register of beneficial owners of the applicant (Form BOF1- downloaded from BRS or equivalent).		
7.	Copy of PIN and 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 an opening statement certified by an Independent Auditor and certified bank statements.		
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.		

No.	Requirement	Met (Y/N/NA)	Comment
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, ii. at least one-third of whom are independent, and not more than one-third of whom are related to any other director; iii. at least three board directors shall be natural persons iv. a director shall not serve in more than two boards of Virtual Asset Service Providers v. at least a third of the board members vi. the chairperson or a director shall not also be appointed chief executive officer.		
16.	The Chairperson or a director shall not also be appointed Chief Executive Officer		
17.	A Board Audit and Risk Committees and any other relevant committees of the board		
18.	Board Charter specifying roles of the Board, the Chairperson and the Chief Executive Officer.		
19.	Human Resources[1]:		

[1] 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
	Evidence[2] of the existence of sufficient human resources to operate token issuance platform business with a minimum of the following: a) Chief Executive Officer b) Chief Financial Officer c) Risk Officer d) Compliance Officer e) Money Laundering Reporting Officer f) Internal Auditor g) Company Secretary h) Chief Technology Officer i.e. Incharge of the Operating the Platform		
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 Biodata page v. Credit Reference Bureau Certificate 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) i. Letter of good standing from ICPAK or an equivalent international professional body recognized by ICPAK		
21.	Systems:		

[2] Compliance Officer, Risk Officer and MLRO may be combined as one role where applicable.

No.	Requirement	Met (Y/N/NA)	Comment
	i. A description of the systems and controls of the proposed virtual asset Token Issuance Platform business. ii. Successful System Demo to the Capital Markets Authority for the system or platform to be deployed.*(demonstrating its ability to enable real-time public access to trading information, incorporate mechanisms for transparent and efficient price discovery, maintain a complete and tamper-proof audit trail of all transactions, and implement adequate cybersecurity, resilience and access control measures.)* iii. An independent information systems audit report, including a vulnerability assessment and penetration test. iv. 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. 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); iii. operational plan; iv. description of the services to be provided;		

No.	Requirement	Met (Y/N/NA)	Comment
	v. The class(es) of virtual assets in respect of which the applicant intends to provide token issuance platform services; vi. technology and security infrastructure; vii. risk management framework; viii. compliance and internal controls; ix. financial projections; x. market analysis; xi. fees and charges structure; xii. consumer asset safeguarding arrangements; and Implementation plan.		
24.	Copies of contracts in case of outsourcing arrangements.		
25.	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		
26.	A Declaration indicating whether the applicant intends to provide any other services which are regulated under the Act and these Regulations.		
27.	Evidence of the applicant's registration with any other regulatory authority, if applicable.		
28.	a. Default rules which in the event of a purchaser or consumer being or appearing to be unable to fulfil its obligations in respect of one or more contracts, enables action to be taken with respect to unsettled virtual asset transactions to which the consumer is a party. b. Submit relevant regulatory authority, business rules containing provisions relating to— c. methods of access to its platform;		

No.	Requirement	Met (Y/N/NA)	Comment
	d. hours of operation, exchange availability and interruptions; e. admission, suspension or delisting of virtual assets from trading on the exchange or platform; f. the conditions governing dealings in virtual assets and investor protection measures; g. asset custody arrangements; h. prompt and real-time disclosure to all investors of material information; i. order submission procedures, order minimums and order types; j. market data, pre and post trade transparency; k. prevention of market abuse and other prohibited conduct; l. investigation into trading in virtual asset transactions and for conducting inspections; m. suspension of trading for the protection of investors or for the conduct of orderly and fair trading; n. the conduct of virtual assets trading and the form in which information relating to transactions is to be maintained and reported to the virtual asset exchange; o. dispute resolution mechanisms; p. trading fees chargeable; q. requirements on funding of accounts; r. order matching and order matching priorities; s. trade settlement and confirmation; t. deposit and withdrawal procedures; and u. the manner of undertaking due diligence in line with v. regulation 33(2) of these Regulations.		
29.			
30.	Details of business physical premises, email address and website.		
31.	Evidence of adequate insurance coverage commensurate with the risks and scale of the proposed token issuance platform business, including cover against cybersecurity risk, theft, and loss of keys by an insurer licensed in Kenya or an insurer in a jurisdiction		

No.	Requirement	Met (Y/N/NA)	Comment
	outside of Kenya which has been approved by the relevant regulatory authority, in consultation with the Insurance Regulatory Authority.		
32.	Letters from the principal bankers for the virtual asset business bank(s) confirming accounts held.		
33.	Arrangements to maintain a list of all virtual assets listed on the platform.		
34.	Arrangements to retain and securely store all trading and transaction records for at least seven years from the date each transaction occurred (regulation 53(4)).		
35.	Declaration, signed by at least two directors, confirming 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.		
36.	A statement describing the proposed clearing and settlement process which will be utilized by the trading platform in order to perfect trades and exchanges.		
37.	Proof of payment of the application fee (Kshs. 10,000) payable via E-Citizen Submission of a complete application via E- Citizen and delivery of physical application at the Authority's offices		
38.	Please note that upon request, the Applicant shall be required to participate in an interview, to obtain 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