VIRTUAL ASSET OFFERING PROVIDER (VIRTUAL ASSET TOKENIZATION) LICENSING CHECKLIST

Compliance with Licence Requirements

Part II, Part III, Part IV and Part VII of the Virtual Asset Service Providers Regulations, 2026, made under the Virtual Asset Service Providers Act, 2025

Virtual Asset Offering Provider - Virtual Asset Offering Provider (Virtual Asset Tokenization) means licensed to undertake conversion of real-world assets (like real estate, art, or, commodities) into digital token on a blockchain, in accordance with Part VII of the Regulations.

No.	Requirement	Met (Y/N/NA)	Comment
1.	Contact person for the application- 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.		
4.	Certified copy of memorandum and Articles of Association.		
5.	Up-to-date details of the directors and shareholders of the applicant (CR12).		
6.	A copy of the register of beneficial owners of the applicant (Form BOF1- downloaded from BRS). Copy of PIN tax compliance certificate for the Applicant.		
7.	Evidence of paid-up capital as per audited financial statement of at least Kshs. 10,000,000 and liquid capital of at least Kshs. 2,000,000 or 8% of total liabilities, whichever is higher (Fifth Schedule). For companies newly incorporated, provide opening statements certified by external auditor and certified bank statement		
8.	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.		

No.	Requirement	Met (Y/N/NA)	Comment
9.	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.		
10.	Confirmation that the applicant's financial year shall end on 31st December of each year.		
11.	Certified declaration by shareholders and directors proof of source of funds by an Advocate or a Commissioner for Oaths		
12.	Tabulated full disclosure of the applicant's cross-border operations, affiliates, and regulatory status in other jurisdictions.		
13.	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. the chairperson or a director shall not also be appointed chief executive officer.		
14.	Board Charter specifying roles of the Board, the Chairperson and the Chief Executive Officer.		
15.	Human Resources: Evidence of the existence of sufficient human resources to operate a virtual asset tokenization business with a minimum of the following: a) Chief Executive Officer b) Chief financial Finance Officer c) Compliance Officer/AMLRO d) Internal Auditor e) Chief Technology officer(Incharge of the Tokenization Operations)		
16.	For Fit and Proper of: **a) Substantial Shareholders, Directors, Senior Officers:** i. Duly filled and executed Fit and Proper Assessment Form (Fourth Schedule) ii. Updated CV		

No.	Requirement	Met (Y/N/NA)	Comment
	iii. Police Clearance Certificate from country of residence iv. National ID or Passport 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 recognised international professional body		
17.	Systems: i. A description of the systems and controls of the proposed virtual asset tokenization 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.		
18.	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).		
19.	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		

No.	Requirement	Met (Y/N/NA)	Comment
	structure and books of account where applicable); iii. operational plan; iv. description of the tokenization services to be provided; v. The class(es) of real-world assets and virtual assets in respect of which the applicant intends to provide tokenization 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 xiii. implementation plan.		
20.	The rules of ownership, transferability, compliance and profit distribution where the tokenization is based on distributed ledger technology.		
21.	Copies of contracts in case of outsourcing arrangements.		
22.	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		
23.	Details of business physical and email address and website.		
24.	Evidence of adequate insurance coverage commensurate with the risks and scale of the proposed tokenization business.		

No.	Requirement	Met (Y/N/NA)	Comment
25.	Letters from the principal bankers for the virtual asset business bank(s) confirming accounts held.		
26.	A list of proposed virtual asset custodians.		
27.	Procedures for providing information at the point of service under regulation 31.		
28.	Customer due diligence procedures performed prior to onboarding a consumer or subscriber, in accordance with the Proceeds of Crime and Anti-Money Laundering Act (regulation 32).		
29.	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.		
30.	Declaration indicating whether the applicant intends to provide any other services which are regulated under the Act and these Regulations.		
31.	Evidence of the applicant's registration with any other regulatory authority, if applicable.		
32.	Proof of payment of the application fee of Kshs. 100,000 on ecitizen.		
33.	Please note that upon request the applicant shall required to participate in an interview, to obtain further information concerning the application or supporting information and records.		