

Cryptoasset activity  
AML registration 2023

# Cryptoasset activity AML registration

Our AML registration tool gives you practical guidance on the requirements you must meet, and our insight into the expectations of the FCA. It has everything you need to quickly create best-in-class documents for a straightforward and successful registration application.



## Tell me more:

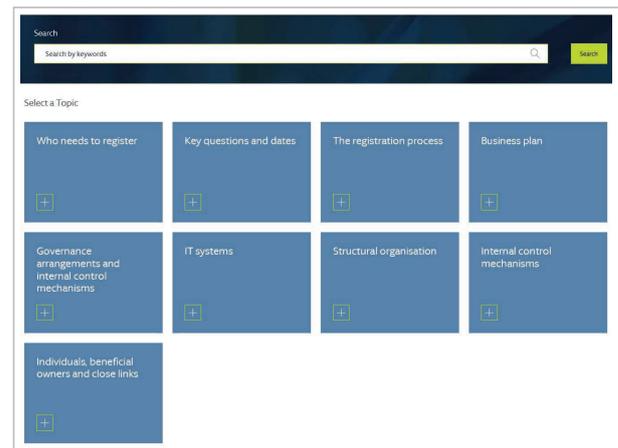
- Access our strategic advice provided in relation to the overall application as well as the individual documentation
- Use our templates to quickly create your own suite of documents for the application
- If you need more support we can upgrade your subscription to include dedicated time from our Consulting and Legal teams



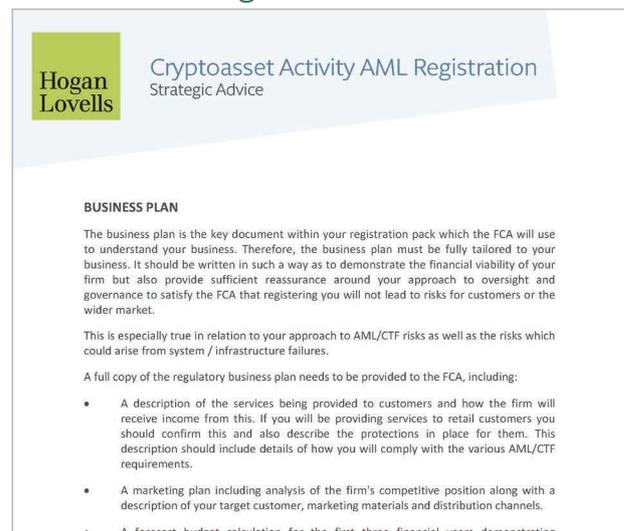
## Who's it for?

Our tool is aimed at any firm that is currently carrying on cryptoasset activities in the UK and hasn't yet registered with the FCA for AML purposes as well as those firms planning to begin carrying on cryptoasset activities.

## Navigate key topics



## Clear accessible guidance





## Document templates

Risk area	Objective	Controls
Counterparty risk	Minimise the risk that financial counterparties do not meet their contractual obligations	<ul style="list-style-type: none"> <li>[FIRM NAME] will only engage with well established international financial institutions</li> <li>[FIRM NAME] will undertake appropriate levels of due diligence before entering contractual agreements</li> <li>The ongoing appropriateness of selected financial counterparties is reviewed at least annually</li> </ul>
Liquidity risk	Ensure [FIRM NAME] is always able to meet its financial obligations as they fall due.	<ul style="list-style-type: none"> <li>Detailed, accurate and timely financial reporting provided to Senior Managers at least monthly</li> <li>Detailed financial forecasting reviewed and updated on an on-going basis</li> <li>Customer funds safeguarded in a specified manner</li> <li>Senior management consider asset classes when selecting accounts / investments and will ensure required funds are at low risk</li> <li>Stress testing applied to financial requirements including as a result of changes in the value of the underlying crypto asset</li> </ul>
Settlement risk	Minimise the risk that any party fails to deliver their contractual obligations	<ul style="list-style-type: none"> <li>Appropriate due diligence when engaging 3<sup>rd</sup> parties</li> <li>On-going appropriateness of 3<sup>rd</sup> parties reviewed at least annually</li> <li>Outsourcing subject to agreed service level agreements ("SLA") maintained on an on-going basis</li> </ul>
Internal fraud risk	Minimise the risk of losses due to internal fraud	<ul style="list-style-type: none"> <li>Internal security and IT security policies in place and reviewed at least annually</li> <li>Access to systems and / or data only provided to required job roles</li> <li>Transactions monitored to identify potential risks</li> <li>Appropriate delegated authority levels and sign-off requirements in place</li> </ul>

## Key benefits:

- **Experience:** created by our industry leading team of authorisation experts
- **Clarity:** cut through the noise and focus on what is really needed
- **Speed:** with the right information at your fingertips you can fast-track the preparation of your application
- **Templates:** leverage our experience to create and bespoke your documents
- **Support:** access to our expert team for queries, support or a more detailed document review
- **Value for money:** registered users have unlimited use of the tool for a single flat fee

## Expert support

The Financial Services Regulatory Consulting Team

John Salmon

Mark Aengenheister

Nick Oxley

# Cryptoasset activity AML registration

Our step-by-step guide will walk you through your FCA application process:

What's included

Topic:	Documents:
Who needs to register	Strategic advice
Key questions and dates	Strategic advice
The registration process	Strategic advice
Business plan	Strategic advice Regulatory business plan template
Governance arrangements and internal control mechanisms	Strategic advice Governance arrangements template
IT systems	Strategic advice Detailed IT controls form
Structural organisation	Strategic advice Structural organisation template
Internal control mechanisms	Strategic advice AML approach template Risks and internal controls template
Individuals, beneficial owners and close links	Strategic advice MLR individual form

## Key contacts



**John Salmon**  
Partner, London  
T 44 20 7296 5071  
john.salmon@ hoganlovells.com

John is a highly experienced IT lawyer with a market leading reputation in the financial services sector.

His main focus is advising financial institutions on their strategic IT projects and he supports his clients in implementing innovative digital and technology solutions whilst managing legal and regulatory risk.

John has a reputation as a lawyer in the FinTech area and has been heavily involved with leading edge developments.

John has been actively involved in developing industry-wide solutions for electronic data exchange issues. He worked on both the Origo

Legal Framework and TISA Exchange, which was established to facilitate the electronic re-registration of assets and portfolios between platforms.

John has considerable wealth platforms experience, having advised several major life companies on the procurement of their wrap and corporate platforms and outsourcing of related services.

In addition, John has extensive experience of drafting and negotiating both customer and supplier IT services contracts, including for development projects, software licensing, cloud, and systems integration.



**Mark Aengenheister**  
Director, London  
T +44 20 7296 5516  
mark.aengenheister@hoganlovells.com

Mark is a highly skilled programme manager with over 20 years' experience.

He manages complex regulatory, remediation and operational programmes and is equally experienced at bringing efficiency to smaller projects. Mark has worked with consultancy firms, for major banks and as an independent consultant.

His understanding of the regulatory context and the operational, systems and governance constraints within which clients operate enables him to work collaboratively with client teams and to think creatively to find solutions for keeping projects on track and propose alternative approaches if needed.

Mark's clients range from large retail and investment banks to high growth start-ups. Although Mark has worked mostly in the financial services sector, his experience is readily transferable to other regulated sectors.



**Nick Oxley**

Principal Business Consultant, London

T +44 20 7296 5516

[nick.oxley@hoganlovells.com](mailto:nick.oxley@hoganlovells.com)

Nick has over 25 years experience gained across a range of financial services firms of all sizes.

He has extensive regulatory knowledge and experience in policy, assurance, governance & control at all levels, which is utilised in an individual way to provide considered and pragmatic views in operational design, build implementation and oversight roles, which supports firms in translating regulatory requirements into real life business environments.

Nick's clients range from large retail, commercial, private and investment banks, insurance firms & brokers, independent financial advisers through to high growth start-ups.

These skills and experience, although gained within financial services sector can be readily transferable to other regulated sectors.



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\*Our associated offices

Legal Services Centre: Berlin

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