ANGUILLA

REVISED STATUTES OF ANGUILLA

CHAPTER A82

ANGUILLLA UTILITY TOKEN OFFERING ACT

Showing the Law as at 31 December 2022

This Edition was prepared under the authority of the Revised Statutes and Regulations Act, R.S.A. c. R55 by the Attorney General as Law Revision Commissioner.

This Edition revises Act 4/2018, in force 7 May 2018

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ANGUILLA UTILITY TOKEN OFFERING ACT

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ANGUILLA UTILITY TOKEN OFFERING ACT

PART 1
PRELIMINARY

Interpretation

1. (1) In this Act—

"auditor" means a person who is found by the Commission to be acceptable to audit an issuer;

"blockchain" means a continuously growing list of decentralised digital records that are linked and secured using cryptography;

"Commission" means the Anguilla Financial Services Commission established under section 2 of the Financial Services Commission Act;

"company" means a body corporate, wherever incorporated, organised or constituted;

"constitutional documents" means in the case of a company, the certificate and articles of incorporation, by-laws, memorandum and articles of association or other instrument of incorporation;

"Court" means the High Court;

"distributed ledger" means a consensus of replicated, shared and synchronised digital data geographically spread across multiple sites, countries and institutions;

"dollar" or "$" means a dollar in the currency of the United States of America;

"financial year", in relation to an issuer registered under this Act, means a period of not more than 12 months for which the audited financial statements of the issuer are prepared in accordance with this Act;

"Governor" means the Governor acting in his discretion;

"initial utility token offering" means an initial offer to the public to subscribe for the purchase of utility tokens to be issued by an issuer made by the issuer to any person who is not connected to the issuer;

"issuer" means a person undertaking an initial or secondary utility token offering;

"officer" means a senior manager of an entity and includes any member of the board of directors of an entity, any managing director, chief executive officer, chief operating officer, deputy managing director, president, vice-president, secretary, treasurer, chief financial officer, financial controller, general manager, deputy general manager, corporate secretary, chief accountant, chief auditor, chief investment officer, chief compliance officer and chief risk officer of an entity or any other individual who performs functions for an entity similar to those normally performed by an individual occupying any such office;

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"person" includes an individual, company, partnership, trust, fund, association and any other legal entity or organised or incorporated group of persons, and the personal or other legal representative of any person to whom the context can apply;

"platform" means, for the purposes of this Act, any blockchain based distributed digital ledger platform, with or without smart contract (scripting) functionality, or such other platforms prescribed from time to time by regulations;

"qualified company" means a company incorporated under the Business Companies Act or the Limited Liability Company Act or such other entity prescribed by regulations;

"regulations" or "the regulations" means regulations made under this Act;

"secondary utility token offering" means an offer to the public to subscribe for the purchase of utility tokens to be issued by an issuer made by the issuer to any person who is not connected to the issuer subsequent to an initial utility token offering by such issuer, whether or not the initial utility token offering was made under this Act;

"shareholder" means the holder of any share(s) in the share capital of a company and the member who holds the interest in the context of a Limited Liability Company incorporated in Anguilla;

"significant shareholder" means a person that—

(a) beneficially owns, directly or indirectly, or exercises control or direction over voting shares of the issuer, or a combination of both, carrying ten percent or more of the votes attached to all voting shares of the issuer outstanding; or

(b) is able to affect materially the control of the issuer, whether alone or by acting in concert with another person;

"smart contract" means a blockchain based computer protocol intended to facilitate, verify, or enforce the negotiation or performance of a digital set of agreed upon terms, or contract;

"subscriber" means a person who subscribes, purchases or otherwise obtains a utility token (or any part thereof) at an initial or secondary utility token offering in consideration of the subscription price;

"subscription price" means the value provided or to be provided by a subscriber, in the medium of exchange stipulated by an issuer, in consideration for the subscription of a utility token at an initial or secondary utility token offering conducted by such issuer;

"token" means any cryptographically secured digital representation of a set of rights, including smart contracts, provided on a digital platform and issued or to be issued by an issuer;

"utility token" means any token that—

(a) does not, directly or indirectly, provide the holder(s) thereof, individually or collectively with other holder(s), any of the following contractual or legal rights—

(i) ownership or equity interest in the issuer or in any person or pool of assets,

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(ii) entitlement to a share of profits, losses, assets or liabilities of the issuer or any other person or pool of assets (other than, in the event of liquidation or dissolution of the issuer, to receive a portion of (but not in excess of) the original subscription price paid for the utility token in the initial utility token offering ("Limited Return Rights")),

(iii) legal status as a creditor (other than with respect to Utility Token Features, or with respect to Limited Return Rights), or

(iv) entitlement to receive distributions of profits, revenues, assets or other distributions from the issuer or any other person or pool of assets other than with respect to Limited Return Rights; and

(b) has or will have in the future, upon launch of the issuer's Utility Token Platform, one or more Utility Token Features;

"Utility Token Features" means the contractual right for a holder thereof to utilise a token to—

(a) have access to, become a member of, or become a user of a Utility Token Platform developed and managed, or proposed in the issuer's white paper to be developed and managed, by the issuer;

(b) use as the sole or preferred (by economic discount, preferred access, preferred use or otherwise) purchase, lease or rental price for the products and/or services provided or proposed to be provided by or in the Utility Token Platform developed and managed, or proposed in the issuer's white paper to be developed and managed, by the issuer; or

(c) use as a means of voting on matters relating to the governance, management or operation of the Utility Token Platform developed and managed, or proposed in the issuer's white paper to be developed and managed, by the issuer;

"Utility Token Offering Administrator" means a person who, for valuable consideration, provides an issuer with any of the following services—

(a) escrow services in accordance with an escrow agreement filed with the Commission, including the receipt, maintenance and release of subscription funds in connection with an initial or secondary utility token offering;

(b) administration of the register of subscribers to an initial or secondary utility token offering; and

(c) collection, review and record-keeping of customer due diligence conducted on subscribers to an initial or secondary utility token offering;

"Utility Token Platform" means the digital platform in which a utility token offered in the initial or secondary utility token offering may be utilised;

"white paper" means any document of an issuer the purpose of which is to make an initial or secondary utility token offering and that contains the information required by this Act and as may be prescribed by regulations from time to time.

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(2) For the purposes of this Act, a person is considered to be undertaking an initial or secondary utility token offering in or from within Anguilla if the person is resident in Anguilla, organised or incorporated under the laws of Anguilla or representing to be undertaking an initial or secondary utility token offering in or from within Anguilla.

(3) For the purposes of this Act—

(a) a person is connected to an issuer if the person is—

(i) a senior officer of the issuer,

(ii) a senior officer of an affiliate of the issuer, or a significant shareholder in relation to the issuer,

(iii) a significant shareholder in relation to the issuer,

(iv) a relative of a person referred to in subparagraph (i), (ii) or (iii), or

(v) an entity controlled by a person referred to in subparagraph (i), (ii), (iii) or (iv); and

(b) notwithstanding paragraph (a), a person connected to an issuer is deemed to have continued to be connected to the issuer for 6 months after the day that the person otherwise ceases to be connected to the issuer.

(4) For the purposes of this Act, "fit and proper" means a determination by the Commission taking into account—

(a) a person's financial status or solvency;

(b) a person's education or other qualifications or experience, having regard to the nature of the functions that the person performs or will perform;

(c) the ability to carry on the activity for which a person is responsible competently, honestly and fairly;

(d) the reputation, character, reliability and financial integrity of—

(i) where the person is an individual, the individual himself, or

(ii) where the person is a company, the company and any director, significant shareholder, chief executive officer and any other officer of the company;

(e) a person's satisfactory completion of any examination requirements prescribed by the Commission; and

(f) any other matter that the Commission may consider relevant.

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(5) Without limiting the generality of subsection (4), the Commission may, in considering whether a person is a fit and proper person, take into account—

(a) a decision made in respect of the person by the Commission, any other domestic regulatory authority or foreign regulatory authority;

(b) any information in the possession of the Commission, whether provided by the person or not, relating to—

(i) the person,

(ii) any other person who is or is to be employed by or associated with the person for the purposes of the regulated activity for which the registration is granted or the application is made,

(iii) any other person who will be acting for or on behalf of the person in relation to the regulated activity, and

(iv) where the person is a company in a group of companies—

(A) any other companies in the same group of companies or any significant shareholder, director or officer of any other company in the group of companies;

(B) whether the person has established effective internal control procedures and risk management systems to ensure compliance with all applicable regulatory requirements; and

(C) the state of affairs of any other business that the person carries on or proposes to carry on.

(6) For the purposes of this Act—

(a) one body corporate is affiliated with another body corporate if one of them is the subsidiary of the other, or both are subsidiaries of the same body corporate, or each of them is controlled by the same person; and

(b) if two bodies corporate are affiliated with the same body corporate at the same time, they are affiliated with each other.

(7) For the purposes of this Act, a body corporate is controlled by a person if any shares or members' interest of the body corporate carrying voting rights sufficient to elect a majority of the directors or managers of the body corporate are, except by way of security only, held, directly or indirectly, by or on behalf of that person.

(8) For the purposes of this Act—

(a) a body corporate is the holding body corporate of another if that other body corporate is its subsidiary; and

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(b) a body corporate is a subsidiary of another body corporate if it is controlled by that other body corporate.

PART 2
ADMINISTRATION

Register of registered issuers

2. (1) The Commission shall keep a register of registered issuers which shall show the—

(a) information required under section 19(1) with respect to each registered issuer;

(b) date of registration; and

(c) status of such registration if cancelled and the date thereof.

(2) The register required under subsection (1) shall be published on the Commission's website in such form as the Commission may determine and shall be open to public inspection.

Distributed Ledger Technology Advisory Committee

3. (1) There shall be a Committee called the Distributed Ledger Advisory Committee which shall consist of not less than 3 persons appointed by the Commission from among members of the private sector, whether within or outside of Anguilla, who are known to it to have adequate knowledge of and experience in the initial utility token offering industry.

(2) The Commission shall designate one of the persons appointed under subsection (1) as Chairman of the Distributed Ledger Technology Advisory Committee.

(3) A representative of each of the Commission and the Government of Anguilla shall be entitled to attend meetings of the Distributed Ledger Technology Advisory Committee as an observer.

(4) The Distributed Ledger Technology Advisory Committee shall—

(a) advise the Commission on any matter referred to it by the Commission relating to distributed ledger technology and utility token offerings;

(b) on its own motion report and make recommendations to the Commission on any matter relating to distributed ledger technology and utility token offerings as it sees fit;

(c) on a regular basis, but not less frequently than once every calendar year, make written recommendations to the Commission of any amendments to this Act; and

(d) have power to establish, subject to the approval of the Commission—

(i) its own working rules and procedures, and

(ii) as many sub-committees as it thinks necessary.

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PART 3

REGISTRATION OF ISSUERS

Registration

4. (1) No person shall undertake an initial utility token offering or a secondary utility token offering in or from within Anguilla unless registered as an issuer specifically for the purpose of conducting that offering under this Act.

(2) Any person that contravenes subsection (1) commits an offence.

Application for registration

5. (1) A person that is a qualified company may apply to the Commission for registration as an issuer for the purpose of conducting an initial utility token offering or a secondary utility token offering.

(2) An application for registration under subsection (1) shall be—

(a) made in the form and contain the information as set out in the regulations; and

(b) accompanied by—

(i) a statement setting out the nature and scope of the business to be carried on by the applicant, including the name of any other country or jurisdiction where the applicant is carrying on or intends to carry on business,

(ii) a statement of the financial, technical and human resources and administrative facilities available to the applicant for the competent and efficient conduct of its business or intended business,

(iii) a statement pertaining to the scope of the initial or secondary utility token offering,

(iv) a white paper containing such information as required by this Act and such other information as may be prescribed by regulations from time to time,

(v) the application fee of such amount as may be prescribed by regulation,

(vi) certified copies of the instruments by which the applicant is constituted, or such other proof as may be satisfactory to the Commission that the applicant company is lawfully constituted under the laws of Anguilla as a qualified company,

(vii) the notices required under section 19(1), and

(viii) such other documents or information as the Commission may reasonably require for the purpose of determining the application.

Power to grant registration

6. (1) The Commission may, if satisfied that the requirements of this Act have been complied with, in its discretion, grant or refuse to grant a registration.

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(2) Notwithstanding subsection (1), the Commission shall refuse to grant registration to any applicant if—

(a) the applicant, as the case may be, has a name which is undesirable or misleading; or

(b) it determines that it is not in the public interest that such registration should be granted, including where any director, officer, or significant shareholder of the issuer or any of its affiliates involved in the development, operation or management of the blockchain project is not a fit and proper person.

(3) Where the Commission, in the exercise of its powers under subsection (1), makes a decision refusing to grant registration it shall provide brief written reasons for its decision, which shall not be subject to appeal or judicial review.

Registration procedure

7. Where the Commission grants registration of an issuer pursuant to section 6, it shall—

(a) register the issuer in the register maintained by it for the purpose under section 2; and

(b) issue a certificate to the issuer showing the date of registration.

Records, information and financial statements

8. (1) Every issuer that is registered under this Act shall—

(a) maintain adequate accounting records and prepare financial statements in respect of each financial year, in accordance with generally accepted accounting principles, for any period commencing at the date of completion of the initial or secondary utility token offering and ending at the date of the general release to the public of the Utility Token Platform materially having the functionality described in the white paper; and

(b) keep a copy of such accounting records and financial statements at the issuer's registered office in Anguilla, available to the Commission and any person authorised by the Commission during the period set out in paragraph (a) and for 5 years thereafter.

(2) The accounting records and financial statements required under subsection (1) shall be—

(a) audited by an auditor acceptable to the Commission in accordance with generally accepted auditing standards;

(b) accompanied by the report of the auditor thereon which shall include a statement of the accounting principles under which the statements have been prepared and a statement of the auditing standards which have been applied in the audit of such statements; and

(c) filed with the Commission and provided to or made available for examination by all successful subscribers of the initial or secondary utility token offering of the issuer, within 90 days of the issuer's financial year end.

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(3) Where a material change occurs in the affairs of an issuer registered under this Act, the issuer within 7 days of the material change shall publish on a specified website that is accessible to successful subscribers of the initial or secondary utility token offering and any subsequent holders of the utility tokens as well as the Commission, and file with the Commission, a notice authorised by a director of the issuer that discloses the nature and substance of the change.

(4) If the issuer is of the opinion that the disclosure required by subsection (3) would be unduly detrimental to its interests, it must within 7 days of the material change give the Commission notice in writing of the nature and substance of the material change and the reasons why the issuer is of the opinion that public disclosure should be withheld.

(5) Where the Commission is in receipt of a notice under subsection (4), the Commission, after considering any written representations filed by the issuer under subsection (4), may—

(a) require disclosure of the material change in accordance with subsection (1), if the Commission is of the opinion that the disclosure would not be unduly detrimental to the interests of the issuer; or

(b) permit non-disclosure of the material change by the issuer for a stated period of time.

(6) A decision of the Commission under subsection (5) is final and no appeal from such a decision is available.

(7) The issuer shall—

(a) publish at reasonable intervals, during the period commencing at the date of completion of the initial or secondary utility token offering and ending at the date of the general release to the public of the Utility Token Platform materially having the functionality described in the white paper, but no less than once each calendar quarter, and file with the Commission on or before the date of publication, information detailing the current financial and operational status of the issuer, including the progress and development of the Utility Token Platform and any plans to deviate in any material aspect from the Utility Token Platform described in the white paper; and

(b) upon publication of the information required under paragraph (a), post and maintain the information for the period of time specified in paragraph (a) on a specified website that is accessible to successful subscribers of the initial or secondary utility token offering and any subsequent holders of the utility tokens as well as the Commission.

(8) The quarterly report referred to in subsection (7)(a) shall be filed with the Commission and published within 30 days of the end of each calendar quarter.

(9) Every registered issuer shall maintain a list of all subscribers for a period of 5 years following the completion of the initial or secondary utility token offering, in such form as is prescribed by regulations.

Duty to publish and file a white paper

9. (1) No registered issuer shall make an initial or secondary utility token offering unless, prior to initiating the offering, it has published a white paper signed by the board of directors (by whatever

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name called) approving the contents of the white paper or authorising its publication, and has filed a copy thereof with the Commission.

(2) The white paper shall be published by posting and maintaining a copy of the white paper on a specified website that is accessible to potential subscribers for such time preceding, during and after the initial or secondary utility token offering as may be prescribed by regulations.

(3) Every white paper published pursuant to subsection (1) shall—

(a) provide full and accurate disclosure of all such information as potential subscribers to the initial or secondary utility token offering reasonably would require and expect to find for the purpose of making an informed decision to subscribe, including any information as may be prescribed by regulations;

(b) contain a summary statement of subscribers' rights as provided in section 10; and

(c) be accompanied by financial statements for the issuer at the time of preparation of the white paper, and the auditor's report thereon if the issuer has completed a financial year in operation.

(4) If all or any part of the white paper is not in the English language, the Commission may require that an English translation of the white paper or that part of the white paper, verified in a manner satisfactory to the Commission, be filed along with the white paper.

(5) Where in a white paper any of the disclosure required under subsection (3)(a) ceases to be accurate in a material particular prior to the completion of the initial or secondary utility token offering, the registered issuer shall promptly—

(a) publish an amendment thereto giving accurate disclosure; and

(b) provide a copy thereof to the Commission.

Subscribers' rights

10. (1) If a registered issuer publishes a white paper or any amendment thereto that contains a material misrepresentation relating to any of the disclosure required under section 9(3)(a), a person who subscribed for utility tokens pursuant to such white paper or amendment thereto is deemed to have relied upon the misrepresentation and shall have the rights provided in subsection (2).

(2) A person referred to in subsection (1) may elect to exercise a right of action against the issuer—

(a) for the rescission of the subscription; or

(b) for damages.

(3) For the purposes of this section, "misrepresentation" means—

(a) an untrue or misleading statement of any of the disclosure required under sections 9(3)(a) and 9(5); or

(b) an omission to make any such disclosure.

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(4) An issuer shall not be liable under this section if the issuer proves that the subscriber subscribed for the utility tokens offered by the white paper or amendment thereto with knowledge of the misrepresentation.

(5) The right of action against an issuer for rescission or for damages conferred by subsection (2) is the sole right of recourse the plaintiff has at law, with the exception of a claim for civil fraud, whether or not, but for this provision, a plaintiff would otherwise have had a right of recourse, in law or in equity, against any issuer or parent, subsidiary or affiliate thereof, or any principal, director, officer, shareholder, partner, member, advisor, representative, servant, employee or agent thereof.

Limitation of action and amount recoverable

11. (1) Notwithstanding any provision of law to the contrary, proceedings pursuant to section 10(2) may not be commenced after the earlier of—

(a) 180 days from the day that the plaintiff first had knowledge of the misrepresentation; or

(b) one year from the date of the subscription transaction that gave rise to the cause of action.

(2) Proceedings may be commenced after the limitation periods prescribed in section 11(1) have expired, if a plaintiff can demonstrate to the satisfaction of the court that it is in the interests of justice for the limitation period to be extended.

(3) In any action under section 10(2), the amount recoverable shall not exceed the subscription price for which the utility tokens were subscribed, along with any fees or other charges paid by the plaintiff with respect to such subscription.

Arbitration and subscribers' rights

12. (1) An issuer may elect to stipulate that any disputes arising out of or related to a subscription to the initial or secondary utility token offering shall be restricted to resolution by arbitration.

(2) In the event of an election pursuant to subsection (1), and subject to section 10(5), any subscriber wishing to exercise any right of recourse, including the right to invoke sections 10 and 11, is limited to resolving such claims by such arbitration.

Secondary utility token offerings

13. This Act applies to initial and secondary utility token offerings *mutatis mutandis*.

PART 4

UTILITY TOKEN OFFERING ADMINISTRATOR

Appointment of administrator

14. Every issuer shall appoint a utility token offering administrator and shall maintain permanently at a designated principal office in Anguilla, or some other location approved by the

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Commission, full and proper records of the initial utility token offering or secondary utility token offering.

Licensing

15. No person shall carry on or hold himself out as carrying on business in or from within Anguilla as a utility token offering administrator unless that person is licensed for the purpose under this Act.

Application for a licence

16. (1) A person who wishes to do so may make an application for a licence under this section to the Commission to carry on business in or from within Anguilla as a utility token offering administrator.

(2) The application shall be accompanied by—

(a) an application fee of such other amount as may be prescribed by regulation;

(b) a statement of the financial and human resources and administrative facilities available to the applicant for the competent and efficient conduct of its business; and

(c) such other documents or information as the Commission may reasonably require for the purpose of considering the application.

Power to grant licences

17. (1) The Commission may, in its discretion, grant or refuse to grant a licence under this section to any applicant under section 16(1).

(2) The Commission shall not grant a licence unless it is satisfied that the applicant—

(a) is a fit and proper person to be engaged in the business proposed;

(b) has or has available to him adequate knowledge, expertise, resources and facilities necessary for the nature and scope of the business proposed; and

(c) has appointed an auditor satisfying such conditions as may be prescribed by the Commission.

(3) Notwithstanding subsections (1) and (2), the Commission shall refuse to grant a licence to an applicant if it determines that it is not in the public interest that a licence be granted to such applicant.

(4) Where the Commission refuses to grant a licence to an applicant, the provisions of section 6(3) shall apply *mutatis mutandis*.

Licensing procedure

18. (1) Where the Commission grants a licence to an applicant, it shall—

(a) enter the particulars of the applicant in the register maintained by it for the purpose under section 2; and

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(b) issue a licence to the applicant showing the date on which the licence is granted.

(2) In each year following the year in which a licence is granted to a utility token offering administrator, the administrator may elect to continue such licence by paying the annual fee set forth in the Regulations.

PART 5

GENERAL

Notices to accompany applications

19. (1) In addition to any other requirement under this Act, every application for registration shall be accompanied by a notice of the—

(a) address of the applicant's place of business and its address for service in Anguilla;

(b) name and address of a person resident in Anguilla who is authorised to represent the applicant and to accept service on its behalf; and

(c) address of any place of business that the applicant has outside Anguilla.

(2) If the information required pursuant to subsection (1) changes, the applicant shall file with the Commission particulars of the change within 21 days after the change occurs.

Form and conditions of certificate of registration

20. (1) Registration may be granted subject to such terms, conditions, restrictions or limitations as the Commission sees fit and specifies on the certificate issued by the Commission.

(2) A certificate of registration shall be—

(a) in such form as may be directed by the Commission; and

(b) admitted in all courts as *prima facie* evidence of the facts stated therein.

Power to grant exemptions

21. (1) Where the Commission is satisfied that to do so would not be prejudicial to the public interest, it may direct that all or any of the provisions of this Act or the regulations shall—

(a) not apply to any person or class of persons; or

(b) apply to any person or class of persons, subject to such modifications as the Commission may specify in the direction.

(2) A direction under this section may be—

(a) subject to any conditions as the Commission may see fit to specify therein; and

(b) revoked at any time at the discretion of the Commission.

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(3) At the request of an issuer registered under this Act, the Commission may extend, from time to time, any period within which the issuer is obliged to furnish any document or information under this Act.

Exemption from certain enactments

22. (1) No issuer registered under this Act shall be, with respect to any matter arising out of or related to an initial or secondary utility token offering, subject to any of the following (whether or not it would be subject to same save for this provision)—

(a) the Licensing of Businesses Act;

(b) the Stamp Act;

(c) the Securities Act;

(d) the Mutual Funds Act;

(e) the Money Services Business Act;

(f) the Payment System Act;

(g) the Trust Companies and Offshore Banking Act; and

(h) such other laws as may be prescribed by regulations.

(2) Notwithstanding any statutory provision or rule of law to the contrary—

(a) an issuer that is a registered issuer under this Act, and

(b) a subscriber of utility tokens at any initial or secondary utility token offering of any such registered issuer,

is in all respects exempt from stamp duty.

Offences and penalties

23. (1) Any director, manager or officer of a registered issuer who—

(a) wilfully makes a misrepresentation in any document required to be filed, furnished or delivered under this Act or the regulations, or in any white paper issued in respect of a registered issuer,

(b) wilfully makes any statement or gives any information required for the purposes of this Act or the regulations that he knows to be materially false or misleading, or

(c) knowingly fails to disclose any fact or information required to be disclosed for the purposes of this Act or the regulations,

commits an offence and is liable on summary conviction to a fine of not less than $10,000 and not more than $25,000, or to imprisonment for a period of not more than 3 months, with respect to each offence.

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(2) Any person who commits an offence under this Act or the regulations for which no penalty is provided is liable on summary conviction—

(a) in the case of a body corporate, to a fine of not more than $50,000 with respect to each offence; and

(b) in the case of an individual natural person, to a fine of not more than $5,000 with respect to each offence.

(3) A prosecution for an offence under this Act may be commenced within 3 years from the date of the commission of the offence but not thereafter.

Cancellation of registration

24. (1) The Commission may, in its discretion, cancel the registration of any registered issuer that breaches any provision of this Act, and thereafter the issuer must not issue, repurchase or trade in any of its utility tokens, save to the extent as otherwise determined by the Commission in its discretion.

(2) The Commission shall publish on a website, maintained by the Commission, a list of the issuers whose registration has been cancelled.

Regulations

25. The Governor may, after receipt of advice from the Commission, make regulations—

(a) prescribing fees payable under this Act;

(b) designating arrangements which are not initial or secondary utility token offerings;

(c) authorising the Commission to require that any document, statement, report, certificate, release, agreement, or other information that is reasonably necessary to enable the Commission to ascertain compliance with this Act be filed with, furnished or delivered to it;

(d) defining, for the purposes of this Act, terms or expressions used in this Act that are not defined in this Act;

(e) prescribing any matter required to be or which may be prescribed under this Act;

(f) excluding any person or class of persons, whether by geographical location or otherwise, from being eligible to subscribe to any initial or secondary utility token offering by a registered issuer;

(g) relating to the—

(i) appointment, removal and powers and duties of directors, managers, auditors, escrow agents, custodians and any other provider of services to an issuer,

(ii) preparation of periodical reports,

(iii) rights of subscribers, and

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(iv) contents of constitutional documents, in respect of a registered issuer;

(h) relating to the matters which should be contained in a white paper of a registered issuer;

(i) prescribing classes of subscribers of initial or secondary utility token offerings and consequential regulations thereto relating to disclosure or other obligations with respect to such different classes of subscribers; and

(j) generally for the better administration of this Act and for carrying the intent and purpose of its provisions into effect.

Imposition of levy

26. (1) There shall be imposed a levy on any registered issuer that undertakes an initial or secondary utility token offering pursuant to this Act.

(2) The levy imposed pursuant to subsection (1) is payable at such rate and time and in such form and manner as may be prescribed by the Governor in regulations from time to time and shall be related to the aggregate value in dollars of the subscriptions in the initial or secondary utility token offering.

(3) Any issuer that evades or attempts to evade the levy payable in accordance with this Act is guilty of an offence and is liable on summary conviction to a fine of 100% of the levy sought to be evaded.

(4) Where an offence committed by an issuer, pursuant to subsection (3), is proved to have been committed with the authorisation, consent, connivance, acquiescence or participation of any director or officer of the issuer, such individual shall be guilty of an offence and liable upon summary conviction to a fine of not less than $10,000 and not more than $100,000, or to imprisonment for a period of not more than 3 months, with respect to each offence.

(5) A prosecution for an offence under subsection (3) or (4) shall be commenced within 18 months from the date of the contravention but not afterwards.

(6) The Governor may, after receipt of advice from the Comptroller of Inland Revenue, make regulations prescribing any matter required to be or which may be prescribed under this section.

Citation

27. This Act may be cited as the Anguilla Utility Token Offering Act, Revised Statutes of Anguilla, Chapter A82.

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