



GUIDELINES ON QUARTERLY REPORTING - INSTRUCTIONS AND TEMPLATE

(January 2026)

SUPERVISION DEPARTMENT

1. Application of Guidelines

Applies to all VASPs and other licensees under the Act, subject to proportionality and any licence conditions requiring more frequent reporting.

2. Purpose

To define the minimum quarterly information VFSC expects to receive to support risk-based supervision and early detection of emerging risks.

3. Legal Basis

These Guidelines are issued under section 59 of the Virtual Asset Service Providers Act No. 3 of 2025 (the Act), and support VFSC's licensing, supervision and enforcement functions.

4. Core Regulatory Expectations

- Must submit a complete quarterly return in the prescribed form, signed by an authorised officer.
- Must ensure data is accurate, complete, and supported by internal controls and reconciliation.
- Must escalate and explain material variances, including capital/liquidity movements and high-risk transaction trends.
- Must provide supporting documents where requested (e.g., bank statements, custody attestations, audit evidence).

5. Reporting, Notifications and Records

- Quarterly returns must be submitted within 30 days of quarter-end (unless otherwise directed).
- Immediate notification must be provided for material incidents and breaches - do not wait for the quarterly cycle.

6. Supervisory Approach and Enforcement

- Late or inaccurate reporting may result in supervisory action, including licence conditions or penalties.

7. Benchmarking Consistency (non-exhaustive)

- BMA Bermuda: Digital Asset Business Operational Cyber Risk Management Code of Practice (cyber and operational resilience baseline).
- FSC Mauritius: AML/CFT Guidance Notes for VASPs and IITOs (risk-based AML/CFT and supervisory expectations under VAITOS).
- CIMA Cayman Islands: Rule and Statement of Guidance - Market Conduct for VASPs (conduct, custody, disclosures, incident reporting).
- FSRA Saint Lucia: Virtual Asset Business Regulations (licensing, operational capability, cyber and AML/CFT expectations).
- MFSA Malta: VFA Rulebook Chapters (governance, systems audits, custody/ITA certification, and conduct obligations).

Annex

Annex A: Quarterly Return - Minimum Data Fields

- Firm details: licence class(es), reporting period, contact persons.
- Business metrics: number of clients (retail/institutional), active wallets/accounts, jurisdictions served.
- Transaction metrics: volumes and values by asset type, transfers to/from self-hosted wallets, top counterparties (aggregate).
- Financial metrics: capital and liquidity positions, fixed overheads, profit/loss summary.
- Custody: client asset balances, reconciliation results, incidents, insurance coverage.
- Technology/cyber: outages, critical vulnerabilities, incidents, penetration test status.
- AML/CTF/PF: CDD/EDD statistics, alerts, STRs filed, Travel Rule exceptions, sanctions hits and outcomes.
- Complaints: number received, resolved, outstanding, key themes and remediation.

Please contact the following person should you have any questions:

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Dated this 29th day of January 2026


Branan Karae
Commissioner

