

## Starting Crypto Exchange in Estonia

### REQUIREMENTS

- **Authorization**

In order to operate as a crypto exchange in Estonia, the company needs to obtain an authorization from Estonian Financial Intelligence Unit (the FIU). The authorization to provide virtual currency services is issued without the expiration date.

- **Activities in Estonia**

The company is required to have its registered office, location of the management board and the place of business in Estonia. In case of a foreign company operating in Estonia via a branch which is registered in Estonian commercial register, the place of business as well as the location of the branch manager must be in Estonia.

- **Payment account**

The company must have a payment account in a credit institution, e-money institution or payment institution that has been established in Estonia or in a contracting state of the European Economic Area and provides cross-border services in Estonia or has established a branch in Estonia.

- **Minimum share capital of EUR 12,000**

The minimum share capital of the company is EUR 12,000 and it must be paid in by using only monetary contributions.

- **Compliance officer**

The company must determine a compliance officer who will be responsible for the implementation of AML procedures and acts as a contact person of FIU.

- **Other requirements**

In addition to the aforementioned, the company, its management board member, owner and beneficial owner must have good business reputation and none of them can have unexpired conviction for a criminal offence against the authority of the state, offence relating to money laundering or other wilfully committed criminal offence.

### DOCUMENTATION

- **Procedural rules**

The company is obliged to have the rules of procedure and internal control drafted in accordance with the Estonian legislation. Those rules describe the internal procedures of the company to fulfil the AML requirements while providing services.

- **Certificate of the criminal records database**

In case the applicant, its management board member, beneficial owner or owner is a foreign national, the certificate of the criminal records database or an equal document of its country of origin is required. The document must certify the absence of a penalty for an offence against the authority of the state or a money laundering offence or another wilfully committed criminal offence. Such document cannot be issued more than three months ago and must be authenticated by a notary or apostilled. The documents is required from every country where the management board member, beneficial owner or the owner is a citizen.

- **Data regarding the company**

In case the company is not registered in Estonian commercial register, the information about the company, its owners and management board members is required. Usually the apostilled extract from the foreign commercial register has all the required information and is deemed to be sufficient.

- **Education and experience**

The management board members are required to submit additional documents indicating their level of education, a full list of the employers and jobs and the field of responsibility. The company can also submit other documents it considers important to prove the trustworthiness of the member of the management board and the fact that the company has a good business reputation.

### SUBMISSION OF THE APPLICATION

The application together with the required documents is submitted to the FIU via Estonian notary or MTR website. The latter requires the representative of the company to have the possibility to sign documents digitally (i.e. Estonian e-resident).

### TIMEFRAME

The FIU makes its decision within 60 working days following the date of submission of the application. In case of need, the processing time can be extended up to 120 days.

### COSTS

The state fee for the FIU authorization is EUR 3,300. The notary fee for submitting the application is approximately EUR 30.