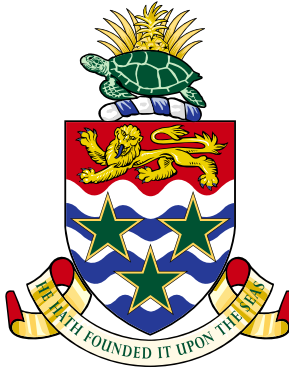


CAYMAN ISLANDS



VIRTUAL ASSET (SERVICE PROVIDERS) (AMENDMENT) BILL, 2025

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A BILL FOR AN ACT TO AMEND THE VIRTUAL ASSET (SERVICE PROVIDERS) ACT (2024 REVISION) TO CHANGE THE DEFINITION OF “ISSUANCE OF VIRTUAL ASSETS” OR “VIRTUAL ASSET ISSUANCE” ”; AND FOR INCIDENTAL AND CONNECTED PURPOSES

PUBLISHING DETAILS

Sponsoring Ministry/Portfolio: Ministry of Financial Services and Commerce (FSC)



Memorandum of OBJECTS AND REASONS

This Bill amends the Virtual Asset (Service Providers) Act (2024 Revision) to change the definition of “ “issuance of virtual assets” or “virtual asset issuance” ” and for incidental and connected purposes.

Clause 1 provides the short title and commencement of the legislation.

Clause 2 amends section 2 of the Virtual Asset (Service Providers) Act (2024 Revision) to change the definition of “ “issuance of virtual assets” or “virtual asset issuance” ”. The proposed new definition expands the meaning of the words “ “issuance of virtual assets” or “virtual asset issuance” ” to exclude, in accordance with a statement of guidance or rule that may be issued by the Authority, the issuance of an equity interest as defined under the Mutual Funds Act (2025 Revision) and the Securities Investment Business Act (2020 Revision) or an investment interest as defined under the Private Funds Act (2025 Revision).

Clause 2 also amends section 2 of the Virtual Asset (Service Providers) Act (2024 Revision) by inserting a proposed new subsection (3) that provides that the amendment of the words “ “issuance of virtual assets” or “virtual asset issuance” ” has effect for any tokenisation of an equity interest or an investment interest that may have occurred prior to the date of the commencement of this amending Act.

CAYMAN ISLANDS

**VIRTUAL ASSET (SERVICE PROVIDERS)
(AMENDMENT) BILL, 2025**

A BILL FOR AN ACT TO AMEND THE VIRTUAL ASSET (SERVICE PROVIDERS) ACT (2024 REVISION) TO CHANGE THE DEFINITION OF “ISSUANCE OF VIRTUAL ASSETS” OR “VIRTUAL ASSET ISSUANCE” ; AND FOR INCIDENTAL AND CONNECTED PURPOSES

ENACTED by the Legislature of the Cayman Islands.

Short title and commencement

1. (1) This Act may be cited as the Virtual Asset (Service Providers) (Amendment) Act, 2025.
- (2) This Act shall come into force on such date as may be appointed by Order made by the Cabinet.

Amendment of section 2 of the Virtual Asset (Service Providers) Act (2024 Revision) - interpretation

2. The *Virtual Asset (Service Providers) Act (2024 Revision)* is amended in section 2 as follows —

- (a) in subsection (1), by deleting the definition of the words “**issuance of virtual assets**” or “**virtual asset issuance**” ” and substituting the following definition —
- “**issuance of virtual assets**” or “**virtual asset issuance**” means the sale of newly created virtual assets to the public in or from within the Islands in exchange for fiat currency, other virtual assets or other consideration but does not include —
- (a) the sale of virtual service tokens; and
- (b) in accordance with a statement of guidance or rule that may be issued by the Authority, the issuance of an equity interest as defined under the *Mutual Funds Act (2025 Revision)* and the *Securities Investment Business Act (2020 Revision)* or an investment interest as defined under the *Private Funds Act (2025 Revision)*;”;
- (b) by inserting after subsection (2) the following subsection —
- “(3) The amendment of the definition of the words “**issuance of virtual assets**” or “**virtual asset issuance**” ” under the *Virtual Asset (Service Providers) (Amendment) Act, 2025* has effect for any tokenisation of an equity interest or an investment interest that may have occurred prior to the date of the commencement of that Act.”.

Passed by the Parliament the day of , 2025.

Speaker

Clerk of the Parliament

