



The following is an official extract of a Decision Notice sent to the joint official liquidators of a Virtual Asset Service Provider

Re: DECISION NOTICE – AC Holding Limited (In Official Liquidation)
(Reg. #1973333) ("the Registrant")

We refer to our Warning Notice dated 28 March 2025.

The Cayman Islands Monetary Authority ("the Authority") writes to you in your capacity as the Joint Official Liquidators of the Registrant.

1. The Registrant breached the Virtual Asset (Service Providers) Act (2024 Revision) (as amended) ("the VASP Act") as follows:
 - (1) 9(4)(b) and (d) for failing to provide documents required by the Authority to enable it to properly perform its functions under the VASP Act and for failing to provide information as specified by the Authority; and
 - (2) Section 9(3)(e) for failing to put in place anti-money laundering systems and procedures;
2. The Registrant breached the Anti-Money Laundering Regulations (2023 Revision) (as amended) ("AMLRs")¹ as follows:
 - (1) Part II Regulation 5(b) through failing to comply with Part IV Regulation 17 and Part VI Regulation 27(a), 27(c), 27(e), 27(g), and 27(f) for failing to conduct enhanced due diligence in the event of unusual or suspicious activity;
 - (2) Part VII Regulation 30(1)(b) for failing to maintain any evidence, documentary or otherwise to demonstrate that the Registrant took reasonable measures to establish the source of funds of a beneficial owner identified as a politically exposed person; and
 - (3) Part II Regulation 5(a)(ix) for failing to maintain such other procedures of internal control, including an appropriate effective risk-based independent audit function that periodically performs an independent audit of the Registrant to test the overall integrity and effectiveness of the Registrant's AML/CFT/CPF and Sanctions systems and control.

¹ Now superseded by the 2025 Revision of the AMLRs.

TAKE NOTICE:

The Cayman Islands Monetary Authority of SIX, Cricket Square, P.O. Box 10052, Grand Cayman KY1-1001, CAYMAN ISLANDS, has taken the following action:

ACTION:

The Authority, pursuant to section 25(3)(a) of the VASP Act, has cancelled the registration held by the Registrant as a Virtual Asset Service Provider.

REASONS:

The Authority, pursuant to pursuant to section 25(2)(b), (c), (e) and (f) of the VASP Act, has reasonable grounds to believe that:

- (1) the Registrant is carrying on business fraudulently or otherwise in a manner detrimental to the public interest, to the interest of its clients or to the interest of its creditors;
- (2) the Registrant has contravened the VASP Act and AMLRs;
- (3) the Registrant has not conducted the direction and management of its business in a fit and proper manner; and
- (4) the Registrant's majority shareholder, Mr. Christopher Flinos, is not a fit and proper person.

EFFECTIVE DATE OF DECISION:

The Authority's decision regarding the above action is effective **05 June 2025**.

RIGHT TO APPEAL:

The Registrant has the right to appeal the Authority's decision made under section 25(3)(a) of the VASP Act to the court of the Cayman Islands and the procedure for doing so is set out in detail in section 30 of the VASP Act.