

Anticipated regulator roles					
Activity (in relation to in-scope tokens)	Entities likely to be conducting activity	Requirements likely to apply	FCA regulated?	PSR regulated?	Bank regulated?
Issuing, creating or destroying tokens	Token issuers	<p>Authorisation Prudential requirements Requirements for the maintenance and management of a reserve of assets Orderly failure and insolvency Systems, controls, risk management and governance Reporting (including notifications requirements, e.g. if value of reserve falls below par) and record keeping Conduct requirements Outsourcing requirements Operational resilience, service reliability Security requirements Financial crime requirements</p> <p>If systemic, PFMI would apply with some modifications and significant requirements to address specific characteristics and risks</p>	Yes	If activity meets PSR designation criteria	If activity meets Bank recognition criteria
Issuing, creating or destroying single fiat tokens	Token issuers	<p>Authorisation PSRs and EMRs would likely apply – with modifications of requirements and additional requirements to address specific characteristics and possible different risks</p> <p>If systemic, PFMI would apply with some modifications and possible additional requirements to address specific characteristics and risks</p>	Yes	If activity meets PSR designation criteria	If activity meets Bank recognition criteria
Value stabilisation and reserve management	Token issuers or payment system operators	<p>No authorisation regime</p> <p>If systemic, PFMI would apply with some modifications and possible additional requirements to address specific characteristics and possible different risks</p>	Yes (as a requirement for the issuer)	If activity meets PSR designation criteria	If activity meets Bank recognition criteria
Validation of transactions	Depends on design, but may include token issuers	<p>No authorisation regime</p> <p>If systemic, PFMI would apply with some modifications and possible additional requirements to address specific characteristics and possible different risks</p>	No	If activity meets PSR designation criteria	If undertaken by asset issuers, system operators, or specified service providers, and if activity meets Bank recognition criteria

Access	Providers focused on facilitating access to network or technology	No authorisation regime If systemic, PFMI would apply with some modifications and possible additional requirements to address specific characteristics and possible different risks Fair and open access to potential participants: criteria are proportionate, objective, non-discriminatory	No	PSR has powers with regard to system access	If activity meets Bank recognition criteria
Transmission of funds	Designated dealers, payment system operators, wallets	No authorisation regime If systemic, PFMI would apply with some modifications and possible additional requirements to address specific characteristics and possible different risks	No	If activity meets PSR designation criteria	If activity meets Bank recognition criteria
Providing custody and admin of token for a third party	Wallets, some exchanges where applicable	Authorisation Prudential requirements Orderly failure and insolvency Safeguarding the stablecoin and key Safeguarding of customer funds / custody of client assets Systems, controls, risk management and governance Reporting and record keeping Conduct requirements Financial crime requirements Outsourcing requirements Security requirements If systemic, PFMI would apply with some modifications and possible additional requirements to address specific characteristics and possible different risks	Yes	If activity meets PSR designation criteria	Potential
Executing transactions in a token – making payments	Token issuers, wallets and exchanges	As above	Yes	If activity meets PSR designation criteria	Potential
Exchanging tokens for fiat and vice versa	Token issuers, wallets and exchanges	As above	Yes	If activity meets PSR designation criteria	Potential

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