

LAW

No. 66/2020

ON FINANCIAL MARKETS BASED ON DISTRIBUTED LEDGER TECHNOLOGY

Pursuant to Article 78 and 83, Paragraph 1 of the Constitution, proposed by the Council of Ministers,

THE PARLIAMENT OF THE REPUBLIC OF ALBANIA

DECIDED:

CHAPTER 1

GENERAL PROVISIONS

Article 1

Object of the Law

The object of this law is to regulate the issuance of digital tokens/virtual currencies, licensing, monitoring and supervision of entities carrying out distribution, trading and custody of digital tokens/virtual currencies activities, as well as digital token agents, innovative service providers and automated collective investment undertakings.

Article 2

Scope of application

This Law shall apply to all activities regulated hereby and entities who exercise such activities pursuant to this Law, in the territory of the Republic of Albania or from the Republic of Albania.

Article 3

Definitions

In this Law, the terms set out below have the related meaning:

1. **“Alternative Investment Fund”** has the same definition that is given in the Albanian Collective Investment Undertaking (CIU) applicable legislation.
2. **“Applicant”** any Legal Entity which files an application for a license or for the Authorization of Full Prospectus/Offering Memorandum/Whitepaper of an ICO or an STO, or other certifications in accordance with this Law.
3. **“Authorization”** means the authorization of Full Prospectus/Offering Memorandum/Whitepapers of an ICO or an STO granted by AFSA pursuant to Chapter IV of the present Law.
4. **“Automated DT Collective Investment Undertaking”** means any legal entity or pool of assets whose administrator is duly authorized pursuant to the Albanian Collective Investment Undertakings (CIU) applicable legislation, to which the relevant License as Automated DT Collective Investment Undertaking has been granted pursuant to this Law. Automated DT Collective Investment Undertakings’ units are represented by Digital Tokens and/or Virtual Currencies. Automated DT Collective Investment Undertaking invest exclusively in digital tokens or virtual currencies, thereby enabling the usage of smart contracts or other innovative technology agreements through the integration of an automatic robotic consulting system, which may act as an investment advisor and/or as a Funds Management Company.
5. **“Automated DT Collective Investment Undertaking License”** is the license granted by the NAIS to an Automated DT Collective Investment Undertaking in accordance with this Law.
6. **“Board of Directors/Supervisory Board”** is the decision-making body in compliance with the “Entrepreneurs and Commercial Companies” applicable legislation.
7. **“Working day”** means any working day, set out by the applicable legislation, on the duration of work and leaves in state institutions.

8. **“Centralized DLT Exchange”** is a DLT Exchange where the private key to access the digital tokens and/or the virtual assets traded on the DLT Exchange is held by the DLT Exchange itself.
9. **“Centralized DLT Trading Venue”** means a DLT Trading Venue where the private key to access the Digital Tokens and/or the virtual assets traded with the DLT Trading Venue is held by the DLT Trading Venue itself.
10. **“Certification”** is any certification granted by the NAIS pursuant to this Law.
11. **“Change of Control”** means the direct or indirect participation in the capital of a Legal Person:
 - a) 10% or more of the equity or voting rights, taking into account any aggregation, or
 - b) which enables the exercise of significant influence over the administration of the Legal Entity in which such participation is held.
12. **“Competent Authorities”** are the Financial Supervisory Authority (AFSA) and the National Authority on Information Society (NAIS).

The Competent Authority is any of the abovementioned Competent Authorities, as the case may be, pursuant to the provided specifications in this law.
13. **“Conflict of Interests”** has the same meaning with the specifications set out in the Law “On Entrepreneurs and Commercial Companies”.
14. **“Custodian”** is the provider of custody, retention and/or administrative services for securities accounts in the name and on behalf of Natural Persons and Legal Entities.
15. **“Custodian Wallet”** is a digital wallet in which the private key to access the digital tokens and/or virtual currencies is held by a Third Party that offers custodian services of digital wallets in the name and on behalf of the holder of the Digital Tokens and/or Virtual Currencies.
16. **“Decentralized DLT Exchange”** is a DLT exchange which uses the DLT, where the private key to access the Digital Tokens and/or the Virtual Currencies transacted on the DLT exchange is held directly by the user of such DLT Exchange.
17. **“Decentralized DLT Trading Venue”** means a DLT trading venue where the private key to access the digital tokens and/or the virtual currencies transacted on such venue is held by the user of such DLT trading venue.
18. **“Declaration of Compliance of the Innovative Technology Agreement”** is the declaration that shall be drafted and signed by the Innovative Service Provider, in which the latter shall declare that the innovative technology agreement is in compliance with all the relevant conditions, criteria and obligations set out in this Law.

19. **“Declaration of Compliance of the Issuer”** is the declaration that shall be drafted and signed by the DT Agent, through which the latter shall declare that the Issuer is in compliance with all the relevant conditions, criteria and obligations set out in this Law.

20. **“Declaration of Compliance of the License Holder”** is the declaration that shall be drafted and signed by the DT Agent, in which the latter, pursuant to Article 17 of the present Law, shall declare that a License Holder is in compliance with all the relevant conditions, criteria and obligations set out in this Law.

21. **“Digital Asset Token”** means any Digital Token that is neither which is not included in the following categories:

- (i) Digital Payment Token;
- (ii) Digital Security Token;
- (iii) Digital Utility Token.

22. **“Digital Payment Token”** means a digital token that is used as a medium of exchange, means of payment, unit of account, or value reserve and does not fall within the following definitions of:

- i. digital security token; and
- ii. digital utility token.

23. **“Digital Security Token”** means digital representations of value, similar to other securities defined under the “Capital Market” applicable legislation, based on block-chain technology, confirmed by a competent national authority, when they meet the criteria as follows:

- a) freely transferable;
- b) they give to the owner some monetary or property rights over the project, or if it has profit-sharing characteristics, or a predetermined right, or they give the decisive power to the owner in the issuer's project. Any digital token, which combines the characteristics of a Digital Security Token with one or more other categories of digital token, shall be considered a digital security token, within the meaning of this law.

24. **“Digital Token”** is a digital asset which:

- (i) is intrinsically dependent on DLT Technology, and
- (ii) falls exclusively under one the following Digital Tokens categories listed below:
 - a) Digital Payment Token;
 - b) Digital Security Token; or
 - c) Digital Utility Token.
 - ç) Digital Asset Token;

25. **“Digital Utility Token”** means a Digital Token which:
- provides access to an application, service or good; and
 - offers no utility, service or application outside of the DLT Platform on which it was issued.
26. **“DLT” or “Distributed Ledger Technology”** is a decentralized database system in which information and/or data are securely recorded, consensually validated, shared, distributed in a synchronized manner through a network of multiple nodes or by other technical means, in compliance with the definition of the Innovative Technology Agreement, and in which all copies of the database are regarded as original.
27. **“DLT Exchange”** means a Centralized DLT Exchange or a Decentralized DLT Exchange, on which:
- Digital Utility Tokens and/or Digital Payment Tokens and/or Digital Asset Tokens can be admitted to trading, and
 - in addition to the activities under paragraph (a) above, FIAT Money and/or virtual currencies can be traded in exchange of Digital Utility Tokens and/or of digital payment tokens and/or digital asset tokens and vice-versa, and;
 - in addition to the activities under paragraph (a) and (b) above, also digital security tokens can be admitted to trading and/or traded in exchange and which has obtained a DLT Exchange License from the AFSA and NAIS pursuant to this Law.
28. **“DLT Exchange License”** is a license granted by both AFSA and NAIS as to operate as a DLT Exchange pursuant to this Law.
29. **“DLT Platform”** is any platform or facility, different from a DLT Exchange, on which Digital Tokens are issued or used and through which:
- applications, goods or different services are accessible; and / or
 - may be redeemed for funds directly by their issuer.
30. **“DLT Trading Venue”** means a trading venue which carries out the trading activities of a DLT Exchange, upon Certification granted by the NAIS after evaluation of the existence of the criteria pursuant to paragraphs a), b), c), ç) and d) of Article 51 of the present Law. DLT Trading Venue may indicate a centralized DLT trading venue and a Decentralized DLT Trading Venue.
31. **“DT Agent”** is a Legal Entity having a DT Agent License granted in pursuant to this Law.
32. **“DT Agent License”** is the license granted to a DT Agent pursuant to this Law.
33. **“DT CIU Prospectus”** is a written document that defines the terms of the offering of a “collective investment undertaking”.

34. **“Electronic Money”** means “electronic money” in accordance with the definition provided in the Albanian applicable legislation on banks.
35. **“FIAT Money”** is a financial mean in the form of paper money or coins, local or foreign with a status of legal tender.
36. **“Fit and Proper”** has the same meaning as set forth in the "Capital Markets" applicable legislation. For the purposes of this definition, the requirements to qualify or and be eligible must be met by:
- (i) any shareholder holding more than 10% of the voting rights in the Shareholders Meeting;
 - (ii) any member of the Board of Directors/Supervisory Board; and
 - (iii) any natural person who holds the functions of administration, direction or control over the Legal Entity.
37. **“Full Prospectus”** has the same meaning defined in the “Capital Markets” applicable legislation.
38. **“ICO” or “Initial Coin Offering”** means a method for raising funds, different from a STO, whereby an Issuer is issuing Digital Tokens or Virtual Currencies and is offering them in or from Albania in exchange of capital, pursuant to this Law.
39. **“ICO/STO Application Fees”** means the fees to be paid by the Issuer for the the full Prospectus/Offering Memorandum/Whitepapers Authorization pursuant to this Law.
40. **“Innovative Service Provider”** means a Legal Entity providing Innovative Technology Services as authorized pursuant to this Law.
41. **“Innovative Service Provider License”** means the License issued by the NAIS as Innovative Service Provider pursuant to this Law.
42. **“Innovative Technology Agreements”** means Smart Contracts and any software used in projecting, programming and implementing DLT-based services.
43. **“Innovative Technology Agreement Application Fees”** means the fees to be paid by the Applicant for the relevant Certification in accordance with the present Law.
44. **“Innovative Technology Services”** means the services of audit and review of the Innovative Technology Agreements and of the technical administration, which are provided by the Innovative Services Providers.
45. **“Investment Firm”** has the same meaning set out in the “Capital Markets” applicable legislation.
46. **“Investment Funds Management Company” or “Management Company”** has the same meaning set out in the “Collective Investment Undertakings (CIU)” applicable legislation.
47. **“Issuer”** is one of the Virtual Asset Service Providers, which means any Legal Entity in Albania issuing Digital Tokens pursuant to this Law.

48. **“Legal Entity”** means any company, association, foundation and other private entities, according to the provisions of the Civil Code of the Republic of Albania. Where this Law provides that the entity is or should be a Legal Entity, the relevant provisions shall be deemed to refer to the legal representative of a Legal Entity in accordance with Albanian Law.
49. **“License”** means any license granted under the present Law by the Competent Authorities.
50. **“License Application Fees”** means the fees to be paid by the applicant for each type of License pursuant to this Law.
51. **“License Holder”** means any Person who holds a License pursuant to this Law.
52. **“License Holder Fees”** means the annual fees to be paid by the License Holder for each type of License pursuant to this Law.
53. **“Relevant license from the Bank of Albania”** means a license to be issued by the Bank of Albania which enables the license holder to open a current banking account in FIAT money and to carry out mediation in exchange services, including the custodian services in the name and on behalf of the clients.
54. **“Margin Trading”** means the activity of trading, through the use of financial leverage, carried out on DLT Exchanges or on DLT Trading Venues where the users or the DLT Exchanges or DLT Trading Venues themselves, provide loans, to be used as collateral, to the users in order to invest on such DLT Exchanges or DLT Trading Venues, receiving in turn an interest on the loans.
55. **“Market Abuse”** means the involvement in Market Manipulation, trading based on privileged information or attempt to be involved in this actions, as described by Article 86 of the present Law.
56. **“Money Laundering Reporting Officer”** means the responsible Person for Money Laundering Reporting in accordance with the “Prevention of Money Laundering and Terrorism Financing” applicable legislation.
57. **“NAIS”** means the National Agency for Information Society.
58. **“Natural Person”** has the same meaning as defined in the Civil Code of the Republic of Albania.
59. **“Non-Automated DT Collective Investment Undertaking”** means a Legal Entity or asset pooling structure that has been already licensed, registered or known as “Collective investment undertaking” in compliance with the “Collective Investment Undertakings” Law, which invests in Digital Tokens and Virtual Currencies, but which does not have the technical criteria to fall within the definition of Automated DT Collective Investment Undertaking.

60. **“Non-Custodian Wallet of Digital Tokens and/or Virtual Currencies”** means a digital Wallet in which Digital Tokens and/or Virtual Currencies may be deposited and held, whose user holds his/her own private keys to access the Wallet and for which he takes for that himself/herself.
61. **“Offering Memorandum”** has the same meaning as defined in the “Capital Markets” Applicable legislation.
62. **“Person”** means any person, including but not limited to Natural Persons and Legal Entities, as well as professional associations or other organized associations, which may have or not have legal personality.
63. **“Register of Licensed Automated DT Collective Investment Undertakings”** means the public register containing the list of the Automated DT Collective Investment Undertakings.
64. **“Register of Licensed DLT Exchanges”** means the public register containing the list of the DLT Exchanges.
65. **“Register of Licensed DT Agents”** means the public register containing the list of the DT Agents.
66. **“Register of Licensed Innovative Service Providers”** means the public register containing the list of the Innovative Service Providers.
67. **“Register of Licensed Third Party Custody Wallet Providers”** means the public register containing the list of the Third Party Custody Wallet Providers.
68. **“Registers”** means the public registers containing the list of the respective License Holders pursuant to this Law.
69. **“Resident in Albania”** means a Natural Person who results to be resident in Albania, or a legal entity resident in Albania pursuant to the tax law, and/or has a registered branch of its activity in Albania in accordance with the relevant Albanian applicable legislation.
70. **“Smart Contract”** means a technology arrangement, intrinsically dependent or connected with a DLT, which contains a set of rules that triggers predefined responses corresponding to particular contingencies and are automatically self-enforced upon the fulfillment of the outlined conditions. Smart Contracts fall within the category of Innovative Technology Agreements, as defined by the present Law.
71. **“STO” or “Security Token Offering”** means a public offer whereby an Issuer is issuing Digital Security Tokens and is offering them in or from Albania in exchange for funds, pursuant to this Law.

- 72. “Technical Report”** means the technical report that must be drawn up, in collaboration with the appointed Innovative Service Provider, regarding the Innovative Technology Agreement.
- 73. “Third Party Custody Wallet Provider”** means a Legal Entity (including DLT Centralized Exchanges) that provide services to safeguard and custody private cryptographic keys on behalf of its clients, to hold, store and transfer digital tokens and/or virtual currencies, and which obtained a limited license from the Bank of Albania.
- 74. “Third Party Non-Custody Wallet Provider”** means any Legal Entity that provides applications to hold, safeguard and transfer Digital Tokens and/or Virtual Currencies, but is not in possession of private cryptographic keys of its clients.
- 75. “Automated Programs for trading of Tokens”** means a program that can execute trades for a client on a DLT Exchange based on defined parameters.
- 76. “Trading Venue”** means any Legal Entity who acts as “regulated market”, or “multilateral trading facility”, or “organized trading facility” in accordance with the “Capital Markets” applicable legislation.
- 77. “Transferable Securities” mean:**
- (i) shares in companies and other securities equivalent to shares in companies (shares);
 - (ii) bonds and other forms of securitized debt (debt securities);
 - (iii) any other transferable securities which carry the right to acquire any such transferable securities by subscription or exchange.
- 78. “Virtual Asset”** has the same meaning that is provided in the “Prevention of Money Laundering and Terrorism Financing” applicable legislation.
- 79. “Virtual Asset Service Provider”** has the same meaning that is provided in the “Prevention of Money Laundering and Terrorism Financing” applicable legislation.
- 80. “Virtual Currency”** is one of the virtual assets which is a digital representation of value used as a medium of exchange, means of payment, unit of account, or store of value, which:
- (i) is not a Digital Token pursuant as defined in the present Law;
 - (ii) is not issued or guaranteed by a central bank or a government authority;
 - (iii) is not necessarily attached to a legally established currency,
 - (iv) is not FIAT Money and therefore does not possess a legal status of currency or money, but is accepted by natural or legal persons as a means of exchange;
 - (v) has been issued on its own DLT; and
 - (vi) can be transferred, stored and traded electronically.
- 81. “Wallet”** means a software program or other mechanism that stores either online or offline private and public keys and interacts with DLT to enable users to hold, send, receive and monitor their digital tokens and/or virtual currencies.

82. Presentation Document “Whitepaper” means a document that shall contain all the elements required by the present Law according to the specific nature of the Issuer and of the relevant Digital Token, which will enable investors to make an informed decision in participating to an Initial Coin Offering.

In this Law, the words in the singular number include those in the plural and vice versa, unless otherwise defined in the context of the relevant provision. The pronoun "he" includes also the pronoun "she" and the pronoun "they" means both genders, unless otherwise provided in the context of the relevant provision.

CHAPTER II LICENSES AND POWERS OF THE AUTHORITIES

SECTION I

GENERAL PROVISIONS

Article 4 Types of Licenses

The type of licenses approved by the Competent Authorities to carry out the activities as provided under the present law are:

- a) DT Agent License, which shall be granted by the AFSA to a Legal Entity fulfilling the general requirements and specific criteria provided in the Articles 9 and 29 respectively of this Law.
- b) DLT Exchange License, which shall be granted by both the AFSA and the NAIS to a Legal Entity fulfilling the general requirements and specific criteria provided for in Articles 9 and 51 respectively of this Law. The DLT Exchange License is divided in three categories, as follows:
 - i. “Category A License” includes Centralized DLT Exchange or Decentralized DLT Exchanges where only Digital Utility Tokens and/or Digital Payment Tokens and/or Digital Asset Tokens can be admitted to trading;
 - ii. “Category B License” includes Centralized DLT Exchange License and Decentralized DLT Exchanges License, where in addition to the activities under License A, FIAT Money and/or virtual currencies can be traded in exchange of digital utility tokens and/or of digital payment tokens and/or of digital asset tokens and vice versa;
 - iii. “Category C License” includes Centralized DLT Exchange and Decentralized DLT Exchanges where in addition to the activities under License B, also Digital Security Tokens can be admitted to trading;
- c) Innovative Service Provider License, which shall be granted by the NAIS (without the involvement of a DT Agent) to a Legal Entity fulfilling the general requirements and specific criteria provided for in Article 9 and 63 of the present Law respectively;
- ç) Third Party Custody Wallet Provider License, which shall be granted by both the AFSA and the NAIS to a Legal Entity fulfilling the general requirements and specific criteria provided in Articles 9 and 77 of the present Law respectively;

- d) Automated DT Collective Investment Undertaking License, which shall be granted by the NAIS to Automated DT Collective Investment Undertakings fulfilling the general requirements and specific criteria provided in Article 9 and 82 of the present Law respectively.
- Centralized and Decentralized DLT Exchanges may also carry out Margin Trading activities.

Article 5

Nature of the Licenses

1. The License Holder must carry out its activities in accordance with the conditions and criteria set forth in this law.
2. The License Holder must adhere to the following principles when engaging with its clients or other third parties:
 - a) To act honestly;
 - b) To treat fairly and impartially all the entities with whom it establishes relations;
 - c) To behave in a professional way;
 - ç) To comply with all the rules as set forth under the present law as well with other legal and/or regulatory provisions as may be applicable pursuant to this Law.
3. If AFSA and/or NAIS identify violations of the provisions of this Law, they shall revoke the license, pursuant to the circumstances and provisions outlined in this law.

Article 6

Validity and Duration of the Licenses

1. Any License shall be valid starting from the day after the date of receipt of the notification from the Competent Authority in respect of the approval of the application for License, and the validity of the License shall last for an indefinite time.
2. Save for the powers of the AFSA and/or of the NAIS, as the case may be, to revoke the License in accordance with the provisions of the present Law, a License shall cease to be valid starting from the fifth (5th) Working day starting from the date on which the AFSA and/or the NAIS, received the notification of the written request of withdrawal from the License, by the relevant License Holder.

Article 7

Competences of the Authorities

1. The general competencies of each Authority are as follows:
 - a) NAIS shall assess all technological requirements and criteria, submitted by the Applicant in cases where NAIS has exclusive or joint power to grant a License, Authorization or Certification.
 - b) AFSA shall assess all financial and regulatory aspects in accordance with this Law, in cases where AFSA has exclusive or joint power to grant a License, Authorization or Certification.

2. Such division of competences shall be applied in granting the Licenses, authorizations or certifications pursuant to this Law.
3. When both Competent Authorities are competent for granting a License or an Authorization under the present Law, no License or Authorization can be granted unless both competent Authorities issue expressly their relevant decision as provided by this Law. If one of the two Competent Authorities denies the License or Authorization, the License or Authorization shall be deemed not granted to the entity.

Article 8

Coordination between the Authorities

1. In the event of the involvement of both Competent Authorities in the approval and granting of the relevant license or in the performance of any of the common tasks as provided by the present Law, the coordination between the Competent Authorities shall be as follows:
 - a) During the licensing procedure, in case one of the Competent Authorities intends to exercise its powers to request clarifications information or additional documents to the Applicant, such Authority shall promptly inform the other Competent Authority.
 - b) If one of the competent authorities issues its decision to grant or refuse to grant a License, the such authority shall immediately inform the other Authority, by sending to it the related decision and documents within the same Working day and in any case not later than the next following working day;
 - c) In case both Competent Authorities issue their decisions to grant the License, the AFSA as soon as it is in possession of both decisions shall notify them to the relevant within the terms provided for in the present law, and record the relevant decisions in the relevant License Register, within 5 working days;
 - ç) In case the NAIS intends to exercise its information powers provided in Article 18 of this Law, such Authority shall promptly inform the AFSA, and the latter shall serve the related notification to the License Holder, with a copy provided to NAIS. The AFSA shall provide the NAIS with copy of any documents received in relation to the relevant case.
2. In cases when only one Authority is competent for granting a License or an Authorization or for exercising any other power conferred to it pursuant to the present Law, such Authority shall promptly inform the other Authority of any decision taken in this respect, by sending the related decision.

SECTION II
GENERAL REQUIREMENTS AND LICENSING APPLICATION

Article 9
General Requirements for Licensing

1. Any Applicant for a License shall demonstrate directly or through the TD Agent (as the case may be), that it fulfills all of the general requirements provided in this Article, as follows:
 - a) to demonstrate, by providing a copy of the relevant receipt, to have paid the relevant License Application Fee,
 - b) to demonstrate, by providing copy of the relevant document granted by the relevant body, to be Registered in Albania as a joint-stock company;
 - c) to demonstrate, by documentary evidence, to have appointed a Board of Directors or as the case may be, Supervisory Board and guarantee by sworn statement that their relevant members:
 - i. have a good professional and personal reputation, have sufficient knowledge, skills and experience, and commit sufficient time to carry out their duties and are able to clearly understand the type of activities and risks associated with them; and
 - ii. that the Applicant will allocate sufficient human and financial resources to the training of the members of the Board of Directors or as the case may be, the Supervisory Board;
 - ç) to demonstrate through NAIS certification that the Innovative Technology Agreement is in accordance with the provisions of this Law. The Applicant to be licensed as a DT Agent and / or Innovative Service Provider shall be exempt from application of this paragraph.
 - d) to demonstrate, by providing a copy of the relevant document, that he has appointed a person responsible for the Prevention of Money Laundering at the Administration/Management Levels at Head Office and any representative office, in accordance with the "Prevention of Money Laundering and Terrorism Financing" applicable legislation;
 - dh) to demonstrate to fulfill the requirements to be considered as Fit and Proper in order to carry out the related activities;
 - e) to demonstrate, by providing copies of all the relevant documents, that the company has approved internal operational regulations which comprise:
 - i. preventive measures and policies on money laundering and terrorist financing in accordance with the applicable legislation "On the prevention of money laundering and terrorism financing.
 - ii. efficient measures and policies for the identification and management of the Conflicts of Interest;
 - iii. efficient measures and policies for prevention of fraud and market abuse.
2. The form and content and the documents pursuant to this article shall be defined through legal and/or regulatory provisions of each Competent Authority pursuant to this Law law.
3. For the purposes of this article, the Competent Authorities may also approve more detailed regulations related to the general conditions and specific criteria, as well as additional criteria.

Article 10
License Application

1. Upon completing the application form, the Applicant submits this form to the Competent Authority pursuant to Article 8 of this law, enclosing all relevant documentary evidence for fulfilling the general requirements and specific criteria as well as any other requirements of this Law. The license application and the relevant documentation must also be submitted electronically, according to the rules set by the AFSA, which may also provide for the application of Distributed Ledger Technology.
2. The Competent Authority is hereby authorized to issue regulations pursuant to this article.
3. In cases where the approval of both Competent Authorities is necessary, the application shall be registered at AFSA. Within 2 (two) working days of the registration date of the Application, AFSA sends NAIS the relevant License application enclosing all evidentiary and supporting documents. In cases when only one of the authorities is competent for the approval and granting of the license, the application with all the evidentiary and supporting documentation is filed with the responsible authority.

The Application for licenses regarding DLT Exchanges and Third Party Custody Wallet Providers must be submitted through a licensed DT Agent, appointed by the Applicant to carry out the licensing procedures in his name and on his account. The DT Agent shall carry out, to the extent it is applicable, the duties and activities as set forth in Chapter III of this Law.

4. The Application for an Automated DT Collective Investment Undertakings License must be submitted by a licensed Innovative Service Provider, appointed by the Applicant to carry out all Licensing procedures in his name and on his account. The Innovative Service Provider shall carry out to the extent it is applicable, the duties and activities set forth in Chapter VI of the present Law.

SECTION III
LICENSING PROCEDURE AND POWERS OF THE AUTHORITIES

Article 11
Timing of the Licensing Procedure

The Competent Authority shall decide regarding the Licensing within 60 (sixty) calendar days from the date of submission of the application and the relevant documentary evidence by the Applicant itself or through the DT Agent, as provided in this Law.

Article 12
Powers of the Authorities during the Licensing Procedure

1. The AFSA or NAIS may request further clarifications or supplementary documentation from the Applicant, within the 60 (sixty) days term defined by Article 11 of this Law.

2. The request for further clarifications and/or supplementary documentation should be well-justified and should contain specific reasons related to this request.
3. In case the Competent Authority requests from the Applicant clarifications or supplementary documentation, the term of 60 (sixty) days as defined in Article 11, is suspended until the Applicant, or depending on the case, the DT Agent, provides to the AFSA the required clarifications or supplementary documentation. If such clarifications or supplementary documentation are not provided by the Applicant within the following 10 (ten) working days (or within a longer term that the AFSA, depending on the circumstances, can grant to the Applicant, but not longer than 20 (twenty) working days), the application for Licensing shall be automatically rejected.
4. Within 1 (one) working day of receiving the clarifications and / or supplementary documentation from Applicant, the AFSA shall provide without delay copy of the documents containing the required clarifications or supplementary documentation to the NAIS, if the request for clarifications and / or supplementary documentation has originated by the latter.
5. For the purpose of a thorough review by the Competent Authority of the clarifications and / or supplementary documentation submitted by the Applicant or as the case may be by the DT agent, the calculation of the remaining days from the 60 calendar-days period specified in Article 11 of this Law, will resume only 3 working days after receiving the required clarifications and / or supplementary documentation.

Article 13

Refusal to grant the License

Licensing shall be refused by the Competent Authorities due to the following reasons:

- a) The Licensing Application Fee has not been paid by the Applicant;
- b) The Competent Authorities, after reviewing the Application, deem on reasonable grounds that the Applicant has submitted false, inaccurate or incomplete documentation and/or information;
- c) The Competent Authorities, after reviewing the Application, deem on reasonable grounds that the documentation submitted by the Applicant is not sufficient or that the Applicant does not fulfill requirements and criteria for licensing.
- ç) The Competent Authorities, after reviewing the Application, deem on reasonable grounds that the Applicant shall not be able to continue to fulfill requirements and criteria for Licensing in the future.

SECTION IV

GENERAL OBLIGATIONS OF THE LICENSE HOLDERS

Article 14

Payment of the Annual Fee of the License Holder

1. Upon conclusion of the licensing procedures, every License Holder shall pay to the AFSA and/or NAIS the Annual License Holder Fee.
2. Annual License Holder Fee and payment procedures shall be provided via legal or regulatory by-laws for each of the Competent Authorities.

Article 15

Activity of the License Holders and Conflict of Interest

1. License Holders shall perform only those services and activities for which the relevant License is granted.
2. In cases when the License Holder wishes to carry out any activity for which he is required to undergo a new licensing procedure he must apply and be subject to licensing procedures and criteria, pursuant to the provisions of this law and/or applicable legislation in the Republic of Albania.
3. In cases when the License Holder identifies that such activities may constitute a Conflict of Interest with the relevant License, the License Holder, prior to the application for a new license must undertake all the appropriate measures to avoid the conflict of interest and shall timely inform the Competent Authority on the measures that have been undertaken.
4. If the conflict of interest is identified by the Competent Authority during the License application process, the Competent Authorities must return the application and inform the Applicant on how to avoid the conflict of interest. The Applicant may resubmit the request for application to the responsible authority, after completing the requests of the latter. This request shall be considered a new request.
5. If the conflict of interest still persists after the resubmission of the application, the Competent Authorities shall reject the request and duly notify the Applicant.
6. Pursuant to this Law, the Competent Authorities are hereby authorized to issue detailed regulations on the procedures and methods for avoiding conflict of interest

Article 16

General Duties under the Anti-Money Laundering and Financing of Terrorism framework

With the exception of the Innovative Service Providers, any License Holder, any DT issuer, and other person providing services related to DT, shall be deemed to be a Virtual service provider of virtual tools, in accordance with the “Prevention of Money Laundering and Terrorism Financing” applicable legislation and shall comply with any obligation, including, but not limited to, the following:

- a) carry out the due/enhanced diligence towards the clients, pursuant to the “Prevention of Money Laundering and Terrorism Financing” and other applicable laws.
- b) set up a resilient system to monitor and report transactions pursuant to the “Prevention of Money Laundering and Terrorism Financing” and other applicable laws;
- c) carry out a risk assessment on the clients and revise such risk assessment periodically;
- ç) report suspicious transactions to the relevant authorities pursuant to the “Prevention of Money Laundering and Terrorism Financing” Law.
- d) fulfill any other obligations under the “Prevention of Money Laundering and Terrorism Financing” Law, for the Virtual Assets Service Providers.

Article 17

Declaration of Compliance of the License Holder

1. Within the (12) twelfth month from the date of being granted the License, its Holder, through its DT Agent, must submit to AFSA the Declaration of the License Holder, which should contain:
 - a) a declaration that the License Holder fulfills all the relevant general requirements and specific criteria and complies with all the relevant obligations under the present Law, including the ones concerning technological requirements.
 - b) up-to-date information on changes of the management structure of the License Holder, more specifically changes of administrators, directors and key personnel, as well as changes to the internal operational regulations of the License Holder.
2. The Declaration of the License Holder shall be jointly signed by the License Holder and his DT Agent.
3. For the purpose of this Article the specific content, manner and terms of the Declaration of Compliance of the License Holder by the by-laws.
4. DT Agents and Innovative Service Providers are excluded from the application of this paragraph.

SECTION V
POWERS OF THE AUTHORITIES TOWARDS THE LICENSE HOLDER

Article 18

Information and Investigation Powers in relation to the License Holders

1. Upon conclusion of the licensing procedure, the AFSA whenever it deems reasonable, may exercise one or more of the following powers in collaboration with the NAIS:

a) Information powers:

May request in writing or electronically to any License Holder:

- i. to provide information and/or documentation and/or any other evidence in such form and at such times as defined in the relevant request for information notice;
- ii. to attend a meeting and to answer questions raised by the Competent Authorities and to provide any available information and/or documentary evidence in connection with the request of the latter;
- iii. in the event that the License Holder does not have the relevant requested information and/or documentation, to disclose to the authorities, to the extent of his knowledge about the location and the documentary evidence requested;
- iv. to undertake all reasonable efforts to provide the information and / or documentation required by the Authorities.

b) Investigation powers and the right to issue freezing orders:

- i. If AFSA deems that in order to protect the interests of current or potential clients, it is necessary the investigation of the License Holder, may initiate in collaboration with NAIS an investigation of the latter's activity.
- ii. The AFSA may issue an executive order freezing any person's bank accounts in cases where it deems that there is a risk that the person under investigation may harm investors. This particular executive decision is the first in the payment order and the Third Party Wallet Custodian, as well as the DLT Exchange are required to apply this decision immediately upon receipt of the notice. When the Third Party Custody Wallet Provider fails to enforce the particular executive decision, they become liable for non-compliance with the order and are obliged to indemnify the investor if the person in question has harmed them as a result of failure to execute the order.
- iii. The AFSA may require adequate safeguards to protect the interests of investors, before unfreezing the bank accounts of the person under investigation.

c) On-site inspections:

Any officer of the Competent Authorities, on showing adequate proof of its authority, may enter the premises owned by a License Holder, for the purpose of obtaining the information or documents or any other evidence necessary for the purpose of the investigation, and of exercising any of the powers conferred by this Article.

2. The Competent Authorities may require the assistance of third parties to carry out any of the above mentioned powers.

Article 19

Suspension and Revocation of the License

1. AFSA (in cases when it has exclusive power or joint power with NAIS), and NAIS (in cases when it has exclusive power), may suspend and/or revoke the License in the following cases:
 - a) when the license holder fails to meet the general requirements and/or specific criteria provided by the present Law;
 - b) when the license holder provides false or inaccurate information to the Competent Authorities;
 - c) contravened or does not comply with one or more of the general requirements and / or specific criteria provided by the present Law.
 - ç) when competent authorities find that the subject is in breach of the provisions of this law and/or its by-laws.
2. In such cases, the AFSA (in cases when it has exclusive power or joint power with NAIS), and NAIS (in cases when it has exclusive power), shall suspend the License and grant a term of 15 (fifteen) working days (or a longer term, depending on the circumstances, but not longer than 25 working days) from the date of notification of the decision (which shall specify the reasons of the suspension), for the License Holder to present his reasons with regards to the decision on the suspension of the License.
3. If the License Holder fails to reply within the term as above-mentioned, the Competent Authority shall revoke the License, with a decision that shall specify the reasons of the revocation.
4. A License may be directly revoked by the Competent Authorities, in the following cases:
 - a) If the License Holder does not commence the activity on which it has been licensed within 6 (six) months from the date of issuance of the License;
 - b) if the License Holder goes into liquidation or is declared bankrupt;
 - c) if any other competent authority which carries out regulatory powers in relation to the specific License Holder requires in written and on reasonable grounds the revocation of the License;
 - ç) if the DT Agent appointed by the License Holder fails to submit the annual Declaration of Compliance of the License Holder (if applicable) within the term and pursuant to the provision of Article 17, or if such DT Agent does not submit such annual Declaration of Compliance of the License Holder due to the failure to fulfill the relevant requirements and criteria.
 - d) When the License holder voluntarily rescinds its License;
 - dh) When the License holder has ceased to exist as a legal entity.

Article 20

Transfer of the License

1. A License Holder cannot assign or transfer the License to a third party without the prior written consent of the Competent Authority.
2. The License Holder shall notify in advance to the Competent Authority any intention to assign or transfer the License to a third party.

3. The Competent Authority shall approve or refuse the assignment or transfer of the License within 15 (fifteen) working days from the notification. In any case, the approval of the delegation or transfer of the license is done only if the legal person requested to be delegated or transferred the license meets the conditions set out in this law.
4. Any License's assignment or transfer in breach of this Article shall be deemed as null and void.
5. The Competent Authority can revoke or suspend the License of the relevant License Holder in case of breach of this Article.

Article 21

Change of Control of the License Holder

1. The License Holder shall notify in advance to the Competent Authority any intention related to the Change of Control of the License Holder.
2. The Competent Authority shall approve or refuse the Change of Control within 15 (fifteen) working days from the notification.
3. Any transaction which implies a direct or indirect Change of Control and which is in breach of the present Article, shall be deemed as null or void.
4. The Competent Authority can revoke or suspend the License to the relevant License Holder in case of breach of this Article.
5. The procedures on the change of control shall be determined via regulations to be issued by the Competent Authority.

SECTION VI

REGISTERS

Article 22

General Provisions Applicable to the Registers

1. Any of the registers provided for in the present Chapter shall be available to the public for consultation and updated within 5 (five) working days from the date of notification of the relevant License Holder regarding the decision on the approval, refusal, or as the case may be, the suspension or revocation of the License. The registration of the licenses and any other decisions of the Competent Authorities shall be performed pursuant to the provisions of the by-laws pursuant to the present Law, including the use of Distributed Ledger Technology.
2. Any of the Registers provided for in this Chapter shall be updated on a regular basis and in any case at least every 12 (twelve) months starting from the date on which the License has been granted and shall contain the following information regarding the relevant License Holder:
 - a) the protocol number/s and the date/s of the decision/s of the Competent Authority that granted the relevant License;
 - b) the name of the Legal Entity;
 - c) the Head office;

- c) the official e-mail address of the DT Agent (if applicable) and of the License Holder;
 - d) the reference to any decision of the Competent Authorities, by which such Competent Authorities have granted any sanction to the relevant License Holder pursuant to this Law;
 - dh) the confirmation of timely receipt of the Declaration of Compliance of the License Holder (if applicable).
3. Detailed procedures for completing and maintaining the registers shall be determined via by-laws to be granted by the relevant authorities.

Article 23

Register of Licensed DT Agents

Any DT agent who has obtained a DT Agent License, shall be registered on the Register of Licensed DT Agents, established and maintained by the AFSA.

Article 24

Register of Licensed DLT Exchanges

Any DLT Exchange shall be registered on the Register of Licensed DLT Exchanges, regulated and maintained by the AFSA, which shall specify whether the relevant DLT Exchange has obtained a Category License “A”, License “B” or License “C”.

Article 25

Register of Innovative Service Providers

Any Innovative Service Provider, which has obtained an Innovative Service Provider License, shall be registered on the Register of Licensed Innovative Service Providers, established and maintained by the NAIS.

Article 26

Register of Third Party Custody Wallet Providers

Any Third Party Custody Wallet Provider which has obtained a Third Party Custody Wallet Provider License, shall be registered on the Register of Licensed Third Party Custody Wallet Providers, established and maintained by the AFSA.

Article 27

Register of Automated DT Collective Investment Undertakings

Any Automated DT Collective Investment Undertaking which has obtained an Automated DT Collective Investment Undertaking License, shall be registered on the Register of Automated DT Collective Investment Undertakings, established and maintained by the NAIS

CHAPTER III
DIGITAL TOKEN (DT) AGENT

Article 28
General Provisions

1. Any Legal Person wishing to carry out his activity, as a DT Agent in accordance with this Law must possess the relevant License issued by AFSA and be registered with the Licensed DT Agent Register in accordance with Article 23 of this Law.
2. Services and activities of DT Agents may only be performed by those Agents who hold a DT Agent License and only during the License validity period.

Article 29
Specific Criteria for the Digital Token (DT) Agents

1. In addition to the general requirements provided for in Chapter II of the this Law, the Applicant for a DT Agent License must fulfill the specific criteria as follows:
 - a) demonstrate, by providing copy of the relevant documents, to have the appropriate legal and technical skills and knowledge to carry out the related activity of the DT Agent;
 - b) demonstrate to have a minimum corporate capital of ALL 18,000,000, by providing copy of the relevant document /guarantee issued by the Bank.
2. The review and evaluation regarding the fulfillment of specific criteria and the relevant documentation shall be carried out by the AFSA.
3. The relevant documentation should be attached to the application and should be in original or notarized copy thereof.
4. In order to guarantee a proper level of professionalism, the DT Agent License Applicant, or, as the case may be, the DT Licensed Agent, must demonstrate that he has performed and will continue to perform mandatory training programs on a regular basis.
5. The DT Agent License Applicant or the licensed DT Agent, as the case may be, must fulfill any additional obligations that may arise as a result of the by-laws issued thereafter. By-laws affecting the activity and / or the terms and criteria for licensing of DT Agents licensed prior to the effective date of such By-laws shall extend their effect to these DT Agents only 15 (fifteen) Working days after the effective date of such By-laws. The AFSA may, as the case may be, set a shorter deadline, but not shorter than 10 (ten) Working days from the date of entry into force of the By-laws.
6. The same provision applies to the Applicants, which have submitted the application to be licensed as TD agents prior to the entry into force of the By-laws. In this case, the Applicant may request the suspension of the licensing procedure during the period referred to in paragraph 5 of this Article.
7. To maintain the DT Agent License, the DT Agent must submit a self-declaration to the AFSA, which must:
 - a) demonstrate that DT Agent fulfills all the general conditions and specific criteria and is in accordance with all obligations set forth in this Law; and
 - b) inform the AFSA of any changes to the DT Agent management structure, specifically changes to directors, administrators or key personnel, as well as changes to the DT Agent's internal rules of operation.

8. Within January of each year, the DT Agent is required to submit to the AFSA the documentation certifying the completion of the mandatory continuous training program in order to enable the AFSA to assess whether the DT Agent has continued to have proper technical and legal skills and knowledge to exercise the activity for which it has been licensed.
9. The Council of Ministers is hereby authorized to determine the types of the evidentiary documents of the application process, submission procedures, review of documents, types and periodicity of mandatory training programs and the method of the evaluation thereof.

Article 30

Conflict of Interests of the DT Agents

1. For each License application which should be submitted through the DT Agent in the name and on behalf of the Applicant, the DT Agent must attach to the respective application an additional self-declaration stating that the latter is independent from the Applicant and is not in Conflict of Interest with him/her.
2. The DT Agent must continue to remain independent and not be in Conflict of Interest with the License Holder even after the latter has been licensed. Therefore, the aforementioned self-declaration should continue to be attached to the Annual Declaration of Compliance of the License Holder.

Article 31

Duties of the DT Agents

1. The DT Agent shall:
 - a) assist the Applicant on all matters related to the activities to be carried out by the latter, with the objective of obtaining and maintaining the relevant License, and provide any services that shall be considered necessary or appropriate pursuant to this Law, in accordance with the specific case;
 - b) assist the Applicant or the License Holder, as the case may be, for the fulfillment of all their duties and obligations as provided in the present Law and the by-Laws for its implementation;
 - c) guarantee the Competent Authorities and periodically verify that the Applicants and the License Holders, as the case may be, to be considered as Fit and Proper in order to carry out the related activities and fulfill all their requirements, duties and obligations as provided by the present Law;
 - c) always act in a cooperative manner in the relationships with the Competent Authorities;
 - d) ensure a prompt and effective communication between the Applicants or the License Holders, as the case may be, on the one side, and the Authorities, on the other side, with respect to any relevant request submitted by the latter pursuant to the present Law;

- dh) submit, in the name and on the account of the Applicant or License Holder, all documentation, information and clarifications required by the Competent Authorities within the deadlines specified in the present Law;
 - e) promptly disclose to the Competent Authorities any information regarding the possible non-compliance of the Applicant or the License Holder with the provisions of the present Law;
 - ë) inform in writing or electronically the Competent Authorities in case of resignation or termination of the appointment as DT Agent within 10 (ten) Working days from the date of the resignation or termination, providing reasons for such resignation or termination of the nomination;
 - f) submit to the Competent Authorities, the Declaration of Compliance of the License Holder:
 - i. 12 (twelve) months after the date of registration of the License Holder in the relevant Register, and
 - ii. each subsequent 12th (twelfth) month in accordance with the requirements of the present Law;
 - g) handle any other request of the Competent Authorities and / or any other state authority pursuant to this Law.
 - gj) Keep funds in order to guarantee professional indemnity. Detailed procedures on professional indemnity shall be determined by regulations issued by the Authority.
2. Any mutual communication between the DT Agent and the Competent Authorities pursuant to this Law shall be treated by the DT Agent as confidential and shall be protected by the duty of professional secrecy.

Article 32

Liability of the DT Agents

The DT Agent shall be deemed liable for all the damages suffered by any Applicant or License Holder, as a direct consequence of a breach of any of the duties or obligations of the DT Agent provided for in the present Law.

CHAPTER IV

DIGITAL TOKENS AND/OR VIRTUAL CURRENCIES OFFERINGS

Article 33

Digital Token Offerings and Virtual Currencies

The Offering of Digital Tokens and/or Virtual Currencies regulated by the present Law, comprise the following:

- a) A Security Token Offering (STO), whereby the offer to the public has a total consideration equivalent to, or higher than, Euro 1.000.000,00 (one million) or its equivalent in ALL, calculated over a period of 12 (twelve) months; in such case, the provisions of Article 34 of the present Law shall apply;
- b) A Security Token Offering (STO), whereby the offer to the public has a total consideration of less than Euro 1.000.000,00 (one million), or its equivalent in ALL, calculated over a period of 12 (twelve) months; in such case, the provisions of Article 35 of the present Law shall apply;
- c) An Initial Coin Offering (ICO), whereby the offer to the public has a total consideration equivalent to, or higher than, Euro 8.000.000,00 (eight million), or its equivalent in ALL,

calculated over a period of 12 (twelve) months; in such case, the provisions of Article 36 of the present Law shall apply;

c) Initial Coin Offering (ICO) whereby the offer has a total consideration of less than Euro 8.000.000,00 (eight million), or its equivalent in ALL, calculated over a period of 12 (twelve) months, which shall have the obligation to publish an informative document related to the offer. The form and content of this document shall be determined by further regulations to be issued by AFSA. These offers are excluded from the application of the requests set out in Articles 38, 39, 41 and 49 under this Law.

Article 34

Security Token Offerings with obligation to publish a Full Prospectus

To a STO with a total consideration equivalent to, or higher than, Euro 1.000.000,00 (one million), or its equivalent in ALL, calculated over a period of 12 (twelve) months, shall apply, as the case may be and to the extent such provisions are compatible with the present Law, the following provisions:

- a) Provisions of the capital markets legislation regarding the conditions of the offer and the prospectus.
- b) Provisions of the collective investment undertaking legislation in cases where the issuer of the STO is an Alternative Investment Fund that is placing an offer to professional clients.

Article 35

Security Token Offerings with obligation to publish an Offering Memorandum

A STO pursuant to Article 33 (b) of this Law, is exempt from the obligation to publish a Full Prospectus. For this STO it is required to publish an Offering Memorandum pursuant to the provisions of the “Capital Markets” Law.

Article 36

Initial Coin Offerings of the digital tokens/virtual currencies with obligation to publish a Whitepaper

An ICO pursuant to article 33 (c) of this law shall be required to publish a Whitepaper pursuant to the provisions of the present Law.

Article 37

Obligations of the Issuers

1. An Issuer shall:
 - a) conduct its activity with honesty and integrity;
 - b) conduct its activity with consideration of the interests and needs of each of the purchasers of Digital Tokens / Virtual Currencies while exercising its activity;
 - c) to treat fairly, clearly and non-abusively any buyers of Digital Tokens / Virtual Currencies;
 - c) have appropriate corporate governance arrangements;
 - d) maintain system and security access protocols to appropriate high standards;
 - dh) establish, on its own or through a third party, systems in place to prevent, detect and eliminate

the financial crime risks;

e) establish on its own or through a third party, systems to prevent, detect and eliminate the risk of money laundering and terrorism financing;

ë) have adequate financial resources.

2. All the above-mentioned requirements under paragraph 1, under this Article shall be assessed by the DT Agent, who shall provide a sworn statement regarding the fulfillment of these obligations by the issuer, which must be attached to the application for authorization. With regards to the requirement under (d), paragraph 1 of this Article, the DT Agent may delegate the obligations to assess the related technical requirements to an Innovative Service Provider.
3. Where an Issuer maintains a website and is required to publish any information or provide notice to the public, pursuant to the present Law, the Issuer shall be deemed to have complied with this obligation if it publishes such information or notice on his website.

Article 38

Place of Launching of the STO or ICO

1. This Law applies to STOs and ICOs launched by an Issuer in or from Albania. An STO or ICO is deemed launched in or from Albania if the Issuer is a Person Resident in Albania, pursuant to the provisions of this Law.
2. The Digital Security Tokens issued through an STO which is not launched in or from Albania, can be offered in Albania only if the respective applicable legislation is not less protective of the investors' interests than the present Law.
3. The Digital Utility Tokens and/or the Digital Payment Tokens and/or the Digital Asset Tokens and/or Virtual Currencies issued through an ICO pursuant to article 33 (c) of this law, which is not launched in or from Albania, can be offered in Albania if the respective document published by the foreign issuer is substantially equivalent to a Whitepaper and the foreign initial coin offering is substantially compliant with all the requirements and criteria provided for in the present Law.

Article 39

Requirements for Launching STOs and ICOs

Launching of STOs and ICOs, as well as the requirement to be admitted to listing and trading of Digital Tokens and / or Virtual Currencies in any DLT Exchange and DLT Trading Venue, will only be possible after the Issuer has fulfilled all of the following requirements:

- a) to appoint and maintain appointed throughout the duration of the STO or ICO a DT Agent, who shall carry out its duties pursuant to the provisions of Chapter III of the present Law;
- b) to draw up, through the appointed DT Agent, a Full Prospectus, or Memorandum Act or Whitepaper, as the case may be, which shall comply with all requirements and criteria set forth in the present Law;
- c) to submit to the Competent Authorities, through the appointed DT Agent, the application for the Authorization of the STO or ICO, as the case may be, together with the Full Prospectus, or Memorandum Act or Whitepaper; and
- ç) to obtain written Authorization from the Competent Authorities for the launch / commencement of the STO or ICO, pursuant to the provision of the present Law;
- d) to obtain the relevant Certificate for any Innovative Technology Agreement in use for the design, programming and implementation of Distributed Ledger Technology.

Article 40
Content of the Whitepaper

1. The Whitepaper shall contain detailed information in relation to the Issuer and the functioning of the Digital Utility Token and/or Digital Payment Token and/or Digital Asset Token and / or the Virtual Currency to be issued through ICO.
2. In any case, the Whitepaper, must contain at least all of the following elements:
 - a) be dated;
 - b) provide information in relation to the activity of the Issuer, including address of the registered seat, the members of the Board of Directors/ Supervisory Board, auditor (if applicable) and the most recent annual or semi-annual financial statements (if applicable);
 - c) illustrate the main risks as well as the technological specifics of the Digital Utility Token and/or Digital Payment Token and/or Digital Asset Token and/or Virtual Currency ;
 - ç) in case of ICOs of Digital Utility Tokens, specify which application or service or good is accessed through the Digital Utility Token; and
 - d) comply with the provisions of the present Law and all By-Laws for its implementation.
3. Any provision (contained in any contract or other document whatsoever) demanding an investor in an ICO to waive the protection of its rights and interests guaranteed by the present Law, including the obligation of the ICO itself to comply with the provisions of the present Law, shall be considered as null and void.
4. More detailed provisions with regards to the form and content of the Whitepaper shall be provided by regulations to be issued by AFSA.

Article 41
Authorization Application

1. The Applicant as Issuer of a STO or ICO shall prepare the relevant application and file it with the AFSA, through the appointed DT Agent. The application for authorization and relevant documentation may also be submitted electronically, in accordance with the provisions of the by-Laws of the present Law, which may provide for the application of Distributed Ledger Technology.
2. The relevant documentation of the Authorization application must include:
 - a) Full Prospectus/Memorandum Act/Whitepaper, as appropriate;
 - b) The self-declaration of DT Agent pursuant to the provisions of the present Law;
 - c) The payment receipt of the relevant STO/ICO Authorization Application Fees.Within 1 (one) Working day of receiving the Application for Authorization and the relevant documentation, AFSA will forward them to NAIS for the purpose of reviewing the Innovative Technology Agreements and other technological aspects.
3. During the authorization process, AFSA checks whether the full prospectus Prospectus/Memorandum Act / Whitepaper contains all the information in accordance with this law or regulations in accordance with this Law. AFSA does not verify the veracity and accurateness of the provided information in the Full Prospectus/ Memorandum Act / Whitepaper and does not hold any liability for the veracity and accurateness of such information.

Article 42
Timing of the Authorization Procedure

1. The AFSA, pursuant to Article 41 of the present Law, reviews the application for Authorization together with the relevant documentation.
2. The AFSA shall communicate the decision on the Authorization of the relevant STO or ICO within 60 (sixty) days from the date of filing the application for authorization, through the appointed DT Agent, of the application.

Article 43
Powers of the AFSA and NAIS

In addition to the other powers vested in AFSA and NAIS by the present Law, they shall also exercise the following powers in relation to the Authorization of STOs and ICOs.

1. During the Authorization procedure of the STO or ICO, the AFSA, also on behalf and upon request of the NAIS, shall:
 - a) request further clarification within 15 Working days of the submission of the application for Authorization;
 - b) request the inclusion of supplementary information in the Full Prospectus/Memorandum Act/Whitepaper, as appropriate, or in the advertisement on the Issuer's Website within 15 (fifteen) Working days of the date of submission of the Authorization application;
 - c) request the amendments to the Full Prospectus, or Memorandum Act, or Whitepaper, to the advertisement on the Issuer's website within the above mentioned term of 60 (sixty) days from the date of submission of the application for Authorization, as specified in Article 42.

The request(s) of AFSA for further clarification, and/or inclusion of supplementary information, and/or modification of the content of the Full Prospectus/Offering; Act/Whitepapers and/or advertisements on the issuer's website should be supported by grounded reasons, with the aim of guaranteeing the protection of the rights of the buyers of the Digital Utility Tokens and Virtual Currencies.

In the case of the foregoing requests, the 60 (sixty-days deadline set forth in Article 44 shall be suspended until such time as the Applicant submits to the AFSA, through the appointed DT Agent, further clarification and / or includes supplementary information and / or makes any changes thereto required in the content of the Full Prospectus / Memorandum Act / Whitepapers and / or advertisements on the issuer's website.

If the Applicant fails to provide further clarification and/or include supplementary information and/or make the required changes to the content of the Full Prospectus / Memorandum Act / Whitepaper within 10 (ten) working days, (or when depending on the circumstances, the AFSA sets a longer deadline, but not longer than 20 (twenty) working days, the Authorization application shall automatically be deemed as rejected.

Within 1 (one) working day of submitting further clarification and/or including supplementary information and/or making changes required to the content of the Full Prospectus / Memorandum Act / Whitepaper or advertisements on the Issuer's website by the DT Agent on behalf of the Applicant, AFSA delivers a copy of the documentation to NAIS, in cases where the request came from the latter.

For the purpose of thoroughly reviewing further clarifications and / or including supplementary information and / or making any changes required to the content of the Full Prospectus / Memorandum Act/Whitepaper or advertisements on the Issuer's Website, submitted by the Applicant, through his DT Agent, the calculation of the remaining days of the 60 (sixty) day deadline set forth in Article 42 shall resume only 3 working days after receiving the required clarification and/or supplementary documentation and/or making the required changes.

2. Upon completion of the authorization procedures of the STO or ICO, the AFSA, on its own initiative and / or in the name and upon request of the NAIS, may:
 - a) suspend the STO or ICO, if one or both of the Competent Authorities suspect, on reasonable grounds, that one or more the provisions of the present Law has been infringed. In such a case, the relevant decision shall be made public by the AFSA, within the following 3 (three) working days, shall give a term of up to 10 (ten) working days to the Issuer in order to provide a response in relation to the suspension decision, together with the supporting documents, as requested by the AFSA. If the Issuer replies within the above-defined terms, the Competent Authorities shall evaluate the response, together with the relevant documents and decide whether to consent the continuation of the STO or ICO that was suspended or to ban such STO or ICO. If, after reviewing the Issuer's response, the Competent Authorities consider that the STO or ICO does not comply with the provisions of this Law, the latter shall be immediately banned.
 - b) immediately ban the STO or ICO, without firstly undergoing the suspension procedures in case one or both the Competent Authorities have evidence that any of the provisions of the present Law has been infringed. In such case, the decision to ban the STO or ICO shall be made public by the AFSA within 3 working days from the decision to be banned.
3. Upon completion of the authorization procedures and during the trading of a Digital Token and Virtual Currency on a DLT Exchange and/or on a DLT Trading Venue:
 - a) AFSA can, whether of its own initiative or upon request of a DLT Exchange or a DLT Trading Venue on which Digital Tokens/Virtual Currencies have been admitted to trading and traded, may:
 - i. suspend from trading or transacting the Digital Token/Virtual Currency if it suspects, on reasonable grounds, that one or more the provisions of Chapter IV of the present Law have been infringed; procedures that shall apply in this case shall be equivalent to letter “a” under paragraph 2 of this Article.
 - ii. remove directly the Digital Token/Virtual Currency from trading or transacting, without previously suspending it, if it has evidence that any of the provisions of Chapter IV of the present Law has been infringed; The procedures to be followed in this case shall be equivalent to those provided in letter (b), paragraph (2) of this Article;
 - b) DLT Exchange or DLT Trading Venue on which a Digital Token / Virtual Currency has been admitted to trade and transact may:
 - i. suspend trading or transacting the Digital Token / Virtual Currency if it suspects, on reasonable grounds, that any of the provisions of Chapter IV of the present Law has been infringed or that the Digital Token / Virtual Currency no longer complies with the procedures of evaluation provided in Chapter V of the present Law; or

ii. remove directly the delisting the Digital Token /Virtual Currency DLT Exchange or DLT Trading Venue, without previously suspending it, if it has evidence that any of the provisions of Chapter V of this Law has been infringed. The DLT Exchange or DLT Trading Venue that suspends or removes from trading and transacting a Digital Token / Virtual Currency, shall inform the AFSA giving the reasons for the decision on suspension and / or removal from trading, not later than the following working days from the moment of taking such decision. The procedures to be followed in this case shall be equivalent to those provided in letter (a) paragraph (3) of the present Article.

4. Both during the Authorization procedure of the STO or ICO and after its Authorization, the AFSA may:

- a. make public the fact that the Issuer is failing to comply with the obligations as set forth in the present Law;
- b. disclose measures or sanctions imposed on any Person responsible for the issuance, circulation or distribution of a Full Prospectus, or Memorandum Act, or Whitepaper;
- c. limit, until the complete prohibition the advertising/promotion of the STO or ICO.

Article 44

Refusal to grant the Authorization

The AFSA and/or the NAIS shall refuse to grant their respective Authorization to the STO or ICO if the following circumstances occur:

- a) the ICO/STO Application Fees have not been paid by the Applicant ;
- b) the Competent Authorities, after reviewing the application, deem that the Applicant has submitted false, inaccurate or incomplete documentation and/or information;
- c) the Competent Authorities, after reviewing the application, deem that the documentation or information submitted by the Applicant are not sufficient and / or that the Applicant does not fulfil the requirements for such Authorization.
- ç) the Competent Authorities, after reviewing the application, judge on reasonable grounds that the Applicant cannot continue to meet the requirements and criteria for Authorization in the future.

Article 45

Website of the Issuer and publication of the Full Prospectus, Memorandum Act Components, Whitepaper

1. The specific content and format of the Issuer's website shall be determined by the By-Laws pursuant to the present Article.
2. The publication of the Full Prospectus/Memorandum Act/Whitepaper on the Issuer's website or their circulation in any form, prior to obtaining the relevant STO or ICO Authorization in accordance with Article 42 of the present Law, is not allowed.

Article 46

Duties of the DT Agent

During the performance of the activities related to the launching of a STO or ICO, the DT Agent shall comply with all applicable provisions of the present Law.

Article 47

ICO Promotional Activity

1. Any type of promotional activity relating to either an ICO or the admission to trade or transaction of a Digital Utility Token, Digital Payment Token or Digital Asset Token and Virtual Currency on a DLT Exchange or on a DLT Trading Venue shall comply with the following requirements:
 - (a) the promotional activity shall be identifiable as such and the information contained in such promotional activity shall not be inaccurate or misrepresentative. In any case, this information shall be consistent with the information provided in the Whitepaper, if already published, or with the information required to be in the Whitepaper, if it is yet unpublished;
 - (b) the promotional activity shall contain a declaration stating that the Whitepaper has been or will be published and the addresses and times at which copy of such Whitepaper is or will be available to the public; and
 - (c) all the information related to the admission to be traded or transaction of Digital Utility Token, Digital Asset Token, Digital Payment Token or Virtual Currency on a DLT Exchange or on a DLT Trading Venue which are disclosed in a verbal, written form or electronic, whether for promotional purposes or not, shall be consistent with the information contained in the Whitepaper.
2. The term “information” shall be deemed for the purposes of this Article to include the name of any person endorsing the Issuer’s Whitepaper, and the name of the relevant DT Agent. Such information, if existing, shall be included in the Whitepaper.

Article 48

Liability of the Issuer

The Issuer shall be liable for damages suffered by a Person as a direct consequence of such Person having purchased a Digital Token/Virtual Currency, either through an STO or ICO, on a DLT Exchange or on a DLT Trading Venue, in cases where the purchase in question is based on false, incorrect or incomplete information contained in the Full Prospectus, or Memorandum Act, or Whitepaper, as the case may be, or in the website, or in the advertisement of the Issuer.

No Person shall be deemed liable if:

- (a) he/she/it proves that he/she/it believed and had reasonable grounds to believe, without fault, that the statement was true or non-misleading; or
- (b) on becoming aware of the false, inaccurate, incomplete statement, he/she/it has immediately taken all the reasonable steps to give public notice of the false/inaccurate or incomplete nature of the information in question.

Article 49

Mandatory Bank Account

1. Where the Issuer accepts FIAT Money in exchange for Digital Tokens / Virtual Currency granted through an STO or ICO, he/she/it is obliged to open a bank account with an authorized banking institution. Resident in Albania, licensed by the Bank of Albania in accordance with the Law "On Banks in the Republic of Albania", with the purpose of depositing such money.
2. The FIAT money accepted by the Issuer must remain on separate accounts until the closure of the STO or ICO offer.

CHAPTER V

DLT Exchange

Article 50

General provisions applicable to DLT Exchanges

1. Any Legal Person wishing to carry out the activity as a DLT Exchange pursuant to this Law must possess the relevant license issued by AFSA and NAIS and must be registered in the Licensed DLT Exchange Register in accordance with Article 24 of the present Law.
2. The services and activities provided for DLT Exchange may only be performed by those DLT Exchanges that hold the relevant License and only during the validity period of such License.

Article 51

Specific Criteria for DLT Exchanges

1. In addition to the general requirements provided for in Article 9 of Chapter II of this Law, the DLT Exchange License Applicant (or the licensed DLT Exchange) must fulfill (during the whole activity) the following specific requirements:
 - a) must demonstrate, by providing copies of the related internal procedures, to have adopted and implemented and that it will maintain and update internal procedures for:
 - i. suspending trading of Digital Tokens/Virtual Currencies; freezing transactions with Digital Token / Virtual Currency; handling open purchase orders during and immediately after the suspension or closing of the platform, for whatever reason; and
 - ii. suspending and delisting of the Digital Token/Virtual Currency by the DLT Exchange, in accordance with the provisions of Chapter IV of the present Law.
 - b) must demonstrate, by providing copies of the related documents, to have adopted and implemented and that it will maintain and update an inclusive risk management program which shall include cybersecurity measures. The risk management program shall be proportionate in respect of the nature, dimension, complexity and risk profile of the DLT Exchange;
 - c) must demonstrate, by providing copies of the relevant documents, to have adopted and implemented and that it will maintain and update internal procedures and systems aimed to guarantee to its clients the right to directly access the DLT Exchange to credit, withdraw, place, execute, place or perform purchase or sale orders without intermediation of third parties;
 - c) must demonstrate, by providing copies of the related documents, to have adopted and implemented and that it will maintain and update all the necessary measures to detect and prevent

the opening of multiple accounts by its clients, including, but not limited to, the use of algorithmic software for trading (Trading Bots);

- d) must demonstrate, by providing copy of the relevant document, to comply with the specific technological requirements as set forth in the by-laws pursuant to the present Law, in order to ensure and maintain an adequate functioning of such DLT Exchange and to assure the protection of the interests of its clients;
 - dh) must demonstrate, by providing copies of the related documents, to have adopted and implemented and that it will maintain and update internal operational regulations and systems in order to guarantee the separation of the DLT Exchange activity from its other business activities;
 - e) must demonstrate, by providing copies of the related documents, to have adopted and implemented and that it will maintain and update internal operational regulations for establishing and integrating into its internal control system an efficient control function, independent of DLT Exchange trading through which systematically records and evaluates of the trading activities data will be carried out without interruption;
 - ë) must demonstrate, by providing copies of the related documents, to have adopted and implemented and that it will maintain and update all the necessary measures to keep a chronological record of all orders and transactions carried out in the DLT Exchange, and ensure that every change to such records, including the status before the change, can be tracked, even in the event of intense trading activity;
 - f) must demonstrate, by providing copies of the related documents, to have adopted and implemented and that it will maintain and update transparent rules and procedures for fair, efficient and orderly trading, as well as objective criteria for the effective execution of orders, which will be communicated to participants.
2. The specific requirements under a), b), c), ç) and d) will be assessed by the NAIS, while the specific requirements under dh), e),ë) and f) will be assessed by both the Competent Authorities.
 3. The Applicant for the DLT Exchange License, or the Licensed DLT Exchange, as the case may be, shall satisfy any supplementary obligations that may arise as a result of by-laws granted in the future. The by-laws pursuant to the present Law affecting the activity and/or the requirements and criteria of licensing of DLT Exchange that were licensed prior to the effective date of these By-laws, shall be effective for these DLT Exchange only 15 (fifteen) Working days after their entry into force. The AFSA may, as the case may be, set a shorter deadline, but in any case no shorter than 10 (ten) working days from the date of entry into force of the by-laws.
 4. Any Applicant who, at the time of the entry into force of the by-laws, have filed an application for a DLT Exchange License, will be granted, upon request, an additional time to comply with such by-laws.

Article 52

Conflict of Interests of the DLT Exchange

For each Digital Token / Virtual Currency to be admitted to trade in the DLT Exchange, the latter must declare to be independent from the Issuer of such Digital Token / Virtual Currency and not to have any Conflict of Interests with regards to such Issuer and/or in connection with the relevant STO or ICO. This self-declaration must be attached to the licensing application and the following Annual Declaration of Compliance.

Article 53

Duties of the DLT Exchange

1. The DLT Exchange shall,
 - a) not, under any circumstance whatsoever transfer or encumber its clients' assets without the written or electronic instruction;
 - b) take all the reasonable efforts to explain to clients the fee structure and adequately inform its clients in connection with all the fees charged to them;
 - c) always act in cooperative manner in relation to the Competent Authorities;
 - ç) always act in cooperative manner in relation to the appointed DT Agent;
 - d) ensure a prompt and proper communication with the Competent Authorities with respect to any relevant request submitted by the latter pursuant to this Law;
 - dh) submit all documentation, information and clarifications which may be requested by the Competent Authorities, within the relevant terms and conditions as provided in the present Law;
 - e) promptly disclose to the Authorities any information regarding its possible non-compliance with the provisions of this Law;
 - ë) inform the Competent Authorities in writing or electronically in case of resignation or termination of the appointment of the DT Agent within 10 (ten) working days from the date of resignation or termination, providing details of any relevant facts pertaining to such resignation or termination;
 - f) submit to the Competent Authorities, the relevant Declaration of Compliance of the License Holder:
 - i. 12 (twelve) months after the date of registration of the License Holder in the relevant Register, and
 - ii. each subsequent 12th (twelfth) month in accordance with Article 17 of the present Law;
 - g) handles any other request of the Competent Authorities and/or any other state authority pursuant to this Law;
 - gj) require to the appointed DT Agent any clarification deemed necessary to carry out its assessment for admission to trade or transact the Digital Tokens and/or Virtual Currencies;
 - h) comprehensively review any application for admission to trade, trading, and transactions with the Digital Token / Virtual Currency, with a view to verifying the latter's accordance with the requirements of the present Law with respect to the required Authorization by AFSA and / or NAIS. Any Digital Token / Virtual Currency issued prior to the entry into force of the present Law shall be reviewed retroactively by the Competent Authority in accordance with the provisions of this Article. Digital Security Tokens may be traded and subject to transactions on a DLT Exchange licensed in Albania only if, in the relevant applicable legislation, the interests of investors are no less protected than in the present Law.
 - i) The compliance officer or other senior manager of the DLT Exchange shall adopt, maintain and update internal regulations containing the evaluation criteria for admission, trading and transacting of Digital Tokens / Virtual Currency on the relevant DLT Exchange, as well as the standards for the review and evaluation in continuation of the eligibility for trading a Digital Token / Virtual Currency on the relevant DLT Exchange. Internal regulations should contain at least the following elements:
 - i. a monthly review of the Digital Token/Virtual Currency's present utility, based on the Full Prospectus / Memorandum Act / or Whitepaper of the Digital Token and any other relevant information and documentation provided by the DT Agent. Where, as a result of such

review, it is ascertained that

- when a Digital Token, previously classified as a Digital Utility Token/Digital Payment Token / Digital Asset Token or when a Virtual Currency has acquired the functions and features of a Digital Security Token and;
 - DLT Exchange has not been granted a Category “C” License, then the DLT Exchange shall immediately take all necessary steps to remove from trading such Digital Token / Virtual Currency.
- ii. a monthly review of any promotional activity published in the print, visual, and online media (including social media as well as any subsequent statements) of the Issuer of the Digital Token / Virtual Currency or their DT Agents;
 - iii. up-to-date written or electronic opinion prepared by the DT Agent clarifying and explaining the nature of the Digital Token / Virtual Currency;
- j. regularly publish trading data and ensure that such information is available to the public and authorities;
 - k. in the case of a DLT Exchange holding Category A and B License, to ensure that the client has stated by writing that he understands all the risks of trading on this exchange, as well as that he may lose part or all of his capital;
 - l. in the case of the DLT exchange holding Category C License, to conduct a preliminary assessment of the knowledge and suitability of clients, according to the provisions of section II, Chapter IV, of the Law “On Capital Markets.
2. Any mutual communication between the DLT Exchange and the Competent Authorities pursuant to this Law shall be treated by the DLT Exchange as confidential and shall be protected by the duty of professional secrecy.
 3. Digital Tokens that do not fall under the definition of Digital Security Token and which are granted outside of Albania shall be exempt from the provisions of the present Article.

Article 54

Liability of the DLT Exchange

The DLT Exchange shall be deemed liable for all the damages suffered by any of its clients, caused as a direct consequence of a breach of any of the duties or obligations of the DLT Exchange provided in this Law.

Article 55

Specific Requirements of the Centralized DLT Exchange

1. The Applicant for DLT Exchange License, which shall be a Centralized DLT Exchange (and the licensed DLT Exchanges which are Centralized), must demonstrate, by providing evidence in this respect, to have adopted and to maintain the following minimum security measures to set up a resilient internal system, capable to prevent and manage cyber-attacks and to offer to their clients a mean of recourse in case of fund loss:
 - a) two-factor authentication of users;
 - b) “whitelisting” of users IP addresses;
 - c) use of off-line storages;
 - ç) use of multi-signature digital Wallets;
 - d) periodical performance of tests to verify the resilience of the system;
 - dh) periodical execution of penetration tests to verify the cyber security of the system;
 - e) performance of at least one yearly audit inspection to assess the maintenance and efficiency of the minimum security measures as indicated in the paragraphs (a)(b)(c)(ç)(d)(dh) under this Article;
 - ë) measures to properly ensure and guarantee the segregation of the users’ funds from the DLT Exchange’s funds through the setup of separate Wallet addresses.
2. The specific criteria listed above shall be assessed by NAIS.

Article 56

Safeguard and Custody Services of Centralized DLT Exchanges

In case a Centralized DLT Exchange carries out activities regarding Transferable Securities, such Centralized DLT Exchange shall, alternatively:

- a) obtain the Relevant License granted by the Bank of Albania, or
- b) contract the services of safeguard and custody of the Transferable Securities of a Third Party Custody Wallet Provider licensed pursuant to this Law.

Article 57

Specific Criteria for Category “A” - DLT Exchanges

1. In addition to the specific criteria set forth in Article 51, a Licensed DLT Exchange, applying to obtain Category “A” License shall always have and maintain a minimum capital amounting to ALL 20,000,000 (twenty million).
2. The specific criteria listed above shall be assessed by the AFSA.

Article 58

Specific Criteria for Category “B” DLT Exchange

1. In addition to the specific criteria as set forth in Article 51, a DLT Exchange applying to obtain a Category “B” License shall:
 - a) demonstrate, by providing copy of the relevant document, to have and maintain a minimum capital amount of ALL 60,000,000 (sixty million); or
 - b) demonstrate, by providing copy of the relevant document, that the amount of FIAT Money deposited with the DLT Exchange shall not exceed at any time the total amount of ALL 30,000,000 (thirty million).
2. The specific criteria listed above shall be assessed by the AFSA.

Article 59

Specific Criteria for Category “C” DLT Exchange

In addition to the specific criteria set forth in Article 51, a DLT Exchange applying to obtain Category C License shall:

- a) demonstrate, by providing copy of the relevant document, to have and maintain a minimum capital amount of ALL 90,000,000 (ninety million);

- b) demonstrate, by providing copy of the relevant document, to have and maintain a minimum value of net liquid asset ratio of 1.00 (one) of the liquidity indicator pursuant to regulations granted by AFSA;
 - c) demonstrate, by providing copies of the related documents, to have adopted and implemented and will maintain and update, effective systems, and internal operation regulations to monitor and detect market abuse; and must demonstrate that such internal regulations shall at least include the following elements:
 - i. identification and assessment of the full range of market manipulation- related and similar risk areas;
 - ii. effective procedures and controls to protect against identified risks;
 - iii. assignment of duties and responsibilities for monitoring risks; and
 - iv. a periodic assessment and review of the procedures, controls and monitoring mechanisms in order to guarantee ongoing efficiency, including continuing accordance with all applicable laws and regulations;
 - ç) upon detection of any manipulative conduct, submit to the AFSA, which will receive it also on behalf of the NAIS, a report indicating all pertinent details known at the time of the report, as well as a statement of the actions taken or proposed to be taken with respect to the manipulative conduct.
2. The specific criteria listed under a), b) and c) under this Article shall be assessed by the AFSA.
 3. The specific criteria listed under d) shall be assessed jointly by both Competent Authorities.
 4. Starting from the effective date of entering into force of the present Law and until the expiration of the 12th (twelfth) month thereafter, the Competent Authorities shall limit the granting of Category “C” DLT Exchange License with the aim to monitor the activity of the License Holders for the initial period.
 5. For the purpose of application of paragraph 4 under this Article Competent Authorities shall determine the criteria procedures and modalities regarding the limiting of Category “C” DLT Exchange granted by the Competent Authorities.

Article 60

Margin Trading activities

A DLT Exchange may carry out Margin Trading activity only in the following cases:

- a) when it demonstrates, by providing copy of the relevant license granted by the Bank of Albania;
- b) when it demonstrates, by providing copy of the relevant document, that the Margin Trading activity on the DLT Exchange complies with the requirements and criteria to be determined by the by-laws pursuant to the present Law.

Article 61

DLT Trading Venues

1. Any trading venue may also practice the trading activities of a DLT Exchange, and when exercising such activities shall be considered a DLT Trading Venue within the meaning provided by the present Law, after the NAIS certification of the criteria set out in letters a), b) c), ç) and d) of Article 51 of the present Law. Certification by NAIS shall be carried out in accordance with the provisions of Chapter II of the present Law, analogously applying the relevant procedures.
2. In addition to the provisions of paragraph 1, under this Article, the provisions of this Chapter shall analogously apply to DLT Trading Venues, in addition to the relevant provisions of any other applicable law.

CHAPTER VI

INNOVATIVE SERVICE PROVIDERS

AND INNOVATIVE TECHNOLOGY AGREEMENTS

SECTION I

INNOVATIVE SERVICE PROVIDERS

Article 62

General Provisions applicable to the Innovative Service Providers

1. Any Legal Person wishing to operate as an Innovative Service Provider pursuant to this Law must possess the relevant License granted by NAIS and be registered in the Innovative Service Provider Register as provided in Article 25 of the present Law.
2. Services and activities of Innovative Service Providers may only be performed by those Innovative Service Providers who hold the relevant License and only during the validity period of the License.

Article 63

Specific Criteria of the Innovative Service Providers

1. In addition to the general requirements provided in Article 9 of Chapter II of this Law, the Applicant for an Innovative Service Provider License (and the already licensed Innovative Service Provider) must demonstrate, by enclosing to the licensing application the relevant documentation, proving the possession of the appropriate technical skills and knowledge to carry out the related activities.
2. The specific criteria together with the relevant documentation shall be assessed by the NAIS.
3. The documentation must be original or a notarized copy.
4. With the objective to guarantee an adequate level of professionalism, the Applicant for a license as Innovative Service Provider, or, as the case may be, a Licensed Innovative Service Provider, must demonstrate that it has completed and will continue to carry out mandatory training programs on a regular basis. Mandatory training programs shall be determined by the by-laws pursuant to the present Law.
5. The Applicant for a license as Innovative Service Provider and the licensed Innovative Service

Provider, as the case may be, shall also fulfil any supplementary obligations that may arise as a result of by-laws issued in the future.

6. The by-laws granted pursuant to the present Law affecting the activity of Licensed Innovative Service Providers prior to the entry into force of these by-laws shall be effective for such Innovative Service Providers not earlier than 15 (fifteen) working days after their entry into force. NAIS may, as the case may be, set a shorter time limit but not shorter than 10 (ten) working days from the date of entry into force of the By-laws.
7. The same provision shall apply to the Applicant who have applied for an Innovative Services Provider License prior to the entry into force of the By-laws. In this case, the Applicant may request the suspension of the licensing procedure for the period referred to in paragraph 6, under this Article.
8. In order to maintain the Innovative Service Provider License, the latter shall provide to the NAIS a self- declaration containing the following elements:
 - a) proving that the Innovative Service Provider fulfils all the relevant general requirements and specific criteria and complies with all the relevant obligations under the present Law, and;
 - b) informing the NAIS of any changes in the management structure of the Innovative Service Provider, with particular regard to the changes of the directors, managers or key personnel, as well as changes in the internal operational regulations of the Innovative Service Provider.
9. Within January of every year the Innovative Service Provider is also obliged to provide to the NAIS the relevant documentation on the correct fulfilment of the mandatory continuous training program, to enable NAIS to assess whether the Innovative Service Provider continues to have the appropriate legal and technical skills and knowledge to carry out the related activities for which it has been licensed.

Article 64

Conflict of Interests of the Innovative Service Providers

1. For any application related to the Certification of Innovative Technology Agreements, the Innovative Service Provider shall attach to the relevant application a self-declaration stating that the latter is independent from the Applicant and is not in Conflict of Interest with such Applicant and/or with the relevant Innovative Technology Agreement.
2. The Innovative Service Provider shall remain independent from and not in Conflict of Interests with the Applicant during and even after grant of Certification by the latter. For this reason, the above self-declaration should continue to be attached to the annual Declaration of Compliance of the License Holder.

Article 65

Obligations of the Innovative Service Provider

1. The Innovative Service Provider shall:
 - a) assist the Applicant to carry out any procedure related to the Certification of the Innovative Technology Agreement and provide any services that shall be deemed necessary and appropriate pursuant to this Law;
 - b) assist the certified entity after the certification procedures of the relevant Innovative Technology Agreement, on all matters related to the activities to be carried out by such subject, with the objective of maintaining the relevant Certification, specifically by providing innovative technology services such as auditing and review of the Innovative Technology Agreement and technical staff, and providing other services deemed necessary or appropriate pursuant to this Law;
 - c) assist the Applicant for the Certification of the Innovative Technology Agreement in fulfilling all its duties and obligations as provided for in the present Law and the by-laws for its implementation;
 - ç) always act in a cooperative manner in relation to the NAIS;
 - d) collaborate with the DT Agents with regards to the preparation of Declaration of Compliance of the License Holder, in case the related activities shall be delegated from the DT Agent to an Innovative Service Provider, pursuant to the provisions of Chapter IV of the present Law;
 - dh) ensure a prompt and effective communication between the Applicants for the Certification of the Innovative Technology Agreement and the NAIS, with respect to any relevant request submitted by the NAIS during the Certification procedure as well as after the grant of Certification, pursuant to this Law;
 - e) submit, in the name and on behalf of the Applicant for the certification of the Innovative Technology Agreement or the certified subject, all documentation, information and clarifications requested by the NAIS, within the relevant terms and conditions as provided in the present Law;
 - ë) promptly disclose to the NAIS any information regarding the possible non-compliance of the Applicant s for the Certification of the Innovative Technology Agreement or the certified entity with the provisions of the present Law;
 - f) inform in writing the NAIS in case of resignation or termination of the appointment as Innovative Service Provider within 5 (five) working days from the date of resignation or termination, providing details of any relevant facts pertaining to such resignation or termination of the nomination;
 - g) submit to the NAIS, the relevant Declaration of Compliance of the Innovative Technology Agreement:
 - i. 12 (twelve) months after the registration date of the Certificate of Technology Innovation Agreement in the relevant Register, and
 - ii. each subsequent 12th (twelfth) month, in accordance with the provisions of the present Law.
 - gj) handle any other request from NAIS and / or any other state authority pursuant to this Law.
2. Any mutual communication between the Innovative Service Provider and the Competent Authorities in accordance this Law shall be treated with confidentiality by the Innovative Service Provider and shall be protected by the duty of professional secrecy.

Article 66

Specific Notification Duties of the Innovative Service Provider

1. In carrying out the activity defined in letter (b) of Article 65 of the present Law, the Innovative Service Provider shall notify NAIS within 15 (fifteen) working days of the occurrence of one or more of the following circumstances:
 - a) any variations to the 'Software' configurations of the Innovative Technology Agreement;
 - b) any development significantly affecting the rights of the users;
 - c) any development significantly affecting the rights, certification and powers of the Innovative Service Provider, in providing the services as technical administrator;
 - c) any variation or development that may affect users' guarantees in terms of Cybersecurity.
2. Within 15 (fifteen) working days from the date of receipt of such notification the NAIS shall initiate a verification procedure limited only to the information contained in the relevant notification, which shall be similar to that of handling a new Certification Application, and will decide with regards to:
 - a) authorization of the variations and / or developments set forth in the relevant notification;
 - b) refusal of the changes or developments set forth in the relevant notification, justifying the grounds for such a decision. In the event of refusal of any relevant changes and / or developments, the Certificate of Innovative Technology Agreement will be deemed automatically revoked. In such a case, all the provisions of the present Law regarding such Certification procedure shall apply analogously.

Article 67

Liability of the Innovative Service Providers

The Innovative Service Provider shall be deemed liable for all the damages suffered by the Applicant for Certification of the Innovative Technology Agreement or any other certified subject for any damages caused as a direct consequence of a breach of any of the duties or obligations of the Innovative Service Provider provided for in the present Law.

Article 68

Delegation to Third Parties

1. With particular regard, but not limited to, the regulatory and legal accordance aspects in the drafting of the annual Declaration of Compliance of the Innovative Technology Agreement, the Innovative Service Provider can delegate one or more of the abovementioned activities to a third party, provided that such third parties are in possession of all relevant skills, abilities, organizational requirements to perform the delegated activities.
2. In case of delegation of the abovementioned activities to third parties, the Innovative Service Provider will in any case remain directly liable for all the relevant duties and liabilities, as provided for in the present Law.

SECTION II
INNOVATIVE TECHNOLOGY AGREEMENTS

Article 69

Obligations of the Applicant for the Certification of an Innovative Technology Agreement

The Applicant for the Certification of an Innovative Technology Agreement shall:

- a) conduct its activity with honesty and integrity, paying due regard to the interests and needs of each and all its clients;
 - b) conduct its activity with due skill, care and diligence dealing with its clients in a way which is fair, clear and honest;
 - c) maintain its system and security access protocols to appropriate high standards;
 - ç) have, on its own or through a third party, systems in place to prevent, detect, delete and identify risks of financial crime, money laundering and terrorist financing;
 - d) have adequate financial resources.
2. The abovementioned criteria shall be assessed by the Innovation Service Provider, who must attach to the Certification Application, and must submit to the NAIS a self-declaration regarding the fulfillment of these criteria by the Applicant.

Article 70

Requirements of the Innovative Technology Agreement

The use of the Innovative Technology Agreements shall be certified only in cases when the relevant Applicant :

- a) appoints an Innovative Service Provider, who shall carry out its duties as set forth in this Chapter;
- b) draws up, through the appointed Innovative Service Provider, a Technical Report regarding the Innovative Technology Agreement, which shall be pursuant to this Law and the By-laws for its implementation.
- c) Submits to NAIS, through the appointed Innovation Service Provider, the application for Certification of the Innovative Technology Agreement, enclosing the Technical Report and self-declaration of the Innovation Service Provider, pursuant to the provisions of the present Law.

Article 71

Certification Application

1. The entity, through its appointed Innovative Service Provider, shall prepare the relevant application for the Certification of the Innovative Technology Agreement and submit it to the NAIS. The Application for Certification and the relevant documentation may be submitted electronically, in accordance with the provisions of the By-laws pursuant to the present Law, which may provide for the application of Distributed Ledger Technology.
2. The relevant documentation of the Certification Application must include:
 - a) the Technical Report pursuant to the provisions of Article 70, under this Law;
 - b) self-declaration by the Innovative Service Provider to the provisions of Article 70 under this Law;
 - c) the payment receipt of the Innovative Technology Agreement Application Fees for the Innovative Technology Agreement.

Article 72

Timing of the Certification Procedure

The NAIS reviews the application for Certification together with the relevant documentation and provides a decision on the Certification of Innovative Technology Agreement within 15 (fifteen) working days of the submission of the aforementioned application, in accordance with Article 71 of this Law.

Article 73

Powers of the NAIS

1. In addition to the other powers conferred to the NAIS in the present Law, the latter shall exercise (also) the following powers in relation to the Certification of Innovative Technology Agreements:

The NAIS shall:

 - a) request clarifications, or supplementary information to be included in the Technical Report within the term of 15 (fifteen) working days from the filing date of the application for certification;
 - b) request amendments in the content of the Innovative Technology Agreement within the above mentioned term of 15 (fifteen) Working days from the date of submission of the Application for Certification, with the objective of making the Innovative Technology Agreement compliant within the parameters of this Law.
2. The requests of NAIS for further clarifications and / or inclusion of supplementary information and / or the amendments in the content of the Innovative Technology Agreement shall be duly justified with the objective to guarantee the protection of the rights of the purchaser of Digital Tokens / Virtual Currencies.
3. In case of any of the abovementioned requests the term of 15 (fifteen) working days, provided by Article 72, shall be suspended until the moment in which the Applicant provides to the NAIS, through the Innovation Service Provider, further clarifications and / or includes supplementary information and / or makes the requested amendments in the Innovative Technology Agreement.

4. If the Applicant fails to provide further clarifications and / or include supplementary information and / or make the required changes to the content of the Innovative Technology Agreement within 10 (ten) working days (or when depending on the circumstances, NAIS provides a longer deadline, but not longer than 20 (twenty) working days) the Application for Certification will be considered automatically rejected.
5. For the purposes of thoroughly reviewing further clarifications and/or including supplementary information and / or making any changes required to the content of the Innovative Technology Agreement submitted by the Applicant through the Innovation Service Provider, calculation of the remaining 15 (fifteen) working days term, provided in Article 72, shall resume only 3 (three) working days after receipt of the clarifications and/or supplementary documentation and / or making the required changes to the content of the Innovative Technology Agreement.
6. After conclusion of the the Innovative Technology Agreement Certification the NAIS may:
 - a) suspend the operation of the Innovative Technology Agreement if the NAIS suspects, on reasonable grounds, that any of the provisions of the present Law has been infringed. In such a case, the relevant decision shall be made public by the NAIS within the following 3 (three) Working days and the NAIS shall give a term of up to 10 (ten) working days to the Applicant in order to provide a response to the suspension decision, together with relevant documentation, as requested by the NAIS. In case of response from the Applicant within the above deadline the NAIS shall evaluate the response, together with the relevant documentation submitted , and decide whether to consent the continuation of the operation of the suspended Innovative Technology Agreement or decide to revoke the Certification;
 - b) immediately revoke the Certification of the Innovative Technology Agreement, without previously suspending it, if the NAIS have evidence that any of the provisions of the present Law has been infringed. In such case, the decision for the revocation of the Certification of the Innovative Technology Agreement shall be made public by the NAIS within the following 3 (three) working days upon providing a decision on the breach.
7. Both during the Certification procedure of the Innovative Technology Agreement and after its Certification, the NAIS may make public the fact that the Applicant , or the certified subject, as the case may be, is failing to comply with the obligations as set forth in the present Law.

Article 74

Refusal to grant the Certification

The NAIS shall refuse to grant the Certification of the Innovative Technology Agreement if one or more of the following circumstances occur:

- a) the Innovative Technology Agreement Application Fees have not been paid by the Applicant;
- b) upon reviewing the Application for Certification , the NAIS ascertains that the documentation submitted by the applicant is insufficient or incomplete;
- c) upon reviewing the Application for Certification, NAIS ascertains that the Applicant has submitted false, inaccurate, incomplete documentation and / or information;
- ç) Applicant does not meet the criteria for Certification of the Innovative Technology Agreement;
- d) after reviewing the application, the NAIS decides on reasonable grounds that the Applicant cannot continue to fulfil in the future the requirements and criteria for Authorization.

2. By decision of the Council of Ministers shall be determined the manner of evaluating the causes set out in letter "d", paragraph 1, under this Article.

Article 75

Duties of the Innovative Service Provider

During the carrying out of the activities related to the Innovative Technology Agreement, the Innovative Service Provider shall comply with all the applicable provisions provided in Chapter II and this Chapter IV of this Law.

CHAPTER VII

THIRD PARTY CUSTODY WALLET PROVIDERS

Article 76

General Provisions applicable to Third Party Custody Wallet Provider

1. Any Legal Entity wishing to operate as a “Third Party Custody Wallet Provider” pursuant to this Law must possess:
 - a) a relevant License from the Bank of Albania
 - b) a license as a Third Party Custody Wallet Provider; and
 - (c) registration in the Register of Third Party Custody Wallet Provider in accordance with Article 26 of the present Law.

2. The services and activities designated for Third Party Custody Wallet Provider may only be performed by those Third Party Custody Wallet Providers who hold the relevant License and only during the period of validity of such License.

Article 77

Specific Criteria of the Third Party Custody Wallet Provider

1. In addition to the general requirements provided in Article 9 of Chapter II of this Law, the Applicant for a Third Party Custody Wallet Provider License pursuant to the present Law, shall fulfil the specific criteria as follows:
 - a) must demonstrate, by providing copies of the related documents, to have adopted and implemented all the necessary security measures to set up a sound internal system, capable to prevent or manage any form of cyber-attacks and to offer to clients a mean of recourse in case of fund loss as a consequence thereof.
 - b) must demonstrate, by providing copies of the related documents, to have adopted and implemented and will maintain and update, inclusive risk management program which shall also include also measures in the framework of cybersecurity;
 - c) must demonstrate, by providing copies of the related documents, to have adopted and implemented and will maintain and update, relevant measures to properly ensure and guarantee the segregation of the client’s funds from the funds of Third Party Custody Wallet Providers.
 - ç) must demonstrate, by providing copies of the related documents, to have a minimum corporate

capital of ALL 18,000,000 (eighteen million).

2. The specific criteria under a), b) and c) shall be assessed by the NAIS, while the specific requirement under ç) shall be assessed by the AFSA.
3. The Applicant in order to obtain a Third Party Custody Wallet Provider License shall fulfil any additional obligations that may arise as a result of the by-laws granted pursuant to the present Law. If the request of the Applicant is submitted prior to the entry into force of the By-laws the responsible authority notifies the Applicant regarding the need to complete the application with new requests, leaving for this purpose the necessary time, but in any case no shorter than 10 working days from the day after the entry into force of the by-laws. In this case, the mentioned period set out in Article 11 of this law is suspended as long as it is available to the Applicant to complete the application.
4. The same provision shall apply for the applicants that at the time in which the By-law is granted, have filed the application as a Third Party Custody Wallet Provider prior to the entry into force of the by-laws. In such case, the Applicant may request to suspend the licensing procedure during the above mentioned period.
5. For the purposes of paragraph 1, letter "a", under this article, in the relevant by-laws of each competent authority, pursuant to this law, have been determined the types, conditions, criteria and procedures regarding the minimum security measures to be implemented in order to prevent and counter cyber-attacks, as well as to offer clients the means of recourse in case of loss of funds.

Article 78

Duties of the Third Party Custody Wallet Provider

The Third Party Custody Wallet Provider shall:

- a) under any circumstance whatsoever, transfer or encumber its clients' assets without the instruction of the latter by writing or electronically;
- b) take all the reasonable efforts to explain to clients the fee structure and adequately inform them of all the fees charged;
- c) after ascertaining abusive practices in breach with this Law, to draft and submit to the AFSA a report indicating all pertinent details known at the time of the report, as well as a statement of the actions taken or proposed to be taken with respect to the manipulative behavior;
- ç) always act in a cooperative and respectful manner in relation to the Competent Authorities;
- d) always act in a cooperative and respectful manner in relation to the DT Agent;
- dh) ensure a prompt and effective communication to the Competent Authorities with respect to any relevant request submitted by the latter pursuant to this Law;
- e) submit all documentation, information and clarifications requested by the Competent Authorities, within the relevant terms and conditions according to the form and relevant terms provided in this Law, by-laws or regulatory of the present law;
- ë) disclose to the Competent Authorities any information regarding the possible non-compliance with the provisions of the present Law;
- f) inform in writing or electronically the Competent Authorities in case of resignation or termination of the appointment of the DT Agent within 10 (ten) working days from the date of resignation or termination, providing details of any relevant facts pertaining to such resignation or termination of the relation;

- g) submit to the Competent Authorities, through the appointed DT Agent, the relevant Declaration of Compliance of the License Holder:
 - i. 12 (twelve) months after the date of registration of the License Holder in the relevant Register,
 - ii. each subsequent 12th (twelfth) month in accordance with Article 17 of this Law;
- gj) handles any other request of the Competent Authorities and / or any other state authority pursuant to this Law.

Any mutual communication between the Third Party Custody Wallet Provider and the Competent Authorities pursuant to this Law shall be handled by the Third Party Custody Wallet Provider as confidential and shall be protected by duty of professional secrecy.

Article 79

Liabilities of the Third Party Custody Wallet Provider

The Third Party Custody Wallet Provider shall be liable for all the damages that have been caused by its clients as a direct consequence of a breach of any of the duties provided in the present Law.

Article 80

Third Party Non-Custody Wallet Provider

The Third Party Non-Custody Wallet Providers that provide applications to hold, store and transfer Digital Tokens and/or Virtual Currencies, but without providing custody services, are subject to the provisions set out on “Anti-Money Laundering and Terrorist Financing” Law.

CHAPTER VIII

AUTOMATED DT COLLECTIVE INVESTMENT UNDERTAKINGS

Article 81

General Provisions applicable to the Automated DT

Collective Investment Undertakings

1. Any Legal Entity or Asset Merger wishing to operate as an Automated DT Collective Investment Entity, pursuant to this Law, shall:
 - a) be administered by an entity licensed by the AFSA as an alternative investment fund management company in accordance with the law on Collective Investment Undertakings, and
 - b) hold the license as an Automated DT Collective Investment Undertaking, granted by NAIS; and
 - c) be registered in the Register of Automated DT Collective Investment Undertaking, pursuant to the provisions of Article 25 of the present Law.
2. The services and activities designated for Automated DT Collective Investment Undertakings may only be performed by those Automated DT Collective Investment Undertakings which have the relevant Licenses and only during the validity period of these Licenses.
3. The Automated DT Collective Investment Undertakings are considered as alternative investment funds and are only offered to professional clients as defined by the Law on Collective Investment Undertakings. Non-Automated DT Collective Investment Undertakings are considered as alternative investment funds and are regulated by the Law on Collective Investment Undertakings and exempt from the application of this Law.

Article 82

Specific Criteria for the Automated DT Collective Investment Undertakings

1. In addition to the general requirements provided in Article 9 of Chapter II of this Law, regarding the Legal Entity and requirements of the Law On Collective Investment Undertakings, the entity applying for a License as Automated DT Collective Investment Undertaking must demonstrate, by providing:
 - a) a copy of the NAIS certification decision for the Innovative Technology Agreement, in accordance with the provisions of this Law, which represents an automated robotic system acting as an investment adviser,
 - b) any relevant document demonstrating that the automated robotic advisory system, which acts as an investment adviser and/or as a fund management company, guarantees the technological viability of the Certified Innovative Technology Agreement;
 - c) any relevant documentation demonstrating that the services of safekeeping and custody of the assets of the Automated DT Collective Investment Undertaking shall be performed by a Third Party Custody Wallet Provider licensed under the present Law, where the company administering the automated collective investment undertaking does not cause any change of control to such provider.

- ç) full Prospectus of the Automated DT Collective Investment Undertaking;
 - d) a copy of the relevant documentation demonstrating that the management company fulfils the capital sufficiency requirements in accordance with the requirements of the Law on Collective Investment Undertakings.
- dh) Evidentiary documents that the auditing and evaluation services of the Automated DT Collective Investment Undertaking shall be performed by an entity which is experienced in auditing such undertakings.
2. The above mentioned specific requirement under a) will be assessed by the NAIS, while the above mentioned specific requirements under b), c), ç) and d) will be assessed by the AFSA.
 3. The Applicant for Automated DT Collective Investment Undertaking License, or as the case may be, a licensed Automated DT Collective Investment Undertaking, shall fulfil any supplementary obligations that may arise as a result of the by-laws granted pursuant to the present Law. By-laws granted pursuant to the present law affecting the activity of Automated DT Collective Investment Undertakings licensed prior to the entry into force of these acts shall extend the effect to these Automated DT Collective Investment Undertakings only 15 (fifteen) working days after their entry into force.
 4. The same provisions shall also apply to entities which have filed the application before the entry into force of the by-laws. In this case, the Applicant may request the suspension of the licensing procedure.

Article 83

Automated DT Collective Investment Undertaking's Website Advertisement

The specific content and format of the DT Collective Investment Entrepreneurship Website shall be determined by the by-laws granted pursuant to the present Law.

Article 84

Duties of the Automated DT Collective Investment Undertakings

1. The Automated DT Collective Investment Undertaking shall:
 - a) guarantee the Competent Authorities and constantly verify to satisfy all their requirements, duties and obligations provided in accordance with this Law and other applicable laws;
 - b) always act in cooperation and a respectful manner with the Competent Authorities;
 - c) always act in cooperation and a respectful manner with the appointed DT Agent;
 - ç) submit all documentation, information and clarifications which may be requested by the Competent Authorities, within the relevant terms and conditions provided in the present Law;
 - d) promptly disclose to the Competent Authorities any information regarding its possible non-accordance of the Automated DT Collective Investment Undertakings with the provisions of this Law;
- dh) inform in writing or electronically the Competent Authorities in case of resignation or termination of the appointed DT Agent within 10 (ten) working days from the date of resignation or termination, providing details of any relevant facts pertaining to such resignation or termination of the relation;

- e) handle any other request of the Competent Authorities and / or any other state authority pursuant to this Law.
2. Any mutual communication between the Automated DT Collective Investment Undertaking and Competent Authorities pursuant to this Law, shall be handled by the Automated DT Investment Collective Undertakings as confidential and shall be protected by duty of professional secrecy.

Article 85

Liability of the Automated DT Collective Investment Undertakings

The Automated DT Collective Investment Undertaking shall be deemed liable for all the damages caused directly by a breach of the requirements set out in this Law, by-laws and Full Prospectus of the Automated DT Collective Investment Undertaking.

CHAPTER IX

PROHIBITION OF MARKET ABUSE

Article 86

Scope of Application

The prohibitions and requirements set forth in the present Chapter apply to all acts/omissions of any Legal or Natural Person constituting Market Abuse, described in this chapter, or detailed through special by-laws granted by the AFSA in relation to Digital Tokens/Virtual Currency that are admitted to trade on a DLT Exchange, or Trading Venue or for which an application is submitted to be admitted to trade on DLT Exchange or Trading Venue.

Market abuse includes:

- a) Market manipulation
- b) Trading based on privileged information.

SECTION I MARKET MANIPULATION

Article 87

General Provisions

This Chapter applies, in relation to all transactions with Digital Tokens/Virtual Currencies, to:

- a) acts or omissions committed in the Republic of Albania in relation with transactions with Digital Tokens/Virtual Currency of any Legal Entity Resident in Albania; and
- b) acts or omissions committed outside the Republic of Albania in relation to transactions with Digital Tokens/Virtual Currency by any Legal Entity Resident in Albania;

- c) acts occurring in the territory of the Republic of Albania in relation to any Digital Tokens / Visual Currency, whether traded in or from the territory of the Republic of Albania; and
- ç) actions occurring outside the territory of the Republic of Albania in relation to any transactions with Digital Token / Virtual Currency traded in the territory of the Republic of Albania.

Article 88

Illegal conduct creating a false market

1. No one shall commit, or be the cause of any act intended to:
 - a. convey false or misleading information as to the trading of Digital Tokens / Virtual Currency on a DLT Exchange, or Trading Venue in the territory of the Republic of Albania or,
 - b. convey false or misleading information in relation to the purchase or price of any of Digital Tokens / Virtual Currency.
2. No one has the right to hold, increase, decrease, or cause fluctuations in the market price of any transaction of Digital Tokens / Virtual Currency which do not involve the change of the ultimate beneficiary owner of these instruments, or by any fictitious transaction or means.
3. Without prejudice to the general application of paragraph 1, is considered to have committed breach of the Person who:
 - a) implements, participates in, is involved in, or conducts, directly or indirectly, in any kind of transactions of Digital Tokens / Virtual Currencies, where such transaction does not bring any change to the ultimate beneficiary owner of the relevant Digital Tokens / Virtual Currencies; or
 - b) submits or makes arrangements to submit an offer for transactions of any Digital Token / Virtual Currency for a defined price, when it has submitted or has taken the measures to submit, or is aware that a related person has submitted or has taken measures to submit, an offer for the same Digital Token / Virtual Currency, for a price that is essentially the same as the first price mentioned.
4. For the purposes of this Article, the transaction of Digital Tokens / Virtual Currencies does not bring the change of ultimate beneficiary owner, if the Person who had an interest in the Digital Tokens / Virtual Currencies prior to the transaction, or the Person related to these Digital Tokens / Virtual Currency, has direct or indirect interest in such Digital Tokens / Virtual Currency even after the transaction.
5. The Digital Token / Virtual Currency Transaction referred to in paragraph 3, letter "a" under this Article, includes:
 - a) submission of an offer for transaction of Digital Tokens; and
 - b) submission of a call, no matter how expressed, which expressly or implicitly invites a person to offer Digital Tokens / Virtual Currencies for purchase or sale.
6. Violations of the provisions of paragraphs 1 and 2 under this Article shall be punishable in accordance pursuant with the Criminal Code of the Republic of Albania.

Article 89

Market Manipulation

1. Market manipulation shall comprise:
 - a) transactions or trading orders that give, or are likely to give false or misleading signals in relation to the offer, demand, or price of Digital Tokens / Virtual Currencies, or which provide the retention through a Person or several Persons acting in cooperation, related to the price of one or more of the Digital Tokens/Virtual Currency at an artificial level, unless the person who has effected the transaction or has given the trading order demonstrates that his reasons for doing so are legitimate and that these transactions or trading orders are consistent with accepted market practice;
 - b) transactions or trading orders carried out through fictitious equipment or any other form of fraud;
 - c) the dissemination of information through the media, including the Internet, or by any other means that provides or is likely to provide false or misleading signals in relation to the Digital Token/Virtual Currency, including the dissemination of rumors and fake news or misinformation, in the event the person who performed the dissemination was aware, or should have been aware, that the information was false or misleading.
2. For the purposes of paragraph 1, letter "c", under this article, in relation to journalists when acting in their capacity as journalists, the dissemination of information shall be assessed under the rules governing their profession, except where they directly or indirectly derive material or indirect benefits from the dissemination and/or concealment of the information in question.
3. In particular, the following activities and behaviors' arising from the definition of market manipulation as set forth in the previous article shall be considered market manipulation:
 - a) the activity of a Person or several Persons acting in cooperation to secure a dominant position over the supply or demand of one or more Digital Tokens / Virtual Currencies, thereby directly or indirectly keeping unchanged the transaction prices of Digital Tokens / Virtual Currencies;
 - b) the sale of Digital Tokens/Virtual Currencies at the close of the market, resulting in misinformation of investors acting on closing prices;
 - c) the benefit from the occasional or regular use of traditional or electronic media to express an opinion on a Digital Token/Virtual Currency or, indirectly, on its Issuer, after having previously held a position on this Digital Token/Virtual Currency; subsequently benefiting from the impact of the opinion expressed on the price of this Digital Token / Virtual Currency, without publicly disclosing and declaring the Conflict of Interest.

Article 90

Prohibition of Market Manipulation

1. No one shall perform in or engage in the performance, directly or indirectly, of Digital Tokens / Virtual Currency transactions which have or may have the effect of:
 - a) false increase;
 - b) false decrease; or
 - c) false determining, maintaining or stabilizing the price, or volume of trading of Digital Tokens / Virtual Currencies, with the intent, inter alia, of encouraging other Persons to purchase or sell such Digital Tokens / Virtual Currencies, or other Digital Tokens / Virtual Currencies related to them, whether or not these persons possess this intention.

2. For the purpose of this Article, the transaction in relation to Digital Token / Virtual Currency includes:
 - a) the submission of an offer for the sale or purchase of Digital Tokens / Virtual Currencies; and
 - b) the submission of a call, regardless of how it is expressed, by which one Person expressly or implicitly invites a Person to sell or purchase Digital Token / Virtual Currency.
3. Violation of the provisions of paragraph 1, under this Article shall constitute a criminal offense in accordance with the Criminal Code of the Republic of Albania.

Article 91
Obligation to Report

1. All DLT Exchanges, and DLT Trading Venues, determine and implement procedures and measures aimed at identification and prevention of market manipulation practices.
2. In any event, DLT Exchanges or Trading Platforms shall inform the Competent Authority, based on the information to which they have access, of cases which they reasonably suspect constitute Market Abuse.

SECTION II
TRADING BASED ON PRIVILEGED INFORMATION

Article 92

Detection of unauthorized uses and dissemination of privileged information

1. For the purposes of assessing the presence or not of the criminal offense provided in the Criminal Code of the Republic of Albania, regarding the unauthorized use and dissemination of privileged information, the responsible authorities during the administrative investigation assess whether the privileged information includes:
 - (a) Information of a precise nature, which has not been made public, and which has a direct or indirect link, to one or more issuers, or to one or more Digital Tokens / Virtual Currencies, and which, if made public, would have a significant effect on the prices of these Digital Tokens / Virtual Currencies or on the price of other Digital Tokens / Virtual Currencies associated with them.
 - (b) Information for persons responsible for executing orders in relation to the Digital Tokens / Virtual Currencies, that have not yet been executed, which is of a precise nature, and has direct or indirect links, to the issuers of one or more Digital Tokens / Virtual Currencies, and which, if made public, would have a significant effect on the price of these Digital Tokens / Virtual Currencies, or on the price of other Digital Tokens / Virtual Currencies associated with them
2. Information set out in paragraph 1, under this Article shall be deemed to be of a precise nature if it contains circumstances which exist or are expected to exist, or an event which has occurred or is reasonably expected to occur, and is sufficiently specific, to draw a conclusion as a potential effect of these circumstances, or have influence in the price of Digital Tokens / Virtual Currencies, or the price of other Digital Tokens / Virtual Currencies associated thereof.

3. The information provided in paragraph 1, letter “a” of this Article, which, if made public, would have a significant effect on the price of Digital Tokens / Virtual Currencies, means information that a reasonable investor would use in part or in full in making decisions to invest.
4. In case of any criminal offense ascertained by the administrative investigation punishable according to the provisions of the Criminal Code of the Republic of Albania, the competent authority submits a criminal charge to the competent bodies.

Article 93

The verification of trading based on privileged information

The competent authorities, during the exercise of the administrative investigation in the verification of the application of the provisions of this law by the licensed entities, regarding the trading based on the privileged information, assess, among other things, whether:

1. Trading based on privileged information arises when a person that possesses the privileged information, uses this information by acquiring or disposing of, for his own account or for the account of third parties, directly or indirectly, the digital tokens/ virtual currencies to which this information relates.
2. Use of the Privileged Information, by canceling or modifying an order, relating to the purchase or sale of the digital tokens / virtual currencies to which this information relates, and when this order is placed before the person in question possessed the privileged information.
3. Recommendation by a Person who holds privileged information engage in trading based on privileged information or induce another Person to engage in trading based on privileged information;
 - a) recommends on the basis of that information that another Person acquire or dispose of the Digital Tokens / Virtual Currencies to which this information relates or induces such Persons to acquire or dispose of the Digital Tokens / Virtual Currencies, or
 - b) recommends on the basis of this information that another Person cancel or amend an order concerning a Digital Token / Virtual Currency to which this information relates, or induces such Person to make such cancellation or amendment of the order.
4. The person / entity that has used the recommendation, according to paragraph 3 of this article, knows or should have known that it was based on a privileged information.
 5. Paragraphs 1, 2, 3 and 4, of this article, shall apply by the competent authority during the administrative investigation to all persons possessing the privileged information as follows:
 - a) being a member of the administrative or supervisory bodies of the issuer;
 - b) holding a significant stake in the issuer’s capital;
 - c) having access to information through their employment, profession or duties; or
 - c) being involved in criminal activities.

Paragraphs 1, 2, 3 and 4 of this article also apply to any person who holds privileged information under circumstances other than those referred to in this article, if the person knows or should have known that this information is privileged.

6. When a Person is a Legal Entity, this Article shall apply in accordance with any applicable law to natural persons participating in the decision to carry out the acquisition, disposal, cancellation or amendment of an order on behalf of and for the account of the Legal Person concerned.

7. In case of any criminal offense ascertained by the administrative investigation punishable according to the provisions of the Criminal Code of the Republic of Albania, the competent authority submits a criminal charge to the competent bodies.

Article 94
Legitimate Behavior

1. For the purposes of the Articles 92 and 93, under this Law, it shall not be deemed for the mere fact that a Legal Entity is, or has been, in possession of privileged information that such Legal Entity used this information and has thus engaged in trading on the basis of privileged information in the cases when this Legal Entity;
 - a) has established, implemented, and maintained internal procedures and regulations that effectively ensure that no natural person making a decision on its behalf purchases or sales the Digital Token / Virtual Currency to which the information is related, as well as no natural person who may have influenced this decision is aware of this information and;
 - b) has not encouraged, recommended, promoted or influenced the natural person who, on behalf of the Legal Entity, has purchased or disposed the Digital Token / Virtual Currency to which this information relates.
2. For the purposes of the Articles 92 and 93, it shall not be deemed from the mere fact that a Person is, or has been, in possession of privileged information that such person has used this information and has thus engaged in trading on the basis of privileged information in cases where this Person:
 - a) with regards to the Digital Tokens / Virtual Currencies to which this information relates, is a market maker or a person authorized to act as a counterparty to the transaction in question, and the purchase or disposal of these Digital Tokens / Virtual Currencies is made legitimately in the ordinary course of the exercise of its functions as market maker or as a counterparty to this Digital Token / Virtual Currency, or
 - b) is authorized to execute orders on behalf of third parties, and the purchase or disposal of the Digital Tokens / Virtual Currencies to which these orders relate, is made to carry out such orders legitimately in the normal course of exercise of his profession or duties.
 - c) for the purposes of the Articles 92 and 93, it shall not be deemed from the mere fact that a person is, or has been in possession of, privileged information that such Person used this information and has thus engaged in trading on the basis of privileged information, in the process of acquisition or disposal of the majority of shares, in the event that such person carries out the transaction of the acquisition or disposal of the majority of the transactions and when that transaction is effected by discharging an obligation that has become due in good faith and not to circumvent the prohibition against trading based on privileged information, and;
 - i. Such obligation arises from an order placed or an agreement concluded before the person concerned possessed the privileged information, or;
 - ii. The transaction was conducted to fulfill a legal or regulatory obligation that entered into force before the person concerned possessed the privileged information.

ç) For the purposes of the Articles 92 and 93, it shall not be deemed from the mere fact that a Person is, or has been, in possession of privileged information that such person used this information and thus engaged in trading on the basis of privileged information in cases where this person has obtained privileged information during the process of acquisition or merging a company and uses this information solely for the purpose of executing the control of the listed or merging company, provided that at the time of approval of the acquisition or merging or acceptance of the offer by the Company's shareholders, any privileged information has been immediately disclosed or has ceased to be privileged information.

3. Letter “ç” of paragraph 2 under this Article shall not apply when the person gradually purchases shares of a company for the purpose of acquisition.
4. For the purposes of the Articles 92 and 93 under this Law, the fact that a person uses his knowledge in deciding to buy or dispose of Digital Tokens / Virtual Currencies during the process of acquisition or disposal of Digital Tokens / Virtual Currencies shall not constitute a use of privileged information.
5. Notwithstanding the definitions of this Article, a breach of the prohibition to the use of privileged information may be deemed to have happened if the Authority finds that the reason for the order to trade, transact or the behavior of the person was illegitimate.

Article 95

Unlawful disclosure of privileged information

1. For the purpose of this Law, unlawful disclosure of privileged information arises when a Person is in possession of the privileged information and discloses it to any other Person, except when such disclosure is made during the normal exercise of his employment, profession or duties.
2. For the purpose of this Law, prior disclosure of the recommendations or incentives referred to in the article above means an unlawful disclosure of privileged information in accordance with the Article 93, where the person disclosing such recommendation or inducement knows or should have known that it was based on privileged information.

Article 96

Market Buzzers

1. A market buzz means the communication of information, prior to the announcement of a transaction, in order to encourage the interest of potential investors in the conclusion of a potential transaction and its related conditions such as potential size or price, to one or more investors by:
 - a) An issuer
 - b) A Secondary Bidder of a Digital Token / Virtual Currency, in such quantity or value that the transaction is distinct from the ordinary trading order and involves a selling method based on the preliminary assessment of potential interests by potential investors.
 - c) A third party acting on behalf of and for account of a Person referred to in the above paragraphs.
2. The market buzz acts pursuant to the requirements of this Law and by-laws in relation the prohibition of market abuse.

Article 97

Prohibition of trading based on privileged information and unlawful disclosure of privileged information

No Person can:

- a) engage or attempt to engage trading based on privileged information
- b) recommend that another Person engages in trading based on privileged information, or
- c) unlawfully disclose privileged information.

CHAPTER X
LIQUIDATION

Article 98

Voluntary Liquidation

1. The General Assembly of the License Holder may decide on the dissolution of the company only upon prior approval of AFSA.
2. When such a decision is reached in accordance with paragraph 1 of this article, the Board of Directors or Supervisory Board shall send the request for liquidation, which shall be accompanied with the following documents:
 - a) copy of the General Assembly's decision regarding the proposed liquidation proceeding;
 - b) reasons for initiating liquidation proceedings;
 - c) names of the proposed liquidators;
 - ç) a detailed financial report that contains the procedures for the handling of compensation requests during the liquidation proceedings, income and expenses, and an estimation of the duration of the liquidation proceedings
3. Within 30 days upon receipt of the request, AFSA shall decide whether the proposals sent in accordance with paragraph 2 of this article are appropriate and shall duly inform the License Holder on the approval or rejection of such request, case by case.
4. The Competent Authority shall approve the voluntary liquidation request only when it reasonably determines that it is possible to pay all the creditors financial obligations.
5. The decision to approve a voluntary liquidation procedure shall be published on the Competent Authority's website
6. In cases when AFSA has approved the voluntary liquidation proceeding, it may also decide to:
 - a) limit the activities of the License Holder and to allow the latter to only engage in certain activities, or alternatively, in activities that are strictly necessary for voluntary liquidation;
 - b) define to what extent do the risk management rules in the company of the License Holder apply during the voluntary liquidation.
7. The License Holder's client funds, either FIAT money or Digital Tokens/Virtual Currencies, shall be kept in separate accounts or Digital Wallets, as the case may be, and shall not be subject to the voluntary liquidation proceedings.
8. The Competent Authority must approve at least two natural persons as liquidators, who must be fit and proper and possess all the necessary qualifications and experience to conduct such activities.
9. The liquidators may be dismissed or replaced pursuant to the provisions outlined in their terms of appointment.
10. Following his/her/their appointment, the liquidator shall undertake all the duties and obligations of the administrator/s. If the company appoints more than one liquidator, the liquidators shall carry out their activities joint and severally in accordance with this law, except when otherwise stated in their letter of appointment.

11. The liquidators may authorize either of them to conduct special activities. The liquidator shall rest under the supervision of the general assembly.
12. The duties of the liquidators consist of terminating all the company's operations, collect the outstanding obligations towards the company, dispose the assets of the company and pay out the creditors.
13. If the liquidators conclude that the capital and assets of the company are insufficient to settle all the outstanding financial obligations towards its creditors, the liquidators shall suspend the liquidation proceeding and request the relevant court to initiate bankruptcy proceedings.
14. The liquidator shall draft a financial statement on the company's current situation. If the liquidation proceeding lasts more than one year, the liquidator shall also draft the company's annual financial statements. The financial statements must be approved by at least ½ of of the general assembly members.
15. The liquidator shall invite all the creditors (with the exception of the shareholders) to submit their claims during the voluntary liquidation proceeding. The offer to submit claims must be published in the company's website two times, while adhering to a 30-day interval in-between the publications.
16. The liquidator can initiate the distribution of the assets of the company only 30 days after the invitation to submit claims has been published for the second time on the company's website.
17. If the liquidator of the company has knowledge over the existence of a creditor, and the latter does not manage to submit its claims, the relevant sum of the financial obligation must be deposited in the company's bank account and cannot be used to settle other obligations. Following the conclusion of the liquidation proceeding, these sums are transferred to the Competent Authority.
18. If a certain obligation cannot be immediately settled, or in cases where the obligation is subject to creditors' claims, the company's assets cannot be distributed unless the creditor receives adequate guarantees on its claim.
19. Following the settling of all the financial obligations towards the creditors and members of the company, the liquidator shall proportionally distribute all the remaining assets to the company's shareholders.
20. Within twelve months upon the settling of all the company's obligations towards its creditors and shareholders, the liquidator shall submit to the Competent Authority a report on the progression of liquidation proceeding and a proposal for its service fees.
21. If AFSA rejects a voluntary liquidation within the deadline set forth in paragraph 3 of this article, the general assembly cannot proceed with any decisions regarding the dissolution of the company or with any amendments on the company's scope of activity. Any decision that is taken in breach of the requirements set forth in this article shall be considered void and shall not be registered in the commercial register.
22. Unless otherwise stated in this law, the voluntary liquidation provisions outlined in the applicable Law on "Entrepreneurs and companies" established in the Republic of Albania, pursuant to the applicable legislation "On entrepreneurs and companies" which are subject of this law. Detailed rules on the voluntary liquidation proceedings shall be outlined via AFSA by-law.
23. Entities licensed as "Innovative Service Providers" or DT Agents are exempted from the application of this article.

Article 99

Compulsory Liquidation

1. AFSA may decide to initiate compulsory liquidation proceedings in cases when the:
 - a) the License Holder is not able to pay off its financial obligations within the deadline; or
 - b) the License Holder has carried out a regulated activity in breach of this law;
2. During the compulsory liquidation proceedings, all the rights and obligations of the License Holder are transferred to AFSA, which shall appoint a liquidator in order to monetize and distribute the assets of the company, with the principal aim of protecting the clients' interests of the license holder, maintain inviolability and the stability of the market.
3. The initiation of the compulsory liquidation proceedings results in the immediate suspension of the activities of the License Holder, which shall not undertake any other regulated activity, with the exception of those activities undertaken for the purposes set forth in paragraph 2 of this article.
4. The License Holder's clients' assets, either FIAT money or Digital Tokens/Virtual Currencies, shall be kept in separate accounts or Digital Wallets, as the case may be, and are not affected during compulsory liquidation proceedings.
5. In order to ensure the protection of the interests of individual clients of the License Holder, AFSA may request to the respective clients, either FIAT money or Digital Tokens/Virtual Currencies and their assets to be transferred to another Licensed entity, which carries out similar activities. In cases when this is not possible, the License Holder shall transfer the clients' assets directly to their personal bank accounts or Wallets, as per the instructions of their clients.
6. The decision to place a company under compulsory liquidation procedure shall be published in the Competent Authority's website.
7. The liquidator shall manage and sale the company's assets in order to distribute its earnings to the creditors.
8. The liquidator shall cooperate with the Competent Authority and must comply with the latter's guidance regarding the compulsory liquidation procedure.
9. Following its appointment, the liquidator shall take control over the company's assets, its records and its accounts. The liquidator has the right to access all the company's assets, offices and records.

10. Within 30 days upon the initiation of the compulsory liquidation proceeding, the liquidator shall draft an inventory of all the company's equity and assets, followed by an explanatory memorandum related to the balance sheets of the company. These documents shall be submitted to the authority while and extra copy shall be available to the public.
11. The liquidator shall aim to maximize the profits deriving from the sale of the company's assets by carrying out the following activities:
 - a) continuing or disrupting financial transactions;
 - b) appointing the necessary employees and professional advisers;
 - c) signing legal acts and submitting judicial claims on behalf of the company, following the prior approval of the Competent Authority.
12. The liquidator has the right to resolve:
 - a) Employment contracts with any person;
 - b) Service contracts in which the License holder is one of the parties.
13. Within one month upon its appointment, the liquidator shall carry out the following activities:
 - a) Send to the company's shareholders and creditors a statement regarding the nature and total sum of the registered claimed financial obligations to the shareholders and creditors of the company;
 - b) Registers the creditors documented claims.
14. Within one month upon the deadline set out in the notification pursuant to paragraph 13 of this Article, the liquidator shall:
 - a) If possible, determine the sum that the License holder owes to each known creditor.
 - b) draft a structure of all the claimed financial obligations and submit it to the Competent Authority.
15. Every creditor and/or shareholder that represents at least 10% of the granted shares, has the right to object the registration of the claimed financial obligations within twenty days upon the registration of the structure of the claimed financial obligations.
16. The Competent Authority shall decide on the approval or denial of the objections within one month starting from the date when the claim was registered.
17. If the objection outlined in paragraph 15 of this article is accepted, the liquidator must update the claimed obligations structure accordingly or the proposed measures for the settlement of the liabilities.
18. The liquidator shall provide regular monthly reports to the Competent Authority on the progression of the liquidation proceeding. These reports contain information on the total sum of the requested liabilities, total sum of the company's disposed assets and of the total income expected from the disposal of the assets.

19. The liquidator shall submit a final report following the conclusion of the liquidation proceeding.
20. Unless otherwise stated in this law, the compulsory liquidation provisions of the Law “On Entrepreneurs and companies” established in the Republic of Albania, pursuant to the applicable law “On entrepreneurs and companies” which are subject of this law. Detailed rules on the voluntary liquidation proceedings shall be outlined via AFSA by-law.
21. Entities licensed as “Innovative Service Providers” or DT Agents are exempted from this article.

Article 100 **Order of Creditor Obligations**

1. The liquidator shall distribute the assets of the company through the settlement of the obligations in accordance with the following hierarchy:
 - a) any creditor covered by collateral, who cannot use the property with which his obligation is secured, due to the constraints defined by this Law, up to the amount of income from the assignment of collateral;
 - b) Expenses incurred by the liquidator and Competent Authority during the compulsory liquidation proceeding;
 - c) Salaries of the employees of the company, held to work by the liquidator, to assist him in the orderly liquidation of the company;
 - ç) Secured and Unsecured creditors with guarantees related to the value of the obligation, which exceeds the sale value of the collateral;
 - d) Shareholders of the company.
2. When the total amount of the company’s assets is insufficient to settle all the creditors’ claims then the creditors shall be compensated proportionally in accordance with the obligations towards them.
3. The remaining assets following the settling of all the creditor obligations shall be distributed to the company shareholders in proportion with their amount of shares.

Article 101 **APPEAL**

1. All liabilities claimed related to the insolvency of the company shall be conducted in accordance with this Chapter.
2. The right to object the decision for the compulsory liquidation and to suspend the compulsory liquidation proceeding in the Administrative Court of Appeal within 30 days from the publication of the decision for the compulsory liquidation in the Official Gazette, can be exercised by the following persons:
 - a) shareholder that represent at least 10% of the granted shares;
 - b) creditors that comprise at least one third of the total amount of passives which are claimed by the creditors, with the exception of the shareholders.
3. The right to file claim can only be exercised if:
 - a) The Competent Authority has acted in an arbitrary and irresponsible manner when

placing the company under a liquidation proceeding pursuant to the provisions of this law.

b) the Competent Authority and/or the liquidator and/or the practitioner employees appointed to assist the liquidator are liable for acts or omissions in breach of this law that are related to the carrying out of functions and obligations during the liquidation proceeding, including the occasions where such acts or omissions are intentionally wrongful.

4. Notwithstanding the judicial review pursuant to this article, the compulsory liquidation proceeding that has been initiated by the Competent Authority shall continue without limitations until the issuance of the court decision, with exception in occasions where the court issues an injunction order to suspend the compulsory liquidation proceeding.

CHAPTER XI

SANCTIONS AND APPEAL PROCEDURES

Article 102

General Provisions

1. Any act or omission resulting in a breach of provisions of this law shall be considered an administrative breach.
2. When imposing administrative measures, the authority must ensure that the measure is:
 - a) effective and preventive; and
 - b) proportional to the causes which led to the imposition of an administrative fine.
3. The Competent Authority shall determine the extent of the administrative measure in accordance with the provisions of this law by evaluation the nature of the breach and its effects.
4. When imposing the administrative measure, the Competent Authority shall follow the principle of uniformity, whereby similar violations call for similar administrative measures.
5. Imposing administrative fines in accordance with this law does not prohibit the Competent Authority to file criminal charges at the Prosecution Office. The conclusion of a criminal case against the License Holder does not prohibit the Competent Authority to impose an administrative penalty to the License Holder, in accordance with this law.

Article 103

Sanctions

1. The Competent Authority shall impose administrative fines starting from 12 000 000 (twelve million) ALL up to 18 000 000 (eighteen million) ALL for the following violations of this law:
 - a) when carrying out activities without the possession of the relevant License or authorization;
 - b) failure to disclose the information requested by the Competent Authorities;
 - c) market abuse infringements outlined in Chapter IX of the law.
2. The sanctions shall be imposed for every singular breach, as well as for the non-compliance with the provisions under this law and by-laws pursuant to this Law.

Article 104

Administrative investigation procedures, notifications and appeal

1. During the administrative investigation for identification of breach pursuant to this Law, the Competent Authority may request to the licensed Holder under administrative investigation to disclose information and provide explanations, as well as ask for the relevant relevant documentary evidence related to investigation, pursuant to this Law.
2. For the purposes outlined in paragraph 1 under this Article, the Competent Authority shall set out a deadline to the license holder to respond to the information requests with the relevant explanations, submit the relevant documentation as well as provide and/or necessary remarks/ explanations pursuant to the legislation that regulates and the administrative procedures and this Law.
3. Following the conclusion of an administrative investigation, the Competent Authority shall notify the License Holder in writing on the results. The results shall be sent to the License Holder within 10 days from the date after the decision was taken.
4. The licensed holder has the right to appeal the Competent Authority's decision in the relevant administrative court within 45 days starting from the day after the decision was taken.
5. The appeal in courts does not prohibit the enforcement of the Competent Authority's decision.

CHAPTER XII

FINAL PROVISIONS

Article 105

Taxation

The Natural persons and Legal entities, subject to this law shall comply with the relevant taxation applicable legislation in the Republic of Albania.

Article 106

By-laws

1. The Council of Ministers shall issue within 6 months upon the entry into force of the law, the regulatory by-laws under the scope of responsibility of the National Agency of Information Society (NAIS), pursuant to this Law.
2. The Albanian Financial Supervisory Authority (AFSA) shall approve the respective regulations, that fall under their scope of responsibility pursuant to this Law, within 6 months upon the entry in force of this law.

Article 107

Entry into force

This law shall enter into force on 1 September 2020.

CHAIRMAN
Gramoz Ruçi

Adopted on 21.05. 2020