



**Office of the Lieutenant Governor  
Division of Banking, Insurance and  
Financial Regulation**

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**BULLETIN 2022-01**

**TO:** Money Transmitters seeking to be licensed to conduct Cryptocurrency Services in the United States Virgin Islands

**FROM:** Tregenza A. Roach, Esq., Lieutenant Governor and Chairman of the United States Virgin Islands Banking Board

**RE:** Licensure and Regulation of Cryptocurrency Services in the United States Virgin Islands

The Office of the Lieutenant Governor, Division of Banking, Insurance and Financial Regulation (Division) has been receiving applications for licensure as a money transmitter from persons seeking to conduct cryptocurrency services in the United States Virgin Islands ("Virgin Islands"). "Cryptocurrency" as generally defined is a type of virtual currency that utilizes cryptography to validate and secure transactions that are digitally recorded on a distributed ledger such as a block chain. Cryptocurrencies are not conventional currencies issued by a monetary authority; further, the currencies are not controlled or regulated, and their price is determined by the supply and demand of their market.

This Bulletin serves to notify persons seeking to be licensed in the Virgin Islands as a money transmitter, under Title 9 of the Virgin Islands Code, Chapter 22, *Subchapter II. Money Transmission Licenses*, of the Virgin Islands Banking Board's ("Virgin Islands") position regarding the licensure of entities performing cryptocurrency services.

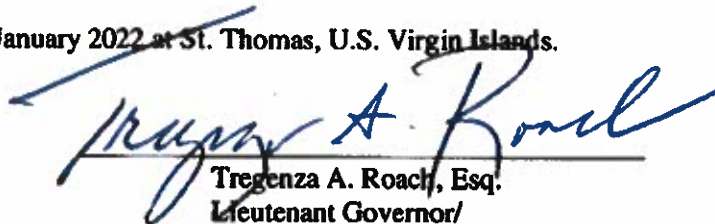
Section 511, Title 9 of the Virgin Islands Code, states a person may not engage in the business of money transmission or advertise, solicit, or hold itself out as providing money transmission unless the person is licensed by the Director under Subchapter II or approved to engage in money transmission under Section 517 of this same title. Money transmission is defined as selling or issuing payment instruments, store value, or receiving money or monetary value for transmission.

At present, the Virgin Islands Uniform Money Services Act as prescribed does not provide the regulatory framework needed to license and regulate the business of cryptocurrency services. Specifically, the Virgin Islands has no laws, rules and regulations governing cryptocurrency services; and the licensure and regulation of cryptocurrency services do not fall under the existing money transmission provisions of the *Uniform Money Services Act*.

As a result of the above-mentioned, the Banking Board found the current money transmission license issued to money transmitters in the Territory does not extend to persons performing cryptocurrency services. Money Transmitter licensure extends only to persons performing traditional money transmission services. As such, the Banking Board has determined the following, cryptocurrency is: (1) a non-licensed product in the Territory, (2) not specifically authorized under Title 9, Virgin Islands Code to be used in the United States Virgin Islands and (3) not regulated by the Banking Board and the Division. To that end, the Banking Board will not approve or consider any money transmission application for licensure, wherein the entity performs cryptocurrency services only.

Questions regarding this Bulletin may be directed to Attorney Glendina P. Matthew, Acting Director at (340)773-6459.

Dated this 11<sup>th</sup> day of January 2022 at St. Thomas, U.S. Virgin Islands.



Tregenza A. Roach, Esq.  
Lieutenant Governor/

Chairman of the Virgin Islands Banking Board

