GUERNSEY STATUTORY INSTRUMENT 2026 No.

THE LENDING, CREDIT AND FINANCE (AMENDMENT) RULES, 2026

Made:	*9th September 2026*
Coming into Operation:	*1st October 2026*

The Guernsey Financial Services Commission (the "Commission"), in exercise of the powers conferred on it by section 63 of the Lending, Credit and Finance (Bailiwick of Guernsey) Law, 2022 (the "Law") makes the following Rules.

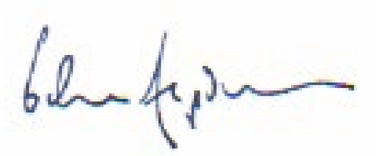
Citation and Commencement

1. These Rules may be cited as the Lending, Credit and Finance (Amendment) Rules, 2026 and amend the Lending, Credit and Finance Rules, 2023 (the “Rules”).
2. These Rules shall come into force on the 1st October 2026.

Amendments

3. The Rules are amended in accordance with Annex A.

Dated this 9th day of September, 2026



J. R. ASPDEN

Chairman of the Guernsey Financial Services Commission

For and on behalf of the Commission

Annex A

Amendments to The Lending, Credit and Finance Rules, 2023

1. In this section underlining indicates new text, to be added to the Rules, and striking through indicates text to be deleted:

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Part 10: PART III VASP LICENCES

10.1 Requirements for multiple licences

[Deleted]

~~(1) Holders of licences, issued under any of the regulatory Laws, who carry on activities regulated under Part III VASPs, must hold a Part III VASP Licence.~~

10.2 Applications and regulated activities

(1) ~~Part III VASP licensees are only permitted to provide VASP services to institutional and wholesale counterparties.~~ [Deleted]

(2) Part III VASP licensees are prohibited from dealing in, trading in, or offering –

a. virtual assets, or virtual asset services, which aim to obscure the parties to the transaction; or

b. virtual assets, or virtual asset services, which aim to obscure the flow of the assets.

(3) Applications for licences must specify the VASP activities which the applicant intends to engage in.

(4) Licensees must not engage in any VASP activities not specified on the original licence application, without the prior, written, approval of the Commission.

(5) Part III VASP Licensees must only undertake the regulated activities permitted in accordance with their licence.

10.3 ~~Environmental declaration~~ [Deleted]

1. ~~Part III VASP Licensees must publish information, annually, about the environmental impact of the consensus mechanisms of each virtual asset ("VA") with which they deal; the environmental declaration.~~

~~(2) Where a consensus mechanism requires the material consumption of resources, such as electrical or computational power, the environmental declaration relating to that VA must include –~~

a. ~~the carbon emissions and energy consumption of all VA transactions carried out by, or on behalf of, the licensee;~~

b. ~~indirect carbon emissions generated by VA transactions carried out by, or on behalf of, the licensee; and~~

c. ~~information regarding the method of calculation and the source of data used in the calculation.~~

~~(3) The declaration must include gross emissions as well as mitigated emissions.~~

~~(4) The licensee must ensure that, where estimations are used, this is noted and that they are prudent~~

~~(5)The period covered by the declaration must be the licensee's financial year.~~

~~Annual environmental disclosures must remain readily accessible to the public and, where the licensee chooses to meet its disclosure requirements by publishing information on its website, the location must be clear and easily accessible to the public.~~

10.4 Safekeeping of customer virtual assets

(1) A Part III VASP Licensee which has custody of a customer's virtual assets must –

(a) keep safe, or arrange for the safekeeping by an eligible custodian, of –

(i) any documents of title;

(ii) cryptographic keys; or

(iii) any other means of control,

either over the customer's virtual assets or relating to them;

(b) ensure that virtual assets, bought or held for a customer in the course of conducting its VASP business, are properly recorded in the customer's name or, with the customer's consent, in the name of an eligible custodian or nominee with the addition, where appropriate, of an account designation name, or number, which is unique to the customer;

(c) ensure that customer entitlements, to virtual assets, are identifiable from those in the beneficial ownership of the licensee, and any other customer of the licensee;

(d) not use a customer's virtual assets for its own account unless it has obtained that customer's explicit, prior, written consent;

(e) where the licensee holds customers virtual assets with a nominee of the licensee, accept responsibility for the acts or omissions of that nominee;

(f) not lend, or arrange the lending, of a customer's virtual assets to a third party, unless –

(i) the customer has consented, in writing, and the loan is subject to appropriate documented terms and conditions specific to the agreement with that customer;

(ii) where customers virtual assets belonging to more than one customer are registered in the same name, each customer whose virtual assets are so registered has consented, in writing, to the lending of customer virtual assets registered in that name and each customer's entitlement is clearly ascertained;

(iii) adequate collateral is obtained and maintained for the duration of the loan, in accordance with any written instructions given by the customer; and

(iv) the licensee arranges for all income, inclusive of dividends, fees, or commissions; other than any fees payable to the licensee for arranging the loan; either to be paid to the customer direct or to be received, by the licensee, on the customer's account and treated as customer money unless the customer instructs otherwise.

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