

Submission Date

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Additional Information

Level 1 Regulation

MiCA

Topic

Crypto-Asset Service Provider (CASP)

Additional Legal Reference

Article 67 / Paragraph 3

Subject Matter

Calculation of fixed overheads

Question

In Article 67, Paragraph 1, crypto asset providers shall at all time have prudential safeguards as the highest of the following;

- the amount of permanent minimum capital requirements indicated in Annex IV
- one quarter of the fixed overheads of the preceding year, reviewed annually

In Paragraph 3, the method to calculate the prudential requirement of one quarter of the fixed overheads of the preceding year, reviewed annually is stated as;

"Crypto-asset service providers shall calculate their fixed overheads for the preceding year, using figures resulting from the applicable accounting framework, by subtracting the following items from the total expenses after distribution of profits to shareholders or members."

When defining "total expenses" in the quoted sentence from Paragraph 3, does it in fact mean the total costs (fixed and variable overheads) after distribution of profits in the income statement for the preceding year, or is it meant to be the total fixed overheads after distribution of profits?