

**Submission Date**

28/05/2025

# ESMA\_QA\_2550

Status: Published Answer Updated

## **Additional Information**

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### **Level 1 Regulation**

MiCA

### **Topic**

Crypto-Asset Service Provider (CASP)

### **Additional Legal Reference**

Article 75 of MiCA

### **Subject Matter**

Payouts in fiat currency by CASPs in the context of exchange services

### **Question**

Should the business model whereby a crypto-asset service provider (CASP) provides exchange services but only ever allows clients to collect their balance in fiat currency be allowed?

## ESMA Answer

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18-02-2026

Original language

### Answer provided by the European Commission

No, business model whereby a crypto-asset service provider (CASP) provides exchange services where clients are only allowed to collect their balance in fiat currency, without having the possibility to have their crypto-asset transferred is not permitted under MiCA.

Under MiCA, "exchange services" refer to the professional activity of exchanging crypto-assets for fiat currency (which falls within the definition of 'funds') or for other crypto-assets. This service is one of several defined crypto-asset services that require a CASP, to obtain authorization.

It is possible for CASPs to propose to their clients that their balance is collected in fiat currencies instead of in crypto assets.

However, where a client purchases a crypto asset, it gives rise to an obligation on the CASP to transfer the purchased crypto-asset to the client. In that respect, the white paper to be drawn under MiCA must indicate «information on the method and time schedule of transferring the purchased asset-referenced token to the holders».

A service whereby an entity offers clients to "buy" a crypto-asset that is never delivered, and the client can only and exclusively receive the fiat currency value of such crypto-asset, is not to be allowed as a crypto-asset exchange service.

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