June 13, 2022

Members/Commissioners
Roatán Financial Services Authority ("**RFSA**")
Roatán International Financial Center ("**RIFC**")
Próspera ZEDE

Dear Members/Commissioners of the RFSA,

FORMS/ADMINISTRATION ACTIONS FOR PRÓSPERA FINANCIAL REGULATION A

We are pleased to inform you that we have completed the draft forms and administrative actions required to operationalize Próspera Financial Regulation A and hereby submit them to you for your review as the initial step towards your formal approval.

The set of submission drafts (the "**Submission Drafts**") contains 7 draft forms (i.e., A-1 and A-2 and F-1 through F-5) and 13 draft administrative actions (i.e., AA1 through AA13). The Submissions Drafts are attached as appendices to this letter and have been shared with you online via designated Google Drive folders for your review and comment.

With respect to their production, the initial document set was outlined by Nicholas C. Dranias, the General Counsel of the Próspera Group, and assigned to specific Legal Officers of the RFSA. The following are the assignment sets:

1. Ricardo González: A-1 and A-2, F-1 through F-5, and AA6
2. Jorge C. Colindres: AA1 through AA13, excluding AA5, AA6, and AA11
3. Humberto N. Macias: AA5 and AA11

Finally, General Counsel Dranias and Mr. Macias conducted a final review of the Submission Drafts prior to their submission to you as Members/Commissioners of the RFSA.

We understand that your review as Members/Commissioners will be pursuant to the RFSA's delegated authority to validate and approve that the Submission Drafts consistently implement Próspera Financial Regulation A, subject to and without prejudice to further administrative action by the RFSA under the same authority.

Please be reminded that Próspera Financial Regulation A and the Submission Drafts represent progression toward the creation of a full regulatory structure and do not necessarily represent all areas of necessary regulatory action (e.g., future capital regulations).

In addition to anticipating broadening the regulatory scope in the future, we also anticipate broadening the regulatory depth, as the Submission Drafts are tailored to the relatively limited size, sophistication, and lack of systemic risk of early and smaller RFSA regulated entities.

We would expect future actions to repeal/replace administrative actions that become irrelevant or require substantial revision as the breadth and complexity of regulated entities expands.

Thank you.

Sincerely,

Nicholas Dranias (Jun 15, 2022 10:35 PDT)

Nicholas C. Dranias
General Counsel of the Próspera Group

Jorge C. Colindres (Jun 16, 2022 06:48 MDT)

Jorge C. Colindres
RFSA Legal Officer

Ricardo González (Jun 15, 2022 11:42 MDT)

Ricardo González
RFSA Legal Officer

Humberto N. Macias (Jun 16, 2022 06:49 MDT)

Humberto N. Macias
RFSA Legal Officer

RFSA

A – 1

Roatan International Financial Center

Roatán Financial Service Authority

Application form to obtain money transmitting business registration pursuant Reg. A, Part 5, div. 14, sec. 1401-1407.

Part I: Identity of Individual, Entity or Organization intending to obtain a Money Transmitting business registration in the Próspera ZEDE Jurisdiction.

1 Name of Applicant	**2.** Type of Organization	**3** (e)Resident Number

4 Physical Address (number, street, and apt or ste no.)	**5** Email Address

6 City	**7** State	**8** ZIP Code	**9** Country	**10** Phone Number

13 Foreign Tax Identification (ID) if any.	**i.** Type of ID . . . . . **ii.** Number ID	**iii.** Country of Issuance . . . . .

14 Website, if available	**15** Operational Status i. Active ☐ ii. Start Up ☐ iii. Inactive

16 Estimate Volume of Business Expected in the Current year **$**	**17** Date of Establishment M| D| Y|

Part II: Transaction Accounts in Depository Institutions the Applicant Posses

18 Institution #1

19 Name of the Depository Institution	**20** Date Account Opened M| D| Y|	**21** Reference No for Depositary Account

22 Depository Institution's Address (number, street, and apt or ste no.)

23 City	**24** State	**25** ZIP Code	**26** Country

27 Institution #2, if any.

28 Name of the Depository Institution	**29** Date Account Opened M| D| Y|	**30** Reference No for Depositary Account

31 Depository Institution's Address (number, street, and apt or ste no.)	**32** Email Address

33 City	**34** State	**35** ZIP Code	**36** Country

PART III: Information Regarding the Individuals Who Own, Are In Control, Is A Director, Officer Or Otherwise Participates In The Money Transmitting Business

37 First Name	**38** M. I.	**39** Last name	**40** (e)Resident No., if available

41 Address (number, street, and apt or ste no.)	**42** Country of Birth	**43** Date of Birth

44 State	**45** ZIP Code	**46** Country	**47** Occupation, Profession, or Business

48 Foreign Tax Identification (ID)	**ii.** Number ID . . . . . **i.** Type of ID	**iii.** Country of Issuance . . . . .

49 Position	**50** Email Address	**51** Phone Number

52 Check This Box to Indicate More Than One Person Is In Control Of The Money Transmitting Business. . . . . ☐

53 I hereby swear or affirm under penalty of perjury that the information given herein is true and correct to the best of my knowledge and/or belief.

Signature . . . . . AUTORIZING PARTY	**Title** . . . . .
Print Name of Contact Person	**Phone Number of Contact Person**
Signature Date M| D| Y|	**Email of Contact Person**

RFSA

A – 1.1

Roatán International Financial Center

Roatán Financial Service Authority

Additional Information on Controlling Members, Owners, Directors, Officers, And Other Participants In The Principal Money Transmitting Registration Application.

PART I: Information Regarding the Individuals Who Own, Are in Control, is A Director, Officer or Otherwise Participates in the Money Transmitting Business

1 First Name	2 M. I.	**3** Last name	**4** (e)Resident No., if available
5 Address (number, street, and apt or ste no.)		**6** Country of Birth	**7** Date of Birth
8 State	**9** ZIP Code	**10** Country	**11** Occupation, Profession, or Business
12 Foreign Tax Identification (ID)	**ii.** Number ID . . . . . **i.** Type of ID		**iii.** Country of Issuance . . . . .
13 Position		**14** Email Address	**15** Phone Number

16 First Name	**17** M. I.	**18** Last name	**19** (e)Resident No., if available
20 Address (number, street, and apt or ste no.)		**21** Country of Birth	**22** Date of Birth
23 State	**24** ZIP Code	**25** Country	**26** Occupation, Profession, or Business
27 Foreign Tax Identification (ID)	**ii.** Number ID . . . . . **i.** Type of ID		**iii.** Country of Issuance . . . . .
28 Position		**29** Email Address	**30** Phone Number

31 First Name	**32** M. I.	**33** Last name	**34** (e)Resident No., if available
35 Address (number, street, and apt or ste no.)		3**6** Country of Birth	**37** Date of Birth
38 State	**39** ZIP Code	**40** Country	**41** Occupation, Profession, or Business
42 Foreign Tax Identification (ID)	**ii.** Number ID . . . . . **i.** Type of ID		**iii.** Country of Issuance . . . . .
43 Position		**44** Email Address	**45** Phone Number

46 First Name	**47** M. I.	**48** Last name	**49** (e)Resident No., if available
50 Address (number, street, and apt or ste no.)		**51** Country of Birth	**52** Date of Birth
53 State	**54** ZIP Code	**55** Country	**56** Occupation, Profession, or Business
57 Foreign Tax Identification (ID)	**ii.** Number ID . . . . . **i.** Type of ID		**iii.** Country of Issuance . . . . .
58 Position		**59** Email Address	**60** Phone Number

Signature . . . . . AUTORIZING PARTY	**Signature Date** M| D| Y|

Created by: Ricardo A. González, LLM
Acting/Assistant ZEDE Manager

Dated: 05/21/2022

RFSA

A – 1.1



RFSA

A – 2

Roatán Financial Service Authority

Application form to obtain Banking License in Próspera ZEDE pursuant Reg. A, Part 6, div. 2, sec. 201-209.

The Applicant seeking to obtain a Banking License from the Roatán International Financial Center Shall fill out this application accompanied with the following documents: a) The Entity's certificate of incorporation and bylaws or equivalent organizational documents; b) The Financial and administrative structure, the technical plans, and the operations that the institution intends to carry out; c) Certificate proving the existence and availability of the capital with which the bank expects to start operating with; d) The origin of the funds that make up the bank's starting capital, and e) Any such documents and information as may be determined in additional related published administrative actions.

Part I: Identity of Entity applying to obtain a Banking License in the Roatán International Financial Center.

1 Name of Applicant	**2.** Type of Organization	**3** (e)Resident Number

4 Physical Address (number, street, and apt or ste no.)	**5** Email Address

6 City	**7** State	**8** ZIP Code	**9** Country	**10** Phone Number

13 Foreign Tax Identification (ID) if any.	**i.** Type of ID . . . . . **ii.** Number ID	**iii.** Country of Issuance . . . . .

14 Website, if available	**15** Bank Trade Name

16 Initial Capital, if any **$**	**17** Date of Establishment, if applicable M| D| Y|
18 Foreign License Yes ☐ No ☐	**19** Foreign License Registration Identification No.
20 Nationality of Foreign License Registration, if any	**21** Operational Status i. Active ☐ ii. Start Up ☐ iii. Inactive ☐

Part II: Classification of Business License Requested

22 Pursuant Regulation A, Part 6. Division 3 the Roatán International Financial Service offer 4 banking classes; select desired license class according to the Bank's activities.

23 **Class A** (Lending-Only Banks) [No Deposit Taking]	☐
24 **Class B** (100% Reserve Banks) [No lending Operations]	☐
25 **Class C** (Commercial Banking) [Lending, Deposits, Lending Using Deposited Funds]	☐
26 **Class D** (Microfinancing Bank) [Lending, Deposits, Lending Using Deposited Funds only to Honduran Individuals or Entities]	☐

PART III: Bank's Activities and Origins of the Funds

27 Describe the intended banking activities to be carried out in Próspera ZEDE:

28 Describe Activities Carried by the Bank in other Jurisdictions, if any

29 Describe Origin of the Funds that serve as capital of the bank, if any

PART III: Information f The Organizer Applying for The Bank License.

30 First Name	**31** M. I.	**32** Last name	**33** (e)Resident No., if available

34 Address (number, street, and apt or ste no.)	**35** Country of Birth	**36** Date of Birth

37 State	**38** ZIP Code	**39** Country	**40** Occupation, Profession, or Business

41 Foreign Tax Identification (ID)	**ii.** Number ID . . . . . **i.** Type of ID	**iii.** Country of Issuance . . . . .

42 Position	**43** Email Address	**44** Phone Number

45 Check This Box To Indicate More Than One Person Or Entity Is In Control Of The Applicant Bank . . . . . ☐

54 The Applicant shall attached the following documents to this application form in order to formerly apply to the desired bank license:

a) The entity's certificate of incorporation and bylaws or equivalent organizational documents;
b) The financial and administrative structure, the technical plans and the operations that the institution intends to carry out.
c) A certificate proving the existence and availability of the capital with which the bank expects to start operating with.
d) The origin of the funds that make up the bank's starting capital; and
e) Such other documents and information as may be determined in additional related published administrative actions.

53 I hereby swear or affirm under penalty of perjury that the information given herein is true and correct to the best of my knowledge and/or belief.

Signature . . . . . Organizer	**Title** . . . . .
Print Name of Contact Person	**Phone Number of Contact Person**
Signature Date M| D| Y|	**Email of Contact Person**

- End of Form -

RFSA

A – 2.1

Roatán Financial Service Authority

Additional Information on Controlling Members, Owners, Directors, Officers, and/or mayor shareholders of the bank applying for the banking license.

PART I: Information Regarding the Individuals Who Own, Are in Control, is A Director, Officer or Otherwise Major Shareholder in the applicant bank.

1 First Name	**2** M. I.	**3** Last name	**4** (e)Resident No., if available
5 Address (number, street, and apt or ste no.)		**6** Country of Birth	**7** Date of Birth
8 State	**9** ZIP Code	**10** Country	**11** Occupation, Profession, or Business
12 Foreign Tax Identification (ID)	**ii.** Number ID . . . . . **i.** Type of ID		**iii.** Country of Issuance . . . . .
13 Position	**14** Email Address		**15** Phone Number
16 Percentage of Ownership	. . . . . .%		

17 First Name	**18** M. I.	**19** Last name	**20** (e)Resident No., if available
21 Address (number, street, and apt or ste no.)		**22** Country of Birth	**23** Date of Birth
24 State	**25** ZIP Code	**26** Country	**28** Occupation, Profession, or Business
27 Foreign Tax Identification (ID)	**ii.** Number ID . . . . . **i.** Type of ID		**iii.** Country of Issuance . . . . .
28 Position	**29** Email Address		**30** Phone Number
31 Percentage of Ownership	. . . . . .%		

32 First Name	**33** M. I.	**34** Last name	**35** (e)Resident No., if available
36 Address (number, street, and apt or ste no.)		**37** Country of Birth	**38** Date of Birth
39 State	**40** ZIP Code	**41** Country	**42** Occupation, Profession, or Business
43 Foreign Tax Identification (ID)	**ii.** Number ID . . . . . **i.** Type of ID		**iii.** Country of Issuance . . . . .
48 Position	**49** Email Address		**50** Phone Number
51 Percentage of Ownership	. . . . . .%		

RFSA

A – 2.1

52 First Name	**53** M. I.	**54** Last name	**55** (e)Resident No., if available
56 Address (number, street, and apt or ste no.)		**57** Country of Birth	**58** Date of Birth
60 State	**61** ZIP Code	**62** Country	**63** Occupation, Profession, or Business
64 Foreign Tax Identification (ID)	**ii.** Number ID . . . . . **i.** Type of ID		**iii.** Country of Issuance . . . . .
65 Position		**66** Email Address	**67** Phone Number
58 Percentage of Ownership	. . . . . %		

59 First Name	**60** M. I.	**61** Last name	**62** (e)Resident No., if available
63 Address (number, street, and apt or ste no.)		**64** Country of Birth	**65** Date of Birth
66 State	**67** ZIP Code	**68** Country	**69** Occupation, Profession, or Business
70 Foreign Tax Identification (ID)	**ii.** Number ID . . . . . **i.** Type of ID		**iii.** Country of Issuance . . . . .
71 Position		**71** Email Address	**72** Phone Number
73 Percentage of Ownership	. . . . . %		

74 First Name	**75** M. I.	**76** Last name	**77** (e)Resident No., if available
78 Address (number, street, and apt or ste no.)		**79** Country of Birth	**80** Date of Birth
81 State	**82** ZIP Code	**83** Country	**84** Occupation, Profession, or Business
85 Foreign Tax Identification (ID)	**ii.** Number ID . . . . . **i.** Type of ID		**iii.** Country of Issuance . . . . .
86 Position		**87** Email Address	**88** Phone Number
89 Percentage of Ownership	. . . . . %		

90 First Name	**91** M. I.	**92** Last name	**93** (e)Resident No., if available
94 Address (number, street, and apt or ste no.)		**95** Country of Birth	**96** Date of Birth
97 State	**98** ZIP Code	**99** Country	**100** Occupation, Profession, or Business
101 Foreign Tax Identification (ID)	**ii.** Number ID . . . . . **i.** Type of ID		**iii.** Country of Issuance . . . . .
102 Position		**103** Email Address	**104** Phone Number
105 Percentage of Ownership	. . . . . %		

RFSA

A – 2.1

Roatán International Financial Center

106 First Name	**107** M. I.	**108** Last name	**109** (e)Resident No., if available
110 Address (number, street, and apt or ste no.)		**111** Country of Birth	**112** Date of Birth
113 State	**114** ZIP Code	**115** Country	**116** Occupation, Profession, or Business
117 Foreign Tax Identification (ID)	**ii.** Number ID . . . . . **i.** Type of ID		**iii.** Country of Issuance . . . . .
118 Position		**119** Email Address	**120** Phone Number
121 Percentage of Ownership	. . . . . %		

122 First Name	**123** M. I.	**124** Last name	**125** (e)Resident No., if available
126 Address (number, street, and apt or ste no.)		**127** Country of Birth	**128** Date of Birth
129 State	**130** ZIP Code	**131** Country	**132** Occupation, Profession, or Business
133 Foreign Tax Identification (ID)	**ii.** Number ID . . . . . **i.** Type of ID		**iii.** Country of Issuance . . . . .
134 Position		**135** Email Address	**136** Phone Number
138 Percentage of Ownership	. . . . . %		

139 First Name	**140** M. I.	**141** Last name	**142** (e)Resident No., if available
143 Address (number, street, and apt or ste no.)		**144** Country of Birth	**145** Date of Birth
146 State	**147** ZIP Code	**148** Country	**149** Occupation, Profession, or Business
ii. Number ID . . . . . **i.** Type of ID		**iii.** Country of Issuance	
150 Position		**151** Email Address	**152** Phone Number
153 Percentage of Ownership	. . . . . %		

Signature . . . . . **Organizer**	**Signature Date** M| D| Y|

RFSA

F - 1

Roatán International Financial Center

Roatán Financial Service Authority

Report of Payments over $10,000.00 from Domestic Financial Institutions Received in a Trade on any Type of Currency.

Part I: Identity of Individual or Entity (Company or Organization) From Whom the Money Was Received

1 First Name or Organization's Name	**2** M. I.	**3** Last name	**4** (e)Resident No., if available

5 Address (number, street, and apt or ste no.)	**6** Country of Birth	**7** Date of Birth

8 City	**9** State	**10** ZIP Code	**11** Country	**12** Occupation, Profession, or Business

13 Foreign Identification (ID)	**i.** Type of ID . . . . . **ii.** Number ID	**iii.** Country of Issuance . . . . .

14 Organization's Name, if any	**15** Legal Capacity in Which the Participant is Acting

Part II: Identity of Individual or Entity (Company or Organization) That Received The Money

16 First Name or Organization's Name	**17** M. I.	**18** Last name	**19** (e)Resident No., if available

20 Address (number, street, and apt or ste no.)	**21** Country of Birth	**22** Date of Birth

23 City	**24** State	**25** ZIP Code	**26** Country	**27** Occupation, Profession, or Business

28 Foreign Identification (ID)	**i.** Type of ID . . . . . **ii.** Number	**iii.** Country of Issuance . . . . .

PART III: DESCRIPTION OF THE TRANSACTION AND METHOD OF PAYMENT

29 Date Payment Received	**30** Total Payment Received	**31** Indicate whether Payment was received in multiple payments. . . . . ☐
M| D| Y|	USD $	

32 Type of Transaction

Real Estate Property Purchase	☐	**Real Estate Property Lease**	☐	
Equipment or Material Purchase	☐	**Equipment Lease**	☐	
Intangible Property Purchase	☐	**Dept Obligation Paid**	☐	
Business Service Provided	☐	**Arbitral Award Paid**	☐	Describe other:
Personal Service Provided	☐	**Other (Identify)**	☐	. . . . .
Escrow or Trust Funds Disbursement	☐			. . . . .

33 Amount of cash received in USD equivalent:

U.S. Currency:	**$**		
Foreign Currency:	**$**	**Nationality**	. . . . .
Check(s):	**$**	**Issuer Bank, Company, Organization or Individual**	. . . . .
Money Order(s):	**$**		. . . . .
Bank Transfer(s):	**$**		. . . . .
Crypto Transaction(s):	**$**	**Blockchain**	. . . . .

34 I hereby swear or affirm under penalty of perjury that the information given herein is true and correct to the best of my knowledge and/or belief.

Signature . . . . . AUTORIZING PARTY	**Title** . . . . .
Print Name of Contact Person	**Phone Number of Contact Person**
Signature Date M| D| Y|	**Email of Contact Person**

Created by: Ricardo A. González, LLM
Acting/Assistant ZEDE Manager

Dated: 05/21/2022

RFSA

F - 2

Roatán International Financial Center

Roatán Financial Service Authority

Report of Payments over $10,000.00 from Foreign Financial Institutions Received in a Trade on any Type of Currency.

Part I: Identity of Individual or Entity (Company or Organization) From Whom the Money Was Received				
1 First Name or Organization's Name	**2** M. I.	**3** Last name		**4** (e)Resident No., if available
5 Address (number, street, and apt or ste no.)		**6** Country of Birth		**7** Date of Birth
8 City	**9** State	**10** ZIP Code	**11** Country	**12** Occupation, Profession, or Business
13 Foreign Identification (ID)	**i.** Type of ID . . . . . **ii.** Number ID			**iii.** Country of Issuance . . . . .
14 Organization's Name, if any		**15** Legal Capacity in Which the Participant is Acting		
17 Country from where the payment proceeds.				

Part II: Identity of Individual or Entity (Company or Organization) That Received The Money				
17 First Name or Organization's Name	**18** M. I.	**19** Last name		**20** (e)Resident No., if available
21 Address (number, street, and apt or ste no.)		**22** Country of Birth		**23** Date of Birth
24 City	**25** State	**26** ZIP Code	**27** Country	**28** Occupation, Profession, or Business
29 Foreign Identification (ID)	**i.** Type of ID . . . . . **ii.** Number			**iii.** Country of Issuance . . . . .
30 Country where the payment was received				

PART III: DESCRIPTION OF THE TRANSACTION AND METHOD OF PAYMENT				
31 Date Payment Received M| D| Y|	**32** Total Payment Received USD $			**33** Indicate whether Payment was received in multiple payments. . . . . ☐
34 Type of Transaction				
Real Estate Property Purchase ☐		**Real Estate Property Lease** ☐		
Equipment or Material Purchase ☐		**Equipment Lease** ☐		
Intangible Property Purchase ☐		**Dept Obligation Paid** ☐		
Business Service Provided ☐		**Arbitral Award Paid** ☐		Describe other:
Personal Service Provided ☐		**Other (Identify)** ☐		. . . . .
Escrow or Trust Funds Disbursement ☐				. . . . .
35 Amount of cash received in USD equivalent:				
U.S. Currency:	**$**			
Foreign Currency:	**$**	**Nationality**		. . . . .
Check(s):	**$**	**Issuer Bank, Company, Organization or Individual**		. . . . .
Money Order(s):	**$**			. . . . .
Bank Transfer(s):	**$**			. . . . .
Crypto Transaction(s):	**$**	**Blockchain**		. . . . .

36 I hereby swear or affirm under penalty of perjury that the information given herein is true and correct to the best of my knowledge and/or belief.

Signature . . . . . AUTORIZING PARTY	**Title** . . . . .
Print Name of Contact Person	**Phone Number of Contact Person**
Signature Date M| D| Y|	**Email of Contact Person**

Created by: Ricardo A. González, LLM
Acting/Assistant ZEDE Manager

Dated: 05/21/2022

RFSA

F - 3

Roatán International Financial Center

Roatán Financial Service Authority

Report of Payments over $10,000.00 conducted by a Regulated Industry person or entity in a Trade on any Type of Currency.

Part I: Identity of Individual or Entity (Company or Organization) From Whom the Money Was Received

1 First Name or Organization's Name	**2** M. I.	**3** Last name	**4** (e)Resident No., if available
5 Address (number, street, and apt or ste no.)		**6** Country of Birth	**7** Date of Birth
8 City	**9** State	**10** ZIP Code / **11** Country	**12** Occupation, Profession, or Business
13 Foreign Tax Identification (ID)	**i.** Type of ID . . . . . **ii.** Number ID		**iii.** Country of Issuance . . . . .
14 Organization's Name, if any		**15** Legal Capacity in Which the Participant is Acting	
17 Identify Regulated Industry under which the individual or entity is operating inside Próspera ZEDE, if any.			

Part II: Identity of Individual or Entity (Company or Organization) That Received The Money

17 First Name or Organization's Name	**18** M. I.	**19** Last name	**20** (e)Resident No., if available
21 Address (number, street, and apt or ste no.)		**22** Country of Birth	**23** Date of Birth
24 City	**25** State	**26** ZIP Code / **27** Country	**28** Occupation, Profession, or Business
29 Foreign Identification (ID)	**i.** Type of ID . . . . . **ii.** Number		**iii.** Country of Issuance . . . . .
30 Identify Regulated Industry under which the individual or entity is operating inside Próspera ZEDE, if any.			

PART III: DESCRIPTION OF THE TRANSACTION AND METHOD OF PAYMENT

31 Date Payment Received	**32** Total Payment Received	**33** Indicate whether Payment was received in multiple payments. . . . . ☐
M| D| Y|	USD $	

34 Type of Transaction

Real Estate Property Purchase	☐	**Real Estate Property Lease**	☐	
Equipment or Material Purchase	☐	**Equipment Lease**	☐	
Intangible Property Purchase	☐	**Dept Obligation Paid**	☐	
Business Service Provided	☐	**Arbitral Award Paid**	☐	Describe other:
Personal Service Provided	☐	**Other (Identify)**	☐	. . . . .
Escrow or Trust Funds Disbursement	☐			. . . . .

35 Amount of cash received in USD equivalent:

U.S. Currency:	**$**		
Foreign Currency:	**$**	**Nationality**	. . . . .
Check(s):	**$**	**Issuer Bank, Company, Organization or Individual**	. . . . .
Money Order(s):	**$**		. . . . .
Bank Transfer(s):	**$**		. . . . .
Crypto Transaction(s):	**$**	**Blockchain**	. . . . .

36 I hereby swear or affirm under penalty of perjury that the information given herein is true and correct to the best of my knowledge and/or belief.

Signature . . . . . AUTORIZED PARTY	**Title** . . . . .
Print Name of Contact Person	**Phone Number of Contact Person**
Signature Date M| D| Y|	**Email of Contact Person**

Created by: Ricardo A. González, LLM
Acting/Assistant ZEDE Manager

Dated: 05/21/2022

RFSA

F - 4

Roatán International Financial Center

Roatán Financial Service Authority

Report of travel with monetary instruments above $10,000.00 carried by a Regulated Industry person or entity.

Part I: Identity of Individual Entering, Exiting, Shipping, Mailing, or receiving currency and/or monetary instruments to or from the Próspera ZEDE Jurisdiction.

1 First Name	**2** M. I.	**3** Last name	**4** (e)Resident No., if available

5 Current Address (number, street, and apt or ste no.)	**6** Country of Birth	**7** Date of Birth

8 City	**9** State	**10** ZIP Code	**11** Country	**12** Occupation, Profession, or Business

13 Foreign Tax Identification (ID)	**i.** Type of ID . . . . . **ii.** Number ID	**iii.** Country of Issuance . . . . .
14 Passport Nº.	**i.** Country of Issuance . . . . . **ii.** Number	**iii.** Expiration Date . . . . .

15 Organization's Name the Individual is member of, if any.	**16** Legal Capacity in Which the Participant is Acting

17 Identify Regulated Industry under which the individual or entity is operating inside Próspera ZEDE, if any.

Part II: Identity of Individual or Entity on Whose Behalf the Importation or Exportation was Conducted.

18 First Name or Organization's Name	**19** M. I.	**20** Last name	**21** (e)Resident No., if available

22 Permanent Address (number, street, and apt or ste no.)	**23** Country of Birth	**24** Date of Birth

25 City	**26** State	**27** ZIP Code	**28** Country	**29** Occupation, Profession, or Business

30 Foreign Tax Identification (ID)	**i.** Type of ID . . . . . **ii.** Number	**iii.** Country of Issuance . . . . .

32 Identify Regulated Industry under which the individual or entity is operating inside Próspera ZEDE, if any.

PART III: Information About Currency and/or Monetary Instruments.

33 Date of Entry	**34** Foreseen Date of Exit	**35** Total Amount Money Carried
M| D| Y|	M| D| Y|	USD $ . . . . .

34 Type of Currency or Monetary Instrument.

U.S. Currency:	**$**	**Name and Nationaly of Currency**	. . . . .
Foreign Currency:	**$**		
Check(s):	**$**	**Issuer Bank, Company,**	. . . . .
Money Order(s):	**$**	**Organization or**	. . . . .
Bank Transfer(s):	**$**	**Individual**	. . . . .
Crypto Transaction(s):	**$**	**Blockchain**	. . . . .

35 Describe the Origin, Destination and/or Route the Currency and/or Monetary Instrument being Transported.

Origin	**Destination**	**Route, if any**

36 I hereby swear or affirm under penalty of perjury that the information given herein is true and correct to the best of my knowledge and/or belief.

Signature . . . . . AUTORIZING PARTY	**Title** . . . . .
Print Name of Contact Person	**Phone Number of Contact Person**
Signature Date M| D| Y|	**Email of Contact Person**

Created by: Ricardo A. González, LLM
Acting/Assistant ZEDE Manager

Dated: 05/21/2022

RFSA

F - 5

Roatán International Financial Center

Roatán Financial Service Authority

Report on Transactions Over $10,000.00 by Non-Financial Institutions Received in a Trade or Business.

Part I: Identity of Individual or Entity (Company or Organization) From Whom the Money Was Received

1 First Name or Organization's Name	**2** M. I.	**3** Last name	**4** (e)Resident No., if available

5 Address (number, street, and apt or ste no.)	**6** Country of Birth	**7** Date of Birth

8 City	**9** State	**10** ZIP Code	**11** Country	**12** Occupation, Profession, or Business

13 Foreign Tax Identification (ID)	**i.** Type of ID	**iii.** Country of Issuance . . . . .
	ii. Number ID	**iv.** Non-Financial Business Registration . . . . .

14 Organization's Name, if any	**15** Legal Capacity in Which the Participant is Acting

Part II: Identity of Individual or Entity (Company or Organization) That Received The Money

17 First Name or Organization's Name	**18** M. I.	**19** Last name	**20** (e)Resident No., if available

21 Address (number, street, and apt or ste no.)	**22** Country of Birth	**23** Date of Birth

24 City	**25** State	**26** ZIP Code	**27** Country	**28** Occupation, Profession, or Business

29 Foreign Tax Identification (ID)	**i.** Type of ID	**iii.** Country of Issuance . . . . .
	ii. Number ID	**iv.** Non-Financial Business Registration . . . . .

30 Organization's Name, if any	**31** Legal Capacity in Which the Participant is Acting

PART III: DESCRIPTION OF THE TRANSACTION AND METHOD OF PAYMENT

32 Date Payment Received	**33** Total Payment Received	**34** Indicate whether Payment was received in multiple payments. . . . . ☐
M| D| Y|	USD $	

35 Type of Transaction

Real Estate Property Purchase	☐	**Real Estate Property Lease**	☐	
Equipment or Material Purchase	☐	**Equipment Lease**	☐	
Intangible Property Purchase	☐	**Dept Obligation Paid**	☐	
Business Service Provided	☐	**Arbitral Award Paid**	☐	Describe other:
Personal Service Provided	☐	**Other (Identify)**	☐	. . . . .
Escrow or Trust Funds Disbursement	☐			. . . . .

36 Amount of cash received in USD equivalent:

U.S. Currency:	**$**		
Foreign Currency:	**$**	**Nationality**	. . . . .
Check(s):	**$**	**Issuer Bank, Company, Organization or Individual**	. . . . .
Money Order(s):	**$**		. . . . .
Bank Transfer(s):	**$**		. . . . .
Crypto Transaction(s):	**$**	**Blockchain**	. . . . .

37 I hereby swear or affirm under penalty of perjury that the information given herein is true and correct to the best of my knowledge and/or belief.

Signature . . . . . AUTORIZED PARTY	**Title** . . . . .
Print Name of Contact Person	**Phone Number of Contact Person**
Signature Date M| D| Y|	**Email of Contact Person**

Created by: Ricardo A. González, LLM
Acting/Assistant ZEDE Manager

Dated: 05/21/2022


RFSA

ROATÁN FINANCIAL SERVICES AUTHORITY (RFSA)

WHEREAS the Roatán Financial Services Authority (RFSA) is a department within Próspera ZEDE's General Service Provider that has authority under the Próspera Financial Regulation A to promulgate published administrative actions, subject to override by Rule, applicable to persons governed pursuant to Part 3(c) of Financial Regulation A, for interpretative, investigatory and enforcement purposes.

WHEREAS the Financial Intelligence Unit (FIU) of the National Commission of Banks and Insurance (CNBS) services as the Republic of Honduras' national, central agency responsible for requesting, receiving, analyzing, and informing on those events that are objectively considered as probable cases of money laundering or financing of terrorism and other financial information related to the crimes.

NOW, THEREFORE, in accordance with articles 15, 18, 294 and 329 of the Constitution of the Republic of Honduras; 1, 2, 8.2, 12.2, 30 and 45 of the ZEDE Organic Law; Part 2(f) and (w), and Part 5 Sections 810 and 901 of the Próspera Financial Regulation A; the Proclamation of Formation of the Roatán Financial Services Authority by Administrative Action of the Próspera ZEDE Council of Trustees, and the RFSA Oversight Committee Inaugural Action by Unanimous Consent; all of which are saved from repeal and guaranteed as controlling law under the mandate of Articles 96 of the Constitution, 10.4 of CAFTA-DR, and 16.4 of the Agreement for the Promotion and Reciprocal Protection of Investments between Honduras and Kuwait, as well as a certain amended Legal Stability Agreement approved by Resolutions §§5-1-130-0-0-0-1, 5-1-160-0-0-0-1; article 17-A of the national Law of the Financial System; and article 4.1.c of the Interamerican Convention Against Terrorism; the following Administrative Action is hereby promulgated.

RFSA ADMINISTRATIVE ACTION NO. ___

ESTABLISHMENT OF THE FINANCIAL INTELLIGENCE UNIT LIASON

Section 1. Establishment and Structure

(1) There is hereby established the Financial Intelligence Unite Liaison (FIUL) as an office within the Roatán Financial Services Authority (RFSA) responsible for the collection, maintenance, as well as intragovernmental and intergovernmental distribution of financial and other information gathered pursuant to the authorities established by Próspera Financial Regulation A.

(2) The FIUL shall serve as a liaison with the Financial Intelligence Unit (FIU) of the National Commission on Bank and Insurance's (CNBS), which currently acts as the central, national agency of the Republic of Honduras responsible for receiving, requesting, analyzing, and disseminating information concerning suspected proceeds of crime and terrorist property, as provided for by law and regulation.

(3) The composition, organization, operation, and resources of Financial Intelligence Unit Liaison (FIUL) shall be established by administrative action of the Roatán Financial Services Authority (RFSA).

Section 2. Obligation regarding Confidentiality and Use of Information

(1) Every person who has duties for or within FIUL is required to keep confidential any information obtained within the scope of his duties, even after the cessation of those duties, except as otherwise provided by applicable law and or as ordered by court of competent jurisdiction. Such persons may only use such information for the purposes provided for and in accordance with this Section.

(2) Any current or past employee of the FIUL or other person who has duties for or within the FIUL who intentionally reveals information the confidentiality of which is required to be protected by subsection (1) commits a criminal offence under the Penal Code of Honduras (Legislative Decree No. 130-2017) and shall be punishable in accordance with articles 272, 273, 443, 488, 505, 506 and/or others as may be applicable.

Section 3. Action regarding Reports and Other Information Received

(1) Whenever the FIUL has serious indications that property is proceeds of crime, is related to or intended for the financing of terrorism, or is terrorist property, it shall forward the relevant information to the Special District Attorney of Próspera ZEDE and/or the Financial Crimes Unit of the Próspera Police Department, who shall decide upon further action.

Section 4. Access to Information

(1) The Financial Intelligence Unit Liaison (FIUL) may, spontaneously or upon request, share information with the national Financial Intelligence Unit (FIU) of with any foreign counterpart agency that performs similar functions and is subject to similar secrecy obligations with respect to the information it receives based upon reciprocity or mutual agreement.

(2) The Financial Intelligence Unit Liaison (FIUL) may enter into an agreement or arrangement to facilitate the exchange of information with national agencies or with a foreign counterpart agency that performs similar functions and is subject to similar secrecy obligations.

(3) The Financial Intelligence Unit Liaison (FIUL) may make inquiries on behalf of the national Financial Intelligence Unit (FIU) or of a foreign counterpart agency where the inquiry may be relevant to the counterpart agency's analysis of a matter involving suspected proceeds of crime or terrorist property, or potential financing of terrorism. The Financial Intelligence Unit Liaison (FIUL) may:

a) Search its own databases, including information related to reports of suspicious transactions, and other databases to which the FIUL has direct or indirect access, including law enforcement databases, public databases, administrative databases and commercially available databases;

b) Obtain from financial institutions and designated non-financial businesses and professions information that is relevant in connection with such request;

c) Obtain from competent authorities information that is relevant in connection with such request to the extent FIUL could obtain such information in a domestic matter; and

d) Take any other action in support of the request of the national Financial Intelligence Unit (FIU) or of a foreign counterpart that is consistent with the authority of FIUL in a domestic matter.

IT IS SO PROMULGATED THIS ___ OF ____ OF _____.

ALEXANDER ROLFE
RFSA Commissioner

JOSÉ LUIS MONCADA
RFSA Commissioner

CHIRAG SHAH
RFSA Commissioner

SOHAN DASGUPTA
RFSA Commissioner

ROATÁN FINANCIAL SERVICES AUTHORITY (RFSA)

WHEREAS the Roatán Financial Services Authority (RFSA) is a department within Próspera ZEDE's General Service Provider that has authority under the Próspera Financial Regulation A to promulgate published administrative actions, subject to override by Rule, applicable to persons governed pursuant to Part 3(c) of Financial Regulation A, for interpretative, investigatory and enforcement purposes.

WHEREAS the State of Honduras is party to the United Nations Convention Against Organized Crime, the International Convention for the Suppression of the Financing of Terrorism, the Interamerican Convention Against Terrorism, and the Central American Agreement for the Prevention and Repression of Money and Asset Laundering Crimes Related to Illicit Drug Trafficking and Related Crimes, all of which are applicable to the Próspera ZEDE special jurisdiction in accordance with article 8.2 of the ZEDE Organic Law, and all of which require the State of Honduras to adopt measures requiring financial institutions in the country to report suspicious financial transactions to a Financial Intelligence Unit.

WHEREAS, the Government of Honduras has established the Financial Intelligence Unit (FIU) as part of the National Commission on Banks and Insurance (CNBS), as the national center for the collection, analysis, and dissemination of information regarding potential money laundering and/or financing of terrorism.

WHEREAS, the national Law of the Financial System states, in article 17-A, that national or international financial centers in the country shall enact an information sharing accord with the National Commission on Banks and Insurance (CNBS).

WHEREAS, the Financial Intelligence Unit has communicated to Próspera ZEDE that it will receive suspicious activity reports, as well as any other reports required under applicable law via email and, subsequently, via the national electronic reporting system.

NOW, THEREFORE, in accordance with articles 15, 18, 294 and 329 of the Constitution of the Republic of Honduras; 1, 2, 8.2, 12.2, 30 and 45 of the ZEDE Organic Law; Part 5, div. 1, sec. 101(e) of the Próspera Financial Regulation A; the Proclamation of Formation of the Roatán Financial Services Authority by Administrative Action of the Próspera ZEDE Council of Trustees; and the RFSA Oversight Committee Inaugural Action by Unanimous Consent; all of which are saved from repeal and guaranteed as controlling law under the mandate of Articles 96 of the Constitution, 10.4 of CAFTA-DR, and 16.4 of the Agreement for the Promotion and Reciprocal Protection of Investments between Honduras and Kuwait, as well as a certain amended Legal Stability Agreement approved by Resolutions §§5-1-130-0-0-0-1, 5-1-160-0-0-0-1; 17-A of the Law of the Financial System; article 18 section 1(b) of the International

Convention for the Suppression of the Financing of Terrorism; article 7 section 1(a) of the United Nations Convention Against Transnational Organized Crime; article 14 of the Central American Agreement for the Prevention and Repression of Money and Asset Laundering Crimes Related to Illicit Drug Trafficking and Related Crimes; and article 4.1.A of the Interamerican Convention Against Terrorism; the following Administrative Action is hereby promulgated.

RFSA ADMINISTRATIVE ACTION NO.

RIFC-CNBS INFORMATION SHARING ACCORD

Section 1. Purpose of the Accord.

(1) The purpose of this Accord is to establish the procedures for cooperation and exchange of information between the National Commission on Banks and Insurance (CNBS) and the Roatán International Financial Center in the Próspera ZEDE (Zone for Employment and Economic Development) in accordance with international best practices in mutual legal assistance, prevention and mitigation of money laundering and terrorist financing, and in accordance with the international obligations of the State of Honduras.

Section 2. Operation of National Financial Institutions in Próspera ZEDE.

(1) Pursuant to its authority under Financial Regulation A, the Roatán Financial Services Authority (RFSA) will authorize the institutions of the national financial system to operate in the spatial ambit of Próspera ZEDE directly or through the creation of another entity or through the establishment of branches, agencies, or other means of rendering financial services. As per the national Law of the Financial System, the operations that the institutions of the national financial system carry out in Próspera ZEDE must be governed by the Próspera Industrial Regulation and Financial Responsibility Statutes, and the rest of the internal norms applicable within Próspera ZEDE.

(2) For the purposes of this administrative action, the institutions of the national financial system are understood as the persons contemplated in article 3 of the national Law of the Financial System that are authorized by the CNBS to operate in the national territory outside the jurisdiction of Próspera ZEDE.

(3) The institutions of the national financial system authorized by the CNBS may offer, advertise, and provide financial services to persons located in the spatial scope of competence of Próspera ZEDE without the need to establish branches, agencies, permanent establishments, or other means of providing financial services.

Section 3. Exchange of Information.

(1) Remission of Information. The RFSA will assist the CNBS by exchanging information that may foreseeably be of interest for the administration and application of the international treaties ratified by the State of Honduras and of the applicable law in each of their respective jurisdictions. The information shall be exchanged in accordance with the provisions of this Accord and shall be treated confidentially. The rights and guarantees recognized to individuals by the applicable law or administrative practice of the requested Party shall continue to apply.

(2) Type of Information. In accordance with applicable law, the RFSA shall provide, upon request of the CNBS, information on the following matters:

a) information on the operations that the institutions of the national financial system, that are Covered Regulated Industry Persons, have within the spatial scope of competence of Próspera ZEDE;

b) information related to compliance with international agreements or treaties ratified by the State of Honduras regarding the exchange of financial or tax information;

c) information related to the prevention and combat of money laundering and the financing of terrorism.

(3) Obtaining Information. If the information in possession of the RFSA is not sufficient to comply with the request for information, the RFSA will resort, directly or through other competent bodies within the spatial ambit of Próspera ZEDE, to all relevant measures to collect the information described in Section 3(2) in order to provide the CNBS with the requested information, regardless of the fact that the RFSA may not need such information for its own purposes.

(4) Additional Information. If expressly requested by the CNBS, the RFSA shall provide information as described in Section 3(2) to the extent permitted by applicable law and its internal regulations, in the form of witness statements and authenticated copies of original documents.

(5) Investigative Powers. The RFSA is empowered to obtain and provide, upon request and on the matters provided for in Section 3(2) of this Accord:

a) information held by banks, other financial institutions, and any person acting in a representative or fiduciary capacity, including nominee agents and trustees, that are Covered Regulated Industry Persons under Financial Regulation A;

b) information relating to the ownership of corporations, partnerships, trusts, foundations, "Anstalten" and other persons, that are Covered Regulated Industry Persons under Financial Regulation A, including, subject to the limitations set forth in this Accord, ownership information in respect of all persons comprising a chain of ownership; in the case of trusts that are Covered Regulated Industry Persons under Financial Regulation A, information about settlors, trustees and beneficiaries; and in the case of foundations that are Covered Regulated Industry Persons under Financial Regulation A, information about founders, foundation board members and beneficiaries.

This Accord does not impose any obligation on the RFSA to obtain or provide ownership information with respect to publicly traded companies or public collective investment funds or schemes unless such information can be obtained without undue hardship.

(6) Content of the Request. When making a request for information under this Accord, the CNBS shall provide the following information to the RFSA in order to demonstrate the foreseeable interest of the information requested:

a) the identity of the person subject to inspection or investigation;

b) a statement regarding the information requested stating its nature and the manner in which the requesting Party wishes to receive the information from the requested Party;

c) the purpose for which the information is requested;

d) the grounds for believing that the requested information is in the requested Party or is in the possession or control of a person within the jurisdiction of the requested Party;

e) to the extent known, the name and address of any person believed to be in possession of the requested information;

f) a statement to the effect that the request is in accordance with the law and administrative practices of the requesting Party; that if the information sought were within the jurisdiction of the requesting Party the competent authority of the requesting Party would be able to obtain the information under the law of the

requesting Party or in the normal course of administrative practice; and that it is in accordance with this Accord;

g) a statement to the effect that the requesting Party has used all available means in its own territory to obtain the information, except those that would give rise to disproportionate difficulties.

(7) Response to the Request. The RFSA shall send the requested information as soon as possible to the CNBS. In order to ensure promptness in the response, the RFSA:

a) shall acknowledge receipt of the request in writing to the competent authority of the requesting Party and shall inform it, where appropriate, of any defects in the request within sixty (60) days of receipt of the request;

b) if the RFSA has been unable to obtain and provide the information within ninety (90) days of receipt of the request, including in the event that it encounters obstacles in providing the information or refuses to provide the information, it shall immediately inform the requesting Party, explaining the reasons for the impossibility, the nature of the obstacles or the reasons for its refusal.

(8) Limits on Requests. The RFSA shall not be required to obtain or provide information that the CNBS could not obtain under domestic law. The RFSA may refuse its assistance when the request is not made in accordance with this Accord. The provisions of this Accord shall not impose any obligation on either Party to provide information revealing commercial, business, industrial or professional secrets or an industrial process. Notwithstanding the foregoing, the information referred to in clause 3.2 of this Agreement shall not be treated as such a trade secret or industrial process solely because it meets the criteria of that paragraph.

(9) The provisions of this Accord shall not impose an obligation on the RFSA to obtain or provide information that would reveal confidential communications between a client and a lawyer or other recognized legal representative, where such communications

a) occur for the purpose of seeking or giving legal advice, or

b) occur for the purpose of use in an ongoing or contemplated legal proceeding.

The RFSA may refuse a request for information if the communication of the information is contrary to the rights of due process under subnational, national, or international human rights law.

(10) FATCA Compliance. The RFSA shall be responsible for compliance with the obligations derived from the FATCA Agreement between the Republic of Honduras and the Government of the United States of America, and shall submit to the Financial Intelligence Unit of the CNBS the information corresponding to the compliance with such agreement electronically or physically.

(11) LAFT Compliance. The RFSA will be responsible for adopting and implementing all the measures required to comply with the international obligations of the State of Honduras in matters of prevention and combat of money laundering and financing of terrorism. The RFSA, through its FIUL, shall send to the Financial Intelligence Unit of the CNBS the suspicious activity reports communicated by the Covered Regulated Industry Persons under Financial Regulation A.

(12) Competent Jurisdictional Body. RFSA recognizes that the only judicial bodies with jurisdiction over the spatial area of Próspera ZEDE are those that make up the Special Jurisdiction of the Zones for Employment and Economic Development (ZEDE), in accordance with article 303 of the Constitution of the Republic, articles 14, 15, 16, 17, 17, 18, 19 and 20 of the Organic Law of the ZEDE, Accord No. CSJ-01-2021 of the Supreme Court of Justice and the Charter of Próspera. In the absence of the appointment of judges and/or magistrates to the Special Jurisdiction of the ZEDE, the RFSA recognizes the exclusive jurisdiction of the Supreme Court of Justice.

(13) Confidentiality. Any information received by the CNBS under this Accord shall be treated as confidential and may only be communicated to persons or authorities (including courts and administrative bodies). Such persons or authorities shall use such information only for appropriate lawful purposes. They may disclose the information in public judicial proceedings or in court judgments. The information may not be disclosed to any other person, entity, authority, or any other jurisdiction without the express written consent of the RFSA.

Section 5. Competent Bodies or Authorities.

(1) The CNBS and the RFSA, as well as any other governing bodies in the national or Próspera ZEDE jurisdiction, may act with respect to one another through their legal representatives, attorneys-in-fact or competent bodies or authorities.

(2) For the application of this Accord, the competent authorities, or bodies on the part of the CNBS is the Financial Intelligence Unit (FIU) and the CNBS FATCA Office.

(3) For the application of this Accord, the competent authorities, or bodies on the part of Próspera ZEDE Roatán International Financial Center is the Roatán Financial Services Oversight Committee of the Próspera ZEDE Council of Trustees, through the Technical Secretary, and the Roatan Financial Services Authority (RFSA), through the Financial Intelligence Unit Liaison.

IT IS SO PROMULGATED THIS ___ OF ____ OF _____.

ALEXANDER ROLFE
RFSA Commissioner

JOSÉ LUIS MONCADA
RFSA Commissioner

CHIRAG SHAH
RFSA Commissioner

SOHAN DASGUPTA
RFSA Commissioner

ROATÁN FINANCIAL SERVICES AUTHORITY (RFSA)

WHEREAS the Roatán Financial Services Authority (RFSA) is a department within Próspera ZEDE's General Service Provider that has authority under the Próspera Financial Regulation A to promulgate published administrative actions, subject to override by Rule, applicable to persons governed pursuant to Part 3(c) of Financial Regulation A, for interpretative, investigatory and enforcement purposes.

WHEREAS the State of Honduras is party to the United Nations Convention Against Organized Crime, the International Convention for the Suppression of the Financing of Terrorism, the Interamerican Convention Against Terrorism, and the Central American Agreement for the Prevention and Repression of Money and Asset Laundering Crimes Related to Illicit Drug Trafficking and Related Crimes, all of which are applicable to the Próspera ZEDE special jurisdiction in accordance with article 8.2 of the ZEDE Organic Law, and all of which require the State of Honduras to adopt measures requiring financial institutions in the country to report suspicious financial transactions to a Financial Intelligence Unit.

NOW, THEREFORE, in accordance with articles 15, 18, 294 and 329 of the Constitution of the Republic of Honduras; 1, 2, 8.2, 12.2, 30 and 45 of the ZEDE Organic Law; Part 5, div. 8, sec. 807, 811 of the Próspera Financial Regulation A; the Proclamation of Formation of the Roatán Financial Services Authority by Administrative Action of the Próspera ZEDE Council of Trustees; and the RFSA Oversight Committee Inaugural Action by Unanimous Consent; all of which are saved from repeal and guaranteed as controlling law under the mandate of Articles 96 of the Constitution, 10.4 of CAFTA-DR, and 16.4 of the Agreement for the Promotion and Reciprocal Protection of Investments between Honduras and Kuwait, as well as a certain amended Legal Stability Agreement approved by Resolutions §§5-1-130-0-0-0-1, 5-1-160-0-0-0-1; 17-A of the Law of the Financial System; article 18 section 1(b) of the International Convention for the Suppression of the Financing of Terrorism; article 7 section 1(a) of the United Nations Convention Against Transnational Organized Crime; article 14 of the Central American Agreement for the Prevention and Repression of Money and Asset Laundering Crimes Related to Illicit Drug Trafficking and Related Crimes; and article 4.1.A of the Interamerican Convention Against Terrorism; the following Administrative Action is hereby promulgated.

RFSA ADMINISTRATIVE ACTION NO.

SUSPICIOUS TRANSACTION REPORTING

Section 1. Obligation to Report Suspicious Transactions

(1) Subject to the provisions of subsection (2), Covered Regulated Industry Persons under Part 3(c) of Financial Regulation A, such as financial institutions, designated nonfinancial businesses and professions, and their respective directors, principals, officers, partners, professionals and employees, that suspect or have reasonable grounds to suspect that any property:

a) is the proceeds of crime, or

b) is related or linked to, or is to be used for, terrorism, terrorist acts or by terrorist organisations or those who finance terrorism

shall submit promptly but not later than three (3) working days after forming a suspicion a report setting forth the suspicions to the Financial Intelligence Unit Liaison (FIUL). This obligation also shall apply to attempted transactions.

(2) Notwithstanding subsection (1), lawyers, notaries, other independent legal professionals and accountants who are Covered Regulated Industry Persons are required to submit reports only when:

a) they engage, on behalf of or for a client in a financial transaction associated with an activity specified in relation to such professionals under the RFSA Administrative Action designating non-financial trades and professions; and

b) the relevant information upon which the suspicion is based was not received from or obtained on a client:

i. in the course of ascertaining the legal position of their client; or

ii. in performing their task of defending or representing that client in, or concerning judicial, administrative, arbitration or mediation proceedings, including advice on instituting or avoiding proceedings, whether such information is received or obtained before, during or after such proceedings.

(3) Financial institutions and designated non-financial businesses and professions shall refrain from carrying out a transaction which they suspect to be related to money laundering or financing of terrorism until one (1) business day after they have reported their suspicion to the Financial Intelligence Unit Liaison (FIUL), except that, where refraining from the carrying out of a transaction is impossible or is likely to frustrate the efforts to investigate a suspected transaction, financial institutions and designated non-financial businesses and professions may execute the transaction and shall report their suspicion to the Financial Intelligence Unit Liaison (FIUL) immediately afterwards. If the Financial Intelligence Unit Liaison (FIUL) considers it necessary by reason of the seriousness or urgency of the case, it may order the suspension of a transaction for a period not to exceed three (3) business days.

(4) Supervisory authorities shall inform the Financial Intelligence Unit Liaison (FIUL) if, in the course of their responsibilities, they discover facts that could be related to money laundering or terrorist financing.

(5) The Financial Intelligence Unit Liaison (FIUL) shall issue regulations on the procedures for and form in which the reports shall be submitted and shall publish guidance from time

to time in order to assist financial institutions and designated non-financial businesses and professions to fulfil their obligations under this section.

IT IS SO PROMULGATED THIS ___ OF ____ OF _____.

ALEXANDER ROLFE
RFSA Commissioner

JOSÉ LUIS MONCADA
RFSA Commissioner

CHIRAG SHAH
RFSA Commissioner

SOHAN DASGUPTA
RFSA Commissioner

ROATÁN FINANCIAL SERVICES AUTHORITY (RFSA)

WHEREAS the Roatán Financial Services Authority (RFSA) is a department within Próspera ZEDE's General Service Provider that has authority under the Próspera Financial Regulation A to promulgate published administrative actions, subject to override by Rule, applicable to persons governed pursuant to Part 3(c) of Próspera Financial Regulation A, for interpretative, investigatory and enforcement purposes.

WHEREAS Próspera ZEDE has three-pronged system for regulatory enforcement based on the traditional oversight by a local public administration led by the General Service Provider and, with respect to the International Roatán Financial Center, by the Roatán Financial Services Authority; on a system of mandatory regulatory insurance for regulated industry persons operating in the finance and insurance industry, to be provided by Qualified Insurers; and a decentralized regulatory enforcement by third parties, who may compel compliance with laws, statutes, and regulations by recurring to the Default General Service Provider of Próspera ZEDE.

NOW, THEREFORE, in accordance with articles 15, 18, 294 and 329 of the Constitution of the Republic of Honduras; 1, 2, 8.2, 12.2, 30 and 45 of the ZEDE Organic Law; Part 4 (b)(3), Part 6, div. 2 sec. 210, and Part 7, Div. 1, sec. 102, div. 5, sec. 509, 510, div. 6, sec. 607 of the Próspera Financial Regulation A; the Proclamation of Formation of the Roatán Financial Services Authority by Administrative Action of the Próspera ZEDE Council of Trustees; and the RFSA Oversight Committee Inaugural Action by Unanimous Consent; all of which are saved from repeal and guaranteed as controlling law under the mandate of Articles 96 of the Constitution, 10.4 of CAFTA-DR, and 16.4 of the Agreement for the Promotion and Reciprocal Protection of Investments between Honduras and Kuwait, as well as a certain amended Legal Stability Agreement approved by Resolutions §§5-1-130-0-0-0-1, 5-1-160-0-0-0-1; 17-A of the Law of the Financial System; the following Administrative Action is hereby promulgated.

RFSA ADMINISTRATIVE ACTION NO.

COORDINATION OF INVESTIGATORY AND ENFORCEMENT POWERS

Section 1. Supervision and Oversight.

1) The RFSA, directly or through Qualified Insurers, has the power to inspect and review the operations of all financial institutions that are Covered Regulated Industry Persons under Próspera Financial Regulation A, as frequently as it deems necessary.

2) The Covered Regulated Industry Persons under Próspera Financial Regulation A are obligated to provide the RFSA staff with access to their accounting and all their books and documents supporting their operation.

3) Upon request by the RFSA, the Qualified Insurers covering Regulated Industry Persons electing to operate under Próspera Financial Regulation A, shall provide to the any or all information that they possess with respect to Covered Regulated Industry Person.

4) Upon request by the RFSA, the Qualified Insurers covering Regulated Industry Persons electing to operate under Próspera Financial Regulation A have the authority and obligation to collect any information that the RFSA requires from the Covered Regulated Industry Persons.

5) The RFSA, directly or through the FIUL, may formalize information sharing agreements with Qualified Insurers with the purpose of strengthening cooperation and compliance with the applicable laws, statutes, and regulations.

Section 2. Reliance on Reports by Qualified Insurers.

1) For the issuance of licenses and authorizations to financial institutions operating in the Próspera ZEDE jurisdiction under a Próspera Financial Regulation A regulatory election, the RFSA may rely on the reports, certifications, and recommendations of Qualified Insurers covering such regulated industry persons.

2) The RFSA and Qualified Insurers will cooperate to establish base minimum terms and conditions to be included in the Qualified Insurance Policies issued to Covered Regulated Industry Persons operating under Financial Regulation A.

IT IS SO PROMULGATED THIS ___ OF ____ OF _____.

ALEXANDER ROLFE
RFSA Commissioner

JOSÉ LUIS MONCADA
RFSA Commissioner

CHIRAG SHAH
RFSA Commissioner

DR. SOHAN DASGUPTA
RFSA Commissioner

ROATÁN FINANCIAL SERVICES AUTHORITY (RFSA)

WHEREAS the Roatán Financial Services Authority (**RFSA**) is a department within the General Service Provider of Próspera ZEDE that has authority under the Próspera Financial Regulation A (**Financial Regulation A**) to promulgate published administrative actions, subject to override by Rule, applicable to persons governed pursuant to Part 3(c) of Financial Regulation A, for interpretative, investigatory and enforcement purposes.

WHEREAS best practices in the financial industry require ensuring that stakeholders of financial institutions have available to them accurate and necessary information with respect to such financial institutions; this information is best ensured through regular audits by unrelated third-parties; and Regulation A requires that the RFSA authorize reputable auditing firms to fulfill this important role in the Roatán International Financial Center.

NOW, THEREFORE, in accordance with articles 15, 18, 294 and 329 of the Constitution of the Republic of Honduras; 1, 2, 8.2, 12.2, 30 and 45 of the ZEDE Organic Law; Part 6, div. 3, sec. 309, 317, 322, and 332 of Financial Regulation A; the Proclamation of Formation of the Roatán Financial Services Authority by Administrative Action of the Próspera ZEDE Council of Trustees; and the RFSA Oversight Committee Inaugural Action by Unanimous Consent; all of which are saved from repeal and guaranteed as controlling law under the mandate of Articles 96 of the Constitution, 10.4 of CAFTA-DR, and 16.4 of the Agreement for the Promotion and Reciprocal Protection of Investments between Honduras and Kuwait, as well as a certain amended Legal Stability Agreement approved by Resolutions §§5-1-130-0-0-0-1, 5-1-160-0-0-0-1; 17-A of the Law of the Financial System; the following Administrative Action is hereby promulgated.

RFSA ADMINISTRATIVE ACTION NO. [X]

AUTHORIZED AUDITING FIRMS

Section 1. Deemed Authorized Auditing Firms

(1) This Administrative Action deems any auditing firm registered with the Public Company Accounting Oversight Board (**PCAOB**) in the United States and the registry of the National Banking and Insurance Commission (**CNBS**) of Honduras to be authorized auditing firms for the purposes of Financial Regulation A, including Part 6, div. 3, sec. 309, 317, 322, and 332 thereof.

Section 2. Applying for Authorization as an Auditing Firm

(1) Any reputable auditing firm may apply for authorization as an auditing firm by the RFSA by submitting a written request for consideration to the RFSA with supporting documentation and paying the fee established by the RFSA from time to time.

IT IS SO PROMULGATED THIS ___ OF ____ OF _____.

ALEXANDER ROLFE
RFSA Commissioner

JOSÉ LUIS MONCADA
RFSA Commissioner

CHIRAG SHAH
RFSA Commissioner

DR. SOHAN DASGUPTA
RFSA Commissioner

ROATÁN FINANCIAL SERVICES AUTHORITY (RFSA)

WHEREAS the Roatán Financial Services Authority (**RFSA**) is a department within the General Service Provider of Próspera ZEDE that has authority under the Próspera Financial Regulation A (**Financial Regulation A**) to promulgate published administrative actions, subject to override by Rule, applicable to persons governed pursuant to Part 3(c) of Financial Regulation A, for interpretative, investigatory and enforcement purposes.

WHEREAS under Próspera ZEDE's Financial Regulation A, financial institutions are required to submit formal applications to the Roatán International Financial Services (**RFIC**). The Roatán Financial Services Authority (**RFSA**) through forms promulgated by its authority will obtain the information required to grant Banking Licenses of financial institutions that intend to operate and offer their services inside the jurisdiction.

NOW, THEREFORE, in accordance with articles 15, 18, 294 and 329 of the Constitution of the Republic of Honduras; 1, 2, 8.2, 12.2, 30 and 45 of the ZEDE Organic Law; Part 5 Div. 14, sec. 1401 (a) & (b) of Financial Regulation A; the Proclamation of Formation of the Roatán Financial Services Authority by Administrative Action of the Próspera ZEDE Council of Trustees; and the RFSA Oversight Committee Inaugural Action by Unanimous Consent; all of which are saved from repeal and guaranteed as controlling law under the mandate of Articles 96 of the Constitution, 10.4 of CAFTA-DR, and 16.4 of the Agreement for the Promotion and Reciprocal Protection of Investments between Honduras and Kuwait, as well as a certain amended Legal Stability Agreement approved by Resolutions §§5-1-130-0-0-0-1, 5-1-160-0-0-0-1; 17-A of the Law of the Financial System; the following Administrative Action is hereby promulgated.

RFSA ADMINISTRATIVE ACTION NO. [X]

Bank Licenses

Section 1. Information Required in the Application Form to obtain Banking Licenses in Próspera ZEDE

(1) This Administrative Action deems necessary to include in the Bank License Application forms the following information to:

a) The information that will be required though this Administrative Action will be as follows: 1) Name and Address of the Applicant, 2) Type of Organization, 3) (e)Resident Number, 4) Foreign Tax Identification, type and country of issuance, 5) Website, 6) Bank Trade Name, 7) Initial Capital if Any, 8) Date of Establishment, 9) Foreign License Registration Identification Number, 10) Nationality of Foreign License, 11) Operational Status: Active, Start Up, or Inactive, 12) Classification of Banking License Requested: i) Class A (Lending-Only Banking), ii) Class B (100% Reserve Bank), iii) Class C (Commercial Banking), iv) Class D (Microfinancing Bank), 13) Description of intended banking activities to be carried out in Próspera Jurisdiction, 14) Description of Activities held in other jurisdictions, 15) Origin of the funds that serve or will serve as capital, 16) Information: Name and Address, email, phone number,

(e)resident number, foreign tax ID and position or capacity of the Organizers, Shareholders, and/or participants in the bank, and 17) Additional space for information of the organizers, directors, shareholders and/or participants in the bank.

Section 2. Construction of the Form

(1) The herby form attached to this Administrative Action shall be deemed useable and authorized by the RFSA and can be used and/or published in the same presentation or other electronic formatting that complies with the information required to obtain the Banking License applied for.

Section 3. Form Codification

(1) The form will be codified as **A-2** and its additional information sheets for organizers, directors, and/or shareholders shall be **A-2.1**.

IT IS SO PROMULGATED THIS ___ OF ____ OF _____.

ALEXANDER ROLFE
RFSA Commissioner

JOSÉ LUIS MONCADA
RFSA Commissioner

CHIRAG SHAH
RFSA Commissioner

DR. SOHAN DASGUPTA
RFSA Commissioner

ROATÁN FINANCIAL SERVICES AUTHORITY (RFSA)

WHEREAS the Roatán Financial Services Authority (**RFSA**) is a department within the General Service Provider of Próspera ZEDE that has authority under the Próspera Financial Regulation A (**Financial Regulation A**) to promulgate published administrative actions, subject to override by Rule, applicable to persons governed pursuant to Part 3(c) of Financial Regulation A, for interpretative, investigatory and enforcement purposes.

WHEREAS under Próspera ZEDE's Financial Regulation A, financial institutions are required to submit formal applications to the Roatán International Financial Services (**RFIC**). The Roatán Financial Services Authority (**RFSA**) through forms promulgated by its authority will obtain the information required to grant Money Transmitting Business authorizations and Banking Licenses of financial institutions as well as that intend to operate and offer their services inside the jurisdiction.

NOW, THEREFORE, in accordance with articles 15, 18, 294 and 329 of the Constitution of the Republic of Honduras; 1, 2, 8.2, 12.2, 30 and 45 of the ZEDE Organic Law; Part 6, Div. 2, Sec. 202 of the Financial Regulation A; the Proclamation of Formation of the Roatán Financial Services Authority by Administrative Action of the Próspera ZEDE Council of Trustees; and the RFSA Oversight Committee Inaugural Action by Unanimous Consent; all of which are saved from repeal and guaranteed as controlling law under the mandate of Articles 96 of the Constitution, 10.4 of CAFTA-DR, and 16.4 of the Agreement for the Promotion and Reciprocal Protection of Investments between Honduras and Kuwait, as well as a certain amended Legal Stability Agreement approved by Resolutions §§5-1-130-0-0-0-1, 5-1-160-0-0-0-1; 17-A of the Law of the Financial System; the following Administrative Action is hereby promulgated.

RFSA ADMINISTRATIVE ACTION NO. [X]

Money Transmitting Business Registration

Section 1. Information Required in the Application Form to Obtain Money Transmitting Authorization

(1) This Administrative Action deems necessary to include in the Money Transmitting forms the following information to:

- **a)** Pursuant to Reg. A, Part 4, Div 14, Sec 1402 the form will include: i) The Name and Location of the business, ii) Name and Address of each person who owns the business, iii) Is a director or officer of the business, or otherwise participates in the conduct of affairs of the business, iv) The Name and Address of any depositary institution at which the business maintains a transactions account, and v) an estimate volume of the business in the coming year.
- **b)** Additionally, this Administrative Action will require the applicant to provide the following: 1) (e)Resident Number if any, 2) Email address of the business, 3) Foreign Tax Identification if any including the type of ID and the country of issuance, 4) Website of the business if available, 5) define status of operations: Active, Start Up, or Inactive, 6) Date of establishment of the business if already

established, 7) Additional information of the depositary bank account: i) Date account opened, ii) Reference number for the depository account, iii) Additional section for other institution if existent; and 8) additional space to input information about the organizers, directors or other participants.

Section 2. Construction of the Forms

(1) The herby attached form to this Administrative Action shall be deemed useable and authorized by the RFSA and can be used and/or published in the same presentation or other electronic formatting that complies with the information required to obtain the Money Transmitting Business Authorization applied for.

Section 3. Form Codification

(1) The form will be codified as **A-1** and its additional information sheets for organizers, directors, and/or shareholders shall be **A-1.1**.

IT IS SO PROMULGATED THIS ___ OF ____ OF _____.

ALEXANDER ROLFE
RFSA Commissioner

JOSÉ LUIS MONCADA
RFSA Commissioner

CHIRAG SHAH
RFSA Commissioner

DR. SOHAN DASGUPTA
RFSA Commissioner

ROATÁN FINANCIAL SERVICES AUTHORITY (RFSA)

WHEREAS the Roatán Financial Services Authority (RFSA) is a department within Próspera ZEDE's General Service Provider that has authority under the Próspera Financial Regulation A to promulgate published administrative actions, subject to override by Rule, applicable to persons governed pursuant to Part 3(c) of Financial Regulation A, for interpretative, investigatory and enforcement purposes.

WHEREAS, the State of Honduras has ratified the major international treaties concerning anti money laundering and financing of terrorism.

WHEREAS articles 31, Section 2(b) of the United Nations Convention Against Organized Crime; article 18 Section 1(b) of the International Convention for the Suppression of the Financing of Terrorism; article 4 section 1(a) of the Interamerican Convention Against Terrorism; and article 13 of the Central American Agreement for the Prevention and Repression of Money and Asset Laundering Crimes Related to Illicit Drug Trafficking and Related Crimes, all of which are applicable to the Próspera ZEDE special jurisdiction in accordance with article 8.2 of the ZEDE Organic Law, and all of which require the State of Honduras to adopt comprehensive domestic regulatory and supervisory regime for entities deemed particularly susceptible to being used for money laundering and the financing of terrorist activities, as well as to adopt measures to detect and monitor movements across borders of cash, bearer negotiable instruments, and other appropriate movements of value.

NOW, THEREFORE, in accordance with articles 15, 18, 294 and 329 of the Constitution of the Republic of Honduras; 1, 2, 8.2, 12.2, 30 and 45 of the ZEDE Organic Law; Reg. A, Part 5, div. 5, sec. 501-502 of the Próspera Financial Regulation A; the Proclamation of Formation of the Roatán Financial Services Authority by Administrative Action of the Próspera ZEDE Council of Trustees; and the RFSA Oversight Committee Inaugural Action by Unanimous Consent; all of which are saved from repeal and guaranteed as controlling law under the mandate of Articles 96 of the Constitution, 10.4 of CAFTA-DR, and 16.4 of the Agreement for the Promotion and Reciprocal Protection of Investments between Honduras and Kuwait, as well as a certain amended Legal Stability Agreement approved by Resolutions §§5-1-130-0-0-0-1, 5-1-160-0-0-0-1; 17-A of the Law of the Financial System; the following Administrative Action is hereby promulgated.

RFSA ADMINISTRATIVE ACTION NO.

DESIGNATION OF NON-FINANCIAL TRADE, BUSINESS OR PROFESSION AND THEIR REPORTING OBLIGATIONS

Section 1. Designation.

(1) Designated non-financial trades, businesses and professions means any of the following Covered Regulated Industry Persons under Part 3(c) of Próspera Financial Regulation A:

a) casinos, including internet casinos;

b) real estate agents;

c) dealers in precious metals and dealers in precious stones;

d) lawyers, notaries, other independent legal professionals and accountants when they prepare for, engage in, or carry out transactions for a client concerning any of the following activities:

i. buying and selling of real estate;

ii. managing of client money, securities or other assets;

iii. management of bank, savings or securities accounts;

iv. organisation of contributions for the creation, operation or management of legal persons;

v. creation, operation or management of legal persons or arrangements, and buying and selling of business entities;

(2) trust and company service providers not otherwise covered by Próspera Financial Regulation A, which, as a business, prepare for or carry out transactions on behalf of customers in relation to any of the following services to third parties:

a) acting as a formation, registration or management agent of legal persons;

b) acting as, or arranging for another person to act as, a director or secretary of a company or a partner of a partnership, or to hold a similar position in relation to other legal persons;

c) providing a registered office, business address or accommodation, correspondence or administrative address for a company, a partnership or any other legal person or arrangement;

d) acting as, or arranging for another person to act as, a trustee of an express trust or other similar arrangement;

e) acting as, or arranging for another person to act as, a nominee shareholder for another person; and

(3) such other businesses and professions as may be prescribed by administrative action by the Roatán Financial Services Authority (RFSA).

Section 2. Reporting obligations.

(1) Any Covered Regulated Industry Person who is engaged in a designated trade, business or profession in accordance with Section 1 of the Administrative Action, and who, in the course of such trade or business, receives more than Ten Thousand Dollars of the United States of America (US$10,000.00) or its equivalent in any type of coins, currency, or monetary instrument in 1 transaction (or 2 or more related transactions in a 12-month period), shall file a report described in section 1502 of the Próspera Financial Regulation A and subsection 2 and 3 below, with respect to such transaction (or related transactions) with the Financial Intelligence Unit Liaison (FIUL).

(2) The report shall be filed within the first ten (10) days of the immediately subsequent month after the one in which the transaction took place.

(3) The FIUL shall enact a standard form for the filing of the report in physical or electronic format. The report shall contain:

a) The identity, signature, and address, and such other identification information as RFSA may require, of the person from whom the coins or currency was received;

b) The identity and address of the person on whose behalf the transaction is being made;

c) The identity and address of the beneficiary of the transaction, if there were one;

d) The identity of the affected accounts, if they existed;

e) The amount and type of coins, currency, or monetary instrument received;

f) The date and nature of the transaction; and

g) Such other information, including the identification of the person filing the report, as FIUL may prescribe.

(4) To streamline intergovernmental coordination, the FIUL can adopt and require the use of the same standard forms used by the national Financial Intelligence Unit (FIU) of the National Commission of Banks and Insurance (CNBS).

IT IS SO PROMULGATED THIS ___ OF ____ OF _____.

ALEXANDER ROLFE
RFSA Commissioner

JOSÉ LUIS MONCADA
RFSA Commissioner

CHIRAG SHAH
RFSA Commissioner

DR. SOHAN DASGUPTA
RFSA Commissioner

ROATÁN FINANCIAL SERVICES AUTHORITY (RFSA)

WHEREAS the Roatán Financial Services Authority (RFSA) is a department within Próspera ZEDE's General Service Provider that has authority under the Próspera Financial Regulation A to promulgate published administrative actions, subject to override by Rule, applicable to persons governed pursuant to Part 3(c) of Financial Regulation A, for interpretative, investigatory and enforcement purposes.

WHEREAS regulators globally have embraced the regulatory sandbox as a means of providing a dynamic, evidence-based regulatory environment to test emerging technologies. By 2020, the World Bank had reported on 73 regulatory sandboxes spread across 57 jurisdictions around the world, only six of which are located in Latin America and the Caribbean.

NOW, THEREFORE, in accordance with articles 15, 18, 294 and 329 of the Constitution of the Republic of Honduras; 1, 2, 8.2, 12.2, 30 and 45 of the ZEDE Organic Law; Part 5, div. 16, sec. 1601-1602 of the Próspera Financial Regulation A; the Proclamation of Formation of the Roatán Financial Services Authority by Administrative Action of the Próspera ZEDE Council of Trustees; and the RFSA Oversight Committee Inaugural Action by Unanimous Consent; all of which are saved from repeal and guaranteed as controlling law under the mandate of Articles 96 of the Constitution, 10.4 of CAFTA-DR, and 16.4 of the Agreement for the Promotion and Reciprocal Protection of Investments between Honduras and Kuwait, as well as a certain amended Legal Stability Agreement approved by Resolutions §§5-1-130-0-0-0-1, 5-1-160-0-0-0-1; 17-A of the Law of the Financial System; the following Administrative Action is hereby promulgated.

RFSA ADMINISTRATIVE ACTION NO. ____

FINANCIAL AND INSURANCE INDUSTRY REGULATORY SANDBOX AND FINANCIAL INCLUSION EXCEPTION

Section 1. Creation of Regulatory Sandbox.

(1) A Financial and Insurance Industry Regulatory Sandbox is hereby established to allow financial technology innovators to test new products and services in a supervised, flexible regulatory sandbox using exceptions to specified general law and waivers of the corresponding rule requirements under defined conditions. The creation of a supervised, flexible regulatory sandbox provides a welcoming business environment for technology innovators and may lead to significant business growth.

Section 2. Definitions.

(1) "applicant" means a person applying under Sections 2 and 3 to be approved as a Sandbox participant;

(2) "approved form" means a form approved by the RFSA for the purposes of these norms;

(3) "financial services business" means a business or activity for which a regulatory insurance is required under the Próspera Industrial Regulation and Financial Responsibility Statutes, and such other activity that the RFSA determines in the guidelines to constitute financial services business;

(4) "FinTech" means technology that is used in providing or supporting financial services business;

(5) "innovative FinTech" means the development or implementation of a new system, mechanism, idea, method, or other arrangement through the use of technology to create, enhance or promote a product or service with respect to the conduct or provision of a financial services business;

(6) "Regulatory Sandbox" means the mechanism established within the RFSA where matters concerning a Sandbox participant are considered and processed, and includes a live and contained environment in which Sandbox participants may test their products or services in relation to the provision of financial services business; and

(7) "Sandbox participant" means a person approved by the RFSA pursuant to this Administrative Action to participate in the Regulatory Sandbox.

Section 2. Applicability.

(1) This regulatory sandbox is applicable to a Covered Regulated Industry Persons governed by the Próspera Financial Regulation A that is proposing to engage or is engaged in innovative FinTech.

(2) Specific or general provisions of the Próspera Financial Regulation A, as determined by the Roatán Financial Services Authority (RFSA), shall not apply to a Sandbox participant in so far as the Sandbox participant is using innovative FinTech to test a product or service within the Regulatory Sandbox.

Section 3. Application and approval.

(1) A person who wishes to be approved as a Sandbox participant under this administrative action shall submit an application to the RFSA in the approved form.

(2) An application shall be accompanied by the following:

a) a written indication that the applicant is utilising or intends to utilise innovative FinTech whereby the product or service is innovative and has the potential to

i. improve accessibility, efficiency, effectiveness, security and quality in the provision of financial services business;

ii. enhance the efficacy, efficiency and effectiveness of the management of risk by Covered Regulated Industry Persons licensed, authorized or otherwise approved by the RFSA to engage in financial services business under Próspera Financial Regulation A; or

iii. address shortcomings in, open up new opportunities in, or promote, the conduct or provision of financial services business;

b) a detailed and comprehensive business proposal, which includes the matters specified in the guidelines;

c) a written description of the risks that may be associated with the applicant's business model and the framework established or to be established to ensure an adequate management of the risks;

d) a written indication of the resources (financial, technological, human and otherwise) at the disposal of the applicant which the applicant intends to use to support participation in and testing within the Regulatory Sandbox, including ensuring the appropriate control and mitigation of potential risks and losses arising from offering the product or service that is the subject of innovative FinTech;

e) written strategies for exiting the Regulatory Sandbox

i. without seeking a licence under a regulatory legislation; and

ii. transitioning into a licensed entity to carry out financial services business under a regulatory legislation, including an indication of the potential to realistically deploy the innovative FinTech with respect to financial services business after the applicant has ceased to participate in the Regulatory Sandbox; and

f) the fee payable in respect of the application.

(3) The RFSA may, in addition to the matters outlined in subsection (2), require an applicant to provide such further information as the RFSA considers necessary to facilitate the RFSA's decision with regard to the applicant's application.

(4) Where, after submitting an application for approval as a Sandbox participant, a change occurs in any of the information required under sub section (2) (a) – (f), the applicant shall immediately notify the RFSA in writing of that change.

Section 4. Approval by the RFSA.

(1) The RFSA may approve an applicant as a Sandbox participant, with such conditions as it may consider fit if, after receipt and review of the application for approval as a Sandbox participant, the RFSA is satisfied that

a. the requirements outlined in Section 3(2) have been materially complied with;

b. any additional information the RFSA required of the applicant has been provided and is materially compliant with the RFSA's requirement;

c. the applicant has demonstrated compliance with the Roatán Common Law Code and the Próspera Industrial Regulation and Financial Responsibility Statutes; and

d. the granting of approval is not against the public interest.

(2) Where the RFSA approves an applicant as a Sandbox participant under subsection (1), it shall

a. register the applicant in the Register of Sandbox participants established under Section 11; and

b. communicate to the applicant of his or her approval as a Sandbox participant, in such manner and with such terms and conditions as the RFSA considers fit.

Section 6. Duty to notify refusal of application.

(1) The RFSA may refuse an application for approval as a Sandbox participant if, after receipt and review of the application, it forms the view that

a) the requirements outlined in section 3(2) have not been materially complied with;

b) any additional information the RFSA required of the applicant has not been provided or is not materially compliant with the RFSA's requirement;

c) the applicant is not in compliance with the Roatán Common Law Code and the Próspera Industrial Regulation and Financial Responsibility Statutes; or

d) it will not be in the public interest to approve the application.

(2) Where the RFSA refuses an application under subsection (1), it shall notify the applicant, in writing, of the refusal, stating the reason for the refusal.

Section 7. Effect of approval by the RFSA.

(1) Where the RFSA approves an applicant as a Sandbox participant under Section 4(1), the approval shall entitle the Sandbox participant to

a) test within the Regulatory Sandbox; and

b) the RFSA shall, subject to subsection (2), specify the date when the Sandbox participant's testing within the Regulatory Sandbox shall commence and end.

(2) The specification by the RFSA of a date when a Sandbox participant's testing within the Regulatory Sandbox shall commence and end is without prejudice to the RFSA's exercise of its power to revoke the approval of the Sandbox participant in accordance with Section 12.

(3) A Sandbox participant, during the period of testing within the Regulatory Sandbox, shall maintain his or her operations within the scope described in the business proposal filed and approved by the RFSA during the application process. Operations within the Regulatory Sandbox that do not fall within the disclosed business proposal shall require additional authorization from the RFSA.

Section 8. Extensions.

(1) A Sandbox participant may, at least thirty (30) days before the end of the period specified for testing within the Regulatory Sandbox, submit a written application to the RFSA seeking an extension to remain in the Regulatory Sandbox.

(2) A Sandbox participant seeking an extension of time under subsection (1) shall

a) provide the reason or reasons for the application for extension of time; and

b) state the additional time required to remain in the Regulatory Sandbox.

(3) Where the RFSA, after reviewing an application received under subsection (1), is satisfied that

a) the initial testing by the Sandbox participant has been generally positive, and

b) an extension is necessary to enable the Sandbox participant to respond to specific issues or risks identified during the initial testing in the Regulatory Sandbox, it may grant the Sandbox participant an extension to continue testing within the Regulatory Sandbox for an additional period of time.

(4) A Sandbox participant may at any time cease to participate in and test within the Regulatory Sandbox

Section 9. Obligations of a Sandbox Participant.

(1) A Sandbox participant shall, at all times

a) notify the RFSA immediately of any matter or change in circumstances relating to the Sandbox participant which is unforeseen and not initiated by the Sandbox participant, such as any development or change to the conduct of the business or change in the environment in which the Sandbox participant operates that has or is likely to have a material impact on the Sandbox participant's risk profile or obligations under these norms;

b) have no more than the maximum number of clients approved by the RFSA;

c) A Sandbox participant shall, during his or her testing period within the Regulatory Sandbox, take adequate measures to identify potential risks to financial services business and consumers of financial services business that may arise from the testing of products or services that are the subject of innovative FinTech;

d) In relation to any potential risks identified pursuant, the Sandbox participant shall adopt appropriate measures to address the potential risks, including the prevention of money laundering, terrorist financing and proliferation financing.

e) A Sandbox participant shall, at such intervals as the RFSA may determine, file interim reports regarding the tests he or she is carrying out in the Regulatory Sandbox, in the format determined by the RFSA.

f) The reports furnished by the Sandbox participant shall at least

   i. outline the financial positon of the Sandbox participant;

   ii. state the aggregate monetary exposure of the Sandbox participant's clients;

   iii. indicate risks that have been encountered and how they have been resolved or are being resolved, including whether there has been any financial or other loss;

   iv. any significant complaints (if any) by clients and how such complaints have been resolved;

   v. where a significant complaint by a client has not been resolved, the plan put in place by the Sandbox participant to resolve the client's complaint; and

   vi. include such other information as the RFSA may require the Sandbox participant to provide.

g) The Sandbox participant shall at all times maintain proper and clear records during the period of testing within the Regulatory Sandbox in order to assist the

RFSA in reviewing the interim and final reports prepared and submitted in accordance with this norms.

Section 10. Disclosure of obligations.

(1) A Sandbox participant shall, at the time of making offers to or soliciting clients or potential clients, disclose to the clients or potential clients

a) the potential risks to participating in the Regulatory Sandbox;

b) that the Sandbox participant does not hold a licence issued by the RFSA, where such is the case, to provide the business activity being tested within the Regulatory Sandbox;

c) that the business activities of the Sandbox participant will be conducted pursuant to and in accordance with the Sandbox participant's business proposal;

d) that the Sandbox participant's FinTech or FinTech-related product or service is being tested within the Regulatory Sandbox;

e) the period approved by the RFSA within which the Sandbox participant may test within the Regulatory Sandbox; and

f) such other information as the RFSA considers appropriate to be disclosed.

Section 11. Register of Sandbox Participants.

(1) There is established a register to be known as the Register of Sandbox Participants in which the RFSA shall record all Sandbox participants that have been approved by the RFSA. The Register of Sandbox Participants shall be in such form as the RFSA may determine.

Section 12. Revocation of approval of a Sandbox participant.

(1) Where at any time the RFSA is satisfied that

a) a Sandbox participant

i. has contravened a provision of these norms,

ii. has submitted a false, misleading or inaccurate report or information to the RFSA,

iii. has concealed or failed to disclose any material fact in its application for approval or in its report to the RFSA,

iv. is undergoing or has undergone liquidation,

v. has breached any data security, whether in relation to testing within the Regulatory Sandbox or otherwise,

vi. is carrying on business in a manner that is or may be detrimental to his or her clients or to the public generally, or

vii. is no longer fit and proper, or

b) it is not in the public interest that the Sandbox participant should continue to be approved,

the RFA may revoke the approval of the Sandbox participant to participate in and test within the Regulatory Sandbox.

(2) Where the approval of a Sandbox participant is revoked under subsection (1), the Sandbox participant shall

a) immediately cease taking on any new client;

b) invoke his or her exit strategy to cease participation in and testing within the Regulatory Sandbox; and

c) notify his or her clients of the revocation of his or her approval by the RFSA.

(3) Subject to subsection (4), the period within which the Sandbox participant shall invoke his or her exit strategy and cease participation and testing within the Regulatory Sandbox shall not exceed thirty (30) days from the date of revocation of his or her approval by the RFSA.

(4) The RFSA may, in any particular case where it considers it appropriate and justified

a) upon receipt of a written application from a Sandbox participant whose approval has been revoked, and

b) having regard to the nature, size and complexity of the Sandbox participant, grant an extension of 30 days to the Sandbox participant to exit the Regulatory Sandbox and cease testing.

grant an extension of 30 days to the Sandbox participant to exit the Regulatory Sandbox and cease testing.

(5) For the purposes of facilitating compliance with the requirements of these norms, an applicant and a Sandbox participant shall, in addition to complying with these norms, comply with such guidelines as the RFSA may issue in relation to these norms.

Section 13. Financial Inclusion Exception.

(1) Financial services business with under ONE MILLION U.S. DOLLARS ($1,000,000.00) worth of assets under management and less than one hundred 100 clients shall be exempted from complying with the regulatory requirements of Próspera Financial Regulation A.

(2) Before initiation of their operations in the Próspera ZEDE jurisdiction, financial services businesses that fall within the financial inclusion exception in subsection (1) shall give written notice to the RFSA at least five (5) business days before starting operations.

IT IS SO PROMULGATED THIS ___ OF ____ OF _____.

ALEXANDER ROLFE
RFSA Commissioner

JOSÉ LUIS MONCADA
RFSA Commissioner

CHIRAG SHAH
RFSA Commissioner

SOHAN DASGUPTA
RFSA Commissioner

ROATÁN FINANCIAL SERVICES AUTHORITY (RFSA)

WHEREAS the Roatán Financial Services Authority (RFSA) is a department within Próspera ZEDE's General Service Provider that has authority under the Próspera Financial Regulation A to promulgate published administrative actions, subject to override by Rule, applicable to persons governed pursuant to Part 3(c) of Próspera Financial Regulation A, for interpretative, investigatory and enforcement purposes.

WHEREAS article 30 of the ZEDE Organic Law authorized Próspera ZEDE to have an internal monetary policy.

WHEREAS on April 29th, 2021, the Technical Secretary and Council of Trustees of Próspera ZEDE promulgated a Resolution Approving Qualified Cryptocurrencies for Payment of taxes, fees, tax credit price, or other obligations derived from Rule, Administrative Action, or contractual instrument of Próspera ZEDE or any of its instrumentalities.

WHEREAS in the Resolution, the Technical Secretary and Council of Trustees of Próspera ZEDE designated the following as Qualified Cryptocurrencies: Bitcoin, Ethereum, Dai, USDC, or USDT.

WHEREAS on July 7th, 2021, the Technical Secretary and Council of Trustees of Próspera ZEDE promulgated a Regulation clarifying the capital gain exclusion by specifying therein that the exclusion from income tax of "any revenue or income arising from the sale of capital assets" set forth in the Próspera Tax Statute shall be construed as applying to any revenue or income arising from any sale or transfer of fungible blockchain-token-based cryptocurrency and non-fungible blockchain-token-based cryptocurrency.

WHEREAS on September 7th, 2021, Bitcoin was effectively adopted as legal tender by the Republic of El Salvador, which is a neighboring Central American sibling nation of the Republic of Honduras.

NOW, THEREFORE, in accordance with articles 15, 18, 294 and 329 of the Constitution of the Republic of Honduras; 1, 2, 8.2, 12.2, 30 and 45 of the ZEDE Organic Law; Part 5, div 2, sec 201(c)(2),(3) of the Próspera Financial Regulation A; the Proclamation of Formation of the Roatán Financial Services Authority by Administrative Action of the Próspera ZEDE Council of Trustees; and the RFSA Oversight Committee Inaugural Action by Unanimous Consent; all of which are saved from repeal and guaranteed as controlling law under the mandate of Articles 96 of the Constitution, 10.4 of CAFTA-DR, and 16.4 of the Agreement for the Promotion and Reciprocal Protection of Investments between Honduras and Kuwait, as well as a certain amended Legal Stability Agreement approved by Resolutions §§5-1-130-0-0-0-1, 5-1-160-0-0-0-1; 17-A of the Law of the Financial System; the following Administrative Action is hereby promulgated.

RFSA ADMINISTRATIVE ACTION NO.

CRYPTOCURRENCIES DEEMED MONETARY INSTRUMENTS

Section 1. Cryptocurrencies as Monetary Instruments.

(1) In accordance with Part 5, Division 2., Section 2(c)(1), (2) of the Próspera ZEDE Financial Regulation A, the following cryptocurrencies shall be deemed as Monetary Instruments:

a) Bitcoin;

b) Ethereum;

c) Dai;

d) USDC; and

e) USDT.

IT IS SO PROMULGATED THIS ___ OF ____ OF _____.

ALEXANDER ROLFE
RFSA Commissioner

JOSÉ LUIS MONCADA
RFSA Commissioner

CHIRAG SHAH
RFSA Commissioner

DR. SOHAN DASGUPTA
RFSA Commissioner

ROATÁN FINANCIAL SERVICES AUTHORITY (RFSA)

WHEREAS the Roatán Financial Services Authority (**RFSA**) is a department within the General Service Provider of Próspera ZEDE that has authority under the Próspera Financial Regulation A (**Financial Regulation A**) to promulgate published administrative actions, subject to override by Rule, applicable to persons governed pursuant to Part 3(c) of Financial Regulation A, for interpretative, investigatory and enforcement purposes.

WHEREAS the Basel Committee on Banking Supervision published principles for sound liquidity risk management and supervision that provide detailed guidance on the risk management and supervision of funding liquidity risk and developing two basic standards for funding and liquidity.

WHEREAS their first objective is to promote short-term resilience of a bank's liquidity risk profile by ensuring that it has sufficient high-quality liquid assets to survive a significant stress scenario lasting for 30 days and this is addressed by the liquidity coverage ratio.

WHEREAS their second objective is to reduce funding risk over a longer time horizon by requiring banks to fund their activities with sufficiently stable sources of funding in order to mitigate the risk of future funding stress and this is addressed by the net stable funding ratio.

WHEREAS adopting these basic standards in Próspera ZEDE supports the best practices in the jurisdiction and its interconnection with the international financial system.

NOW, THEREFORE, in accordance with articles 15, 18, 294 and 329 of the Constitution of the Republic of Honduras; 1, 2, 8.2, 12.2, 30 and 45 of the ZEDE Organic Law; Part 7, div. 5, sec. 504-508 and Part 7, div. 8, sec. 801 of Financial Regulation A; the Proclamation of Formation of the Roatán Financial Services Authority by Administrative Action of the Próspera ZEDE Council of Trustees; and the RFSA Oversight Committee Inaugural Action by Unanimous Consent; all of which are saved from repeal and guaranteed as controlling law under the mandate of Articles 96 of the Constitution, 10.4 of CAFTA-DR, and 16.4 of the Agreement for the Promotion and Reciprocal Protection of Investments between Honduras and Kuwait, as well as a certain amended Legal Stability Agreement approved by Resolutions §§5-1-130-0-0-0-1, 5-1-160-0-0-0-1; 17-A of the Law of the Financial System; the following Administrative Action is hereby promulgated.

RFSA ADMINISTRATIVE ACTION NO. [X]

GENERAL LIQUIDITY STANDARDS

Section 1. Applicability

(1) This Administrative Action is applicable to any institution that has elected to be governed pursuant to Part 3(c) of Financial Regulation A, including:

a) Covered Regulated Industry Persons who have elected to be governed by it; and

b) such other persons who have contractually consented to be governed by it (with Próspera ZEDE, the General Services Provider, the RFSA and the Financial Intelligence Unit Liaison deemed intended third party beneficiaries of any contract between such a Covered Regulated Industry Person and any other person agreeing to be governed by Financial Regulation A).

Section 2. LIQUIDITY COVERAGE RATIO (LCR)

(1) An institution must calculate and maintain a liquidity coverage ratio that is equal to or greater than 1.0 on each business day.

(2) An institution must calculate its liquidity coverage ratio as of the same time on each business day. The institution must select this time by written notice to the RFSA and may not thereafter change its elected calculation time without prior written approval from the RFSA.

(3) An institution's liquidity coverage ratio equals: **(a)** the institution's high-quality liquid assets amount as of the calculation date; divided by **(b)** the institution's total net cash outflow amount as of the calculation date.

(4) An institution must notify the RFSA on any business day when its liquidity coverage ratio is calculated to be less than the minimum requirement in Section 2(1) above.

(5) An institution must provide to the RFSA on the first business day of each month: **(a)** its liquidity coverage ratio for each business day of the preceding month as provided in the LCR Common Disclosure Template included in the liquidity coverage ratio disclosure standards prepared by the Basel Committee on Banking Supervision (January 2014 (rev. March 2014)); and **(b)** a written assessment of the institution's liquidity position.

Section 3. NET STABLE FUNDING RATIO (NSFR)

(1) An institution must maintain a net stable funding ratio that is equal to or greater than 1.0 on an ongoing basis.

(2) An institution's net stable funding ratio equals: **(a)** the institution's available stable funding (**ASF**) amount as of the calculation date; divided by **(b)** the institution's required stable funding (**RSF**) amount as of the calculation date.

(3) An institution must notify the RFSA no later than 10 business days, or such other period as the RFSA may otherwise require by written notice, following the date that any event has occurred that would cause or has caused the institution's net stable funding ratio to be less than 1.0 as required under Section 3(1).

(4) An institution must provide to the RFSA on the first business day of each month: **(a)** its net stable funding ratio over the preceding month as provided in the net stable funding ratio disclosure standards prepared by the Basel Committee on Banking Supervision (October 2014); and **(b)** a written assessment of the institution's funding position.

Section 4. LIQUIDITY ISSUES AND REMEDIAL MEASURES

(1) If potential liquidity difficulties are signaled through a negative trend in the metrics, or when a deteriorating liquidity position is identified, or when the absolute result of the metric identifies a current or potential liquidity problem, the RFSA may request from the institution a plan for achieving compliance with the minimum liquidity requirements in Sections 2(1) and/or 3(1) above and all other requirements of this Administrative Action.

(2) The RFSA shall request such a plan if the institution's liquidity coverage ratio is below the minimum requirement in Section 2(1) above for three consecutive days; the institution's net stable funding ratio is below the minimum requirement in Section 3(1) above at any time; or the RFSA has determined that the institution is otherwise materially noncompliant with Sections 2(1) and/or 3(1) above.

(3) The plan must include, as applicable:

a) An assessment of the institution's liquidity position;

b) The actions the institution has taken and will take to achieve full compliance with this Administrative Action, including: **(A)** a plan for adjusting the institution's risk profile, risk management, and funding sources in order to achieve full compliance with this Administrative Action; and **(B)** a plan for remediating any operational or management issues that contributed to noncompliance with this Administrative Action;

c) An estimated time frame for achieving full compliance with this Administrative Action; and

d) A commitment to report to the RFSA no less than weekly on progress to achieve compliance in accordance with the plan until full compliance with this Administrative Action is achieved.

(4) If the RFSA determines that the institution's liquidity requirements as calculated under this Administrative Action are not commensurate with the institution's liquidity risks, the RFSA may, at its discretion, take additional supervisory or enforcement actions to address noncompliance with the minimum liquidity standard and other requirements of this Administrative Action in compliance with §505 of Financial Regulation A, including the remedial actions provided in §§ 504(a), (b), (c) and (d) of Financial Regulation A.

Section 5. COMPREHENSIVE ASSESSMENTS

(1) The RFSA shall perform a comprehensive assessment of an institution's overall liquidity risk management framework and liquidity position to determine whether it delivers an adequate level of resilience to liquidity stress given the institution's role in the financial system.

(2) Such a comprehensive assessment shall be consistent with the principles for sound liquidity risk management and supervision established by the Bank for International Settlements and be performed: **(a)** on a quarterly basis; or **(b)** at any other such time as the RFSA determines at its sole discretion, based on its monitoring of internal reports, prudential reports, market information, or any other information likely to affect the liquidity risk of individual institutions or the financial system.

Section 6. SANCTIONS

(1) Any non-compliance with the reporting standards, any non-submission or delayed submission of any report, or failure to respond to any information requests in good faith shall be subject to monetary sanctions based on a prescribed fine for each occurrence or for each day and will accumulate until such time as the report has been determined compliant with the prescribed reporting standards or the institution deemed to have complied with the information request.

Section 7. RESERVATION OF AUTHORITY

(1) Nothing in this Administrative Action limits the authority of the RFSA under any other provision of law or regulation to take supervisory or enforcement action, including action to address unsafe or unsound practices or conditions, deficient liquidity levels, or violations of law.

IT IS SO PROMULGATED THIS ___ OF ____ OF _____.

ALEXANDER ROLFE
RFSA Commissioner

JOSÉ LUIS MONCADA
RFSA Commissioner

CHIRAG SHAH

DR. SOHAN DASGUPTA

RFSA Commissioner

RFSA Commissioner

ROATÁN FINANCIAL SERVICES AUTHORITY (RFSA)

WHEREAS the Roatán Financial Services Authority (RFSA) is a department within Próspera ZEDE's General Service Provider that has authority under the Próspera Financial Regulation A to promulgate published administrative actions, subject to override by Rule, applicable to persons governed pursuant to Part 3(c) of Próspera Financial Regulation A, for interpretative, investigatory and enforcement purposes.

WHEREAS an adequate regulatory and supervisory regime for voluntary bank liquidations is necessary to ensure maximum protection of client and creditor interests,

NOW, THEREFORE, in accordance with articles 15, 18, 294 and 329 of the Constitution of the Republic of Honduras; 1, 2, 8.2, 12.2, 30 and 45 of the ZEDE Organic Law; Part 8, div. 2, sec. 201 of the Próspera Financial Regulation A; the Proclamation of Formation of the Roatán Financial Services Authority by Administrative Action of the Próspera ZEDE Council of Trustees; and the RFSA Oversight Committee Inaugural Action by Unanimous Consent; all of which are saved from repeal and guaranteed as controlling law under the mandate of Articles 96 of the Constitution, 10.4 of CAFTA-DR, and 16.4 of the Agreement for the Promotion and Reciprocal Protection of Investments between Honduras and Kuwait, as well as a certain amended Legal Stability Agreement approved by Resolutions §§5-1-130-0-0-0-1, 5-1-160-0-0-0-1; 17-A of the Law of the Financial System; the following Administrative Action is hereby promulgated.

RFSA ADMINISTRATIVE ACTION NO.

VOLUNTARY LIQUIDATION OF A BANK

Section 1. Initiating Voluntary Dissolution.

(1) A bank that is a Covered Regulated Industry Person subject to Próspera Financial Regulation A may initiate voluntary dissolution and surrender its charter as herein provided:

a) With the approval of the RFSA;

b) After complying with the provisions of the Roatán Common Law Code regarding board and shareholder approval for voluntary dissolution;

c) by filing the documents as provided by Part 8, Division 2, Sections 201 and 202 of Próspera Financial Regulation A and this administrative action.

(2) The shareholders of a bank initiating voluntary dissolution by resolution shall appoint one or more persons to act as the liquidating agent or committee. The liquidating agent or committee shall conduct the liquidation as provided by law and under the supervision of the bank's board. The board, in consultation with the RFSA, may require the liquidating agent or committee to give a suitable bond.

Section 2. Standards for Approval.

(1) In reviewing a voluntary liquidation plan proposed and presented in accordance with Part 8, Division 2, Section 202 of Próspera Financial Regulation A, the RFSA will consider:

i. The purpose of the liquidation;

ii. Its impact on the safety and soundness of the bank; and

iii. Its impact on the bank's depositors, other creditors, and customers.

Section 3. Administrative Procedure.

(1) Preliminary notice of voluntary liquidation. A bank that is a Covered Regulated Industry Person that is considering going into voluntary liquidation must provide preliminary notice to the RFSA.

(2) Submission of liquidation plan and a liquidator.

a) After a bank that is a Covered Regulated Industry Person provides preliminary notice of voluntary liquidation to the RFSA, if the bank plans to proceed with liquidation, it must submit a voluntary liquidation plan and a liquidator to the RFSA. A liquidation plan may be effected in whole or part through purchase and assumption transactions.

b) The bank must receive the RFSA's approval or non-objection to the liquidation plan and liquidator before beginning the liquidation.

c) The liquidation plan shall include:

i. A detailed statement of assets and of any other means of resource mobilization;

ii. A Certification by an independent auditor certifying that the bank is solvent and is capable of promptly repaying its depositors and other creditors.

iii. A detailed statement of liabilities specifying the amount of each, its preferential or unsecured nature, and whether it is contested or not;

iv. A detailed explanation of how the entire liquidation process is expected to be carried out.

(3) Announcement of Decision. The RFSA shall announce its decision within one (1) month from the date of receipt of the bank's application for voluntary liquidation.

(4) Approval. Once the voluntary liquidation plan and liquidator have been approved by the RFSA, the bank may enter liquidation and shall stop its normal course of business, its activities will be limited to performing only those necessary for carrying out the voluntary liquidation, which may include, but are not limited to:

a) Operations of debt collection, either for itself or in representation of foreign banks and financial institutions;

b) Total or partial relinquishment of a debt or other movable assets;

c) To pay any debt incurred prior to the liquidation decision; or

d) To transfer or mortgage any immovable property.

(5) Notice upon commencing liquidation. When the board of directors and the shareholders of a solvent bank that is a Covered Regulated Industry Person have voted to voluntarily liquidate, the bank must:

a) File a notice with the RFSA; and

b) provide notice to depositors, other known creditors, and known claimants of the bank.

c) publish on a weekly basis, for two (2) consecutive weeks on its public website and through any other appropriate channel, a notice indicating the locations where items specified in the liquidation plan may be consulted.

(6) Comments or Claims by Interested Persons. Interested persons may express within two (2) months their comments or claims concerning the liquidation plan. Comments and claims on the voluntary liquidation plan are communicated by the liquidator, along with his/her own comments, to any interested person by certified mail against acknowledgement of receipt or by another safe communication channel. After another two (2) months period, the liquidator may engage in negotiations with depositors or other creditors, individually or in groups, the liquidator decides on a suitable voluntary liquidation plan. Interested persons are informed of the final liquidation plan.

(7) Report of condition. The bank's liquidating agent or committee must submit a report to the appropriate RFSA office at the start of liquidation showing the bank's balance sheet as of the start of liquidation. The liquidating bank must submit reports of the condition of its commercial, trust, and other departments to the RFSA by filing the quarterly Consolidated Reports of Condition and Income (Call Reports).

(8) Report of progress. The bank's liquidating agent or committee must submit a "Report of Progress of Liquidation" annually to the RFSA until the liquidation is complete.

(9) Final report. The bank's liquidating agent or committee must submit a final report at the conclusion of liquidation showing that all creditors have been satisfied, remaining assets have been distributed to shareholders, resolutions to dissolve the bank have been adopted, and the bank has been dissolved. The bank also must return its charter certificate to the RFSA.

(10) Authorization of Deviation from Procedures. The RFSA may authorize a deviation from the procedures for voluntary dissolution in this administrative action if the RFSA determines that the interests of claimants are not jeopardized by the deviation.

IT IS SO PROMULGATED THIS ___ OF ____ OF _____.

ALEXANDER ROLFE
RFSA Commissioner

JOSÉ LUIS MONCADA
RFSA Commissioner

CHIRAG SHAH
RFSA Commissioner

DR. SOHAN DASGUPTA
RFSA Commissioner

ROATÁN FINANCIAL SERVICES AUTHORITY (RFSA)

WHEREAS the Roatán Financial Services Authority (RFSA) is a department within Próspera ZEDE's General Service Provider that has authority under the Próspera Financial Regulation A to promulgate published administrative actions, subject to override by Rule, applicable to persons governed pursuant to Part 3(c) of Próspera Financial Regulation A, for interpretative, investigatory and enforcement purposes.

WHEREAS a comprehensive regulatory and supervisory regime for bank operations is necessary to ensure maximum protection of client and creditor interests.

NOW, THEREFORE, in accordance with articles 15, 18, 294 and 329 of the Constitution of the Republic of Honduras; 1, 2, 8.2, 12.2, 30 and 45 of the ZEDE Organic Law; Part 8, div. 2, sec. 205, 206, 208, 209 and div. 3, sec. 315 of the Próspera Financial Regulation A; the Proclamation of Formation of the Roatán Financial Services Authority by Administrative Action of the Próspera ZEDE Council of Trustees; and the RFSA Oversight Committee Inaugural Action by Unanimous Consent; all of which are saved from repeal and guaranteed as controlling law under the mandate of Articles 96 of the Constitution, 10.4 of CAFTA-DR, and 16.4 of the Agreement for the Promotion and Reciprocal Protection of Investments between Honduras and Kuwait, as well as a certain amended Legal Stability Agreement approved by Resolutions §§5-1-130-0-0-0-1, 5-1-160-0-0-0-1; 17-A of the Law of the Financial System; the following Administrative Action is hereby promulgated.

RFSA ADMINISTRATIVE ACTION NO.

FORCED LIQUIDATION OF A BANK

Section 1. Closure by RFSA for Involuntary Dissolution and Liquidation.

(1) The RFSA may close a bank that is a Covered Regulated Industry Person for involuntary dissolution and liquidation under this chapter if the banking commissioner determines that:

a) the voluntary liquidation is:

i. being conducted in an improper or illegal manner; or

ii. not in the best interests of the bank's depositors and creditors; or

b) the bank is insolvent or imminently insolvent.

(2) Action to Close a Bank.

a) The RFSA may close and liquidate a state bank on finding that:

i. Any of the situations enumerated in Part 8, Division 2, Chapter 2, Section 205 of Próspera Financial Regulation A has materialized with respect to the bank;

ii. the interests of the bank's depositors and creditors are jeopardized by the bank's insolvency or imminent insolvency; and

iii. the best interests of depositors and creditors would be served by requiring that the bank be closed, and its assets liquidated.

b) A majority of the bank's directors may voluntarily close the bank and place it with the RFSA for liquidation.

Section 2. Notice and Effect of Closure; Appointment of Receiver.

(1) After closing a bank under Section 1, the RFSA shall place a sign at its main entrance stating that the bank has been closed and the findings on which the closing of the bank is based. A correspondent bank of the closed bank may not pay an item drawn on the account of the closed bank that is presented for payment after the correspondent has received actual notice of closing unless it previously certified the item for payment.

(2) As soon as practicable after posting the sign at the bank's main entrance, the RFSA shall tender the bank to Próspera ZEDE's Insurer of Last Resort, a qualified financial industry person or initiate a receivership proceeding by filing a copy of the notice contained on the sign before the Default Arbitration Service Provider of Próspera ZEDE or the ZEDE Special Judiciary. The arbitration center or court in which the notice is filed shall docket it as a case styled, "In re liquidation of ____" (inserting the name of the bank). When this notice is filed, the arbitration center or court has constructive custody of all the bank's assets and any action that seeks to directly or indirectly affect bank assets is considered an intervention in the receivership proceeding.

Section 3. Contest of Liquidation.

(1) A bank, acting through a majority of its directors, may intervene in an action filed by the RFSA closing a bank to challenge the RFSA's closing of the bank and to enjoin the RFSA or other receiver from liquidating its assets. The bank must file the intervention not later than the third business day after the closing of the bank, excluding legal holidays. The Default Arbitration Service Provider or a court of competent jurisdiction may issue an ex parte order restraining the receiver from liquidating bank assets pending a hearing on the injunction. The receiver shall comply with the restraining order but may petition the arbitration center or the court for permission to liquidate an asset as necessary to prevent its loss or diminution pending the outcome of the injunction.

(2) The arbitration center or competent court shall hear an action as quickly as possible and shall give it priority over other business.

(3) A bank, acting through a majority of its directors, may intervene in an action filed by the RFSA closing a bank to challenge the RFSA's closing of the bank and to enjoin the RFSA or other receiver from liquidating its assets. The bank must file the intervention not later than the third business day after the closing of the bank, excluding legal holidays. The Default Arbitration Service Provider or a court of competent jurisdiction may issue an ex parte order restraining the receiver from liquidating bank assets pending a hearing on the injunction. The receiver shall comply with the restraining order but may petition the court for permission to liquidate an asset as necessary to prevent its loss or diminution pending the outcome of the injunction.

(4) The bank or receiver may appeal the arbitration center or court's judgment as in other civil cases, except that the receiver shall retain all bank assets pending a final appellate arbitration center or court order even if the RFSA does not prevail in the arbitration proceedings or trial court. If the RFSA prevails in the arbitration proceedings or trial court, liquidation of the bank may proceed unless the arbitration center, trial court or appellate arbitration center or court orders otherwise. If liquidation is enjoined or stayed pending appeal, the arbitration center or the trial court retains jurisdiction to permit liquidation of an asset as necessary to prevent its loss or diminution pending the outcome of the appeal.

Section 4. Liquidation Procedure.

(1) The liquidation of the bank shall proceed as established in Sections 206, 207, 208, 209, 210, 211, 301, 302, 303, 306, 307, 308, 309, 310, 311, 312, 313, 314, and 315 of Part 8 of Próspera Financial Regulation A.

IT IS SO PROMULGATED THIS ___ OF ____ OF _____.

ALEXANDER ROLFE
RFSA Commissioner

JOSÉ LUIS MONCADA
RFSA Commissioner

CHIRAG SHAH
RFSA Commissioner

DR. SOHAN DASGUPTA
RFSA Commissioner

RFSA Submission Letter vFinal

Final Audit Report 2022-06-16

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