

Distributed Ledger Technologies – The Seven Dimensions

**A programme by KPMG Learning Academy in
collaboration with the Malta Stock Exchange Institute**

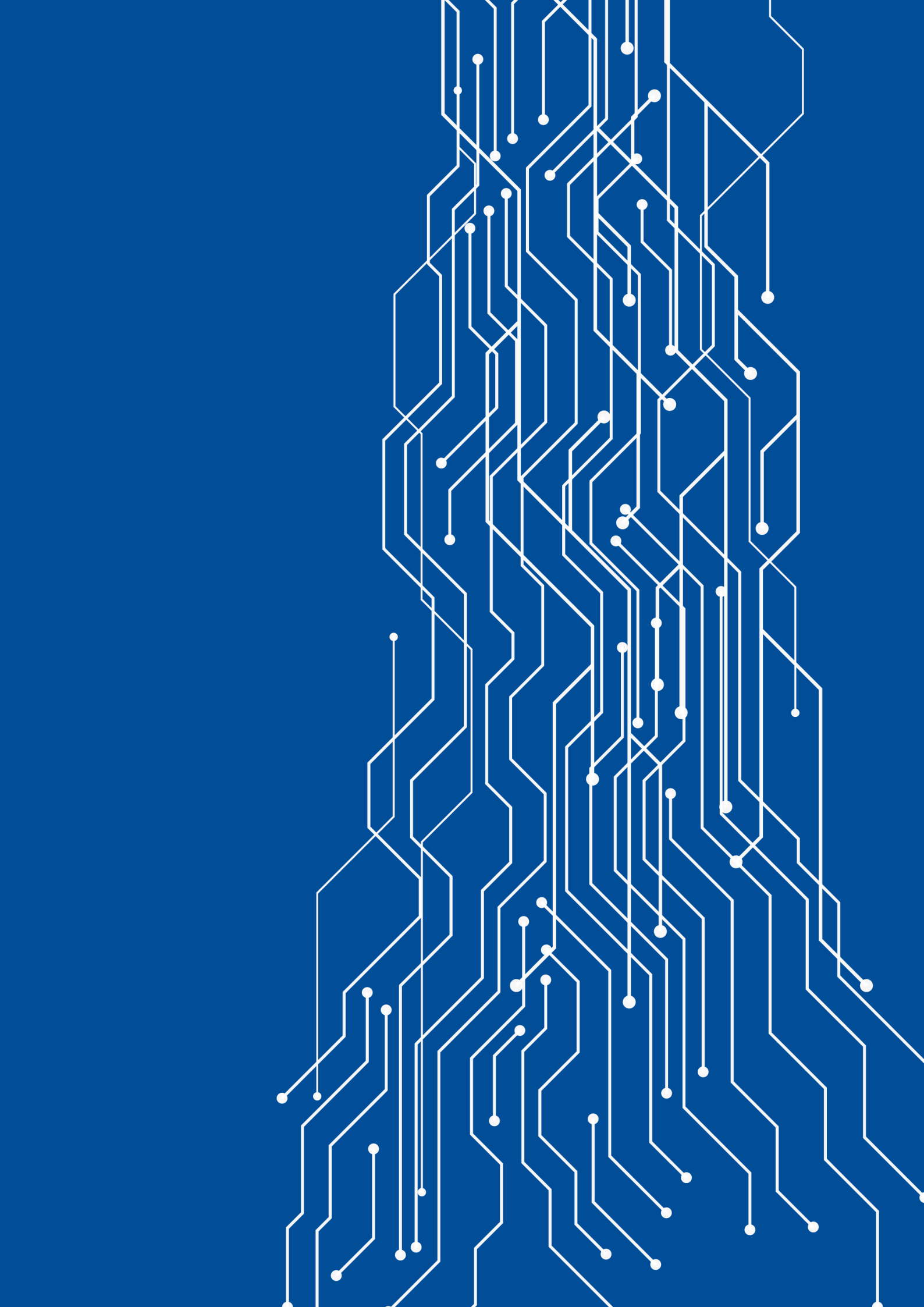
Introduction

As the DLT Leader at KPMG in Malta I can gauge that executives are just starting to realize that blockchain equals opportunity for their businesses. Through its vast, and still largely untapped potential, blockchain may significantly streamline enterprise processes, reduce time and document-intensive transactions, and generally clean up the clearing house. Please join us for the first lecture series held by KPMG Learning Academy in conjunction with the Malta Stock Exchange Institute dedicated to blockchain where KPMG professionals will discuss a variety of topics commencing with Blockchain explained, and moving to regulatory, AML/CFT, accounting, audit, tax and legal aspects, all by reference to world examples of uses of blockchain.



Juanita Brockdorff

Partner,
Tax Services
KPMG in Malta



An Introduction to Distributed Ledger Technologies

This course will give attendees a basic understanding of the IT and technical fundamentals related to Distributed Ledger Technologies (DLTs), primarily Blockchain, by taking a look at the reasons behind their creation, how they work as well as how they evolved over time.

In addition, the course will cover aspects such as cryptography basics, smart contracts, the relationship between cryptocurrencies and the underlying Blockchain, the difference between public and private Blockchains, use-cases for DLTs, as well as the technical problems and challenges that currently exist in this space.

Topics covered

The Blockchain concept explained

Bitcoin - the best known cryptocurrency and its fundamentals

Ethereum - a decentralised platform that runs smart contracts

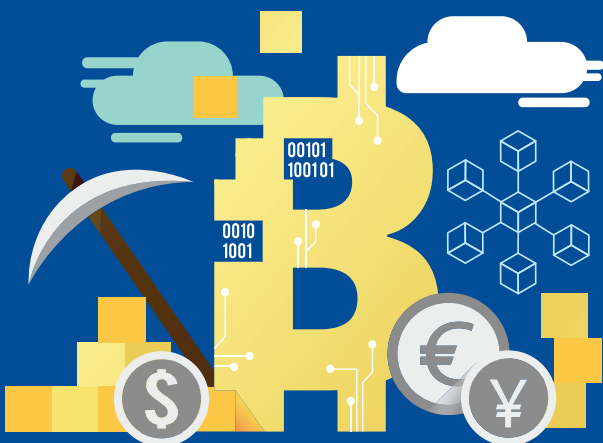
Basic cryptography - the process of converting ordinary information into unintelligible form

Cryptocurrencies - essentially, digital assets designed to work as a medium of exchange

Smart contracts - digitally facilitating, verifying, or enforcing the negotiation or performance of a contract

Consensus algorithms - their value in the world of crypto

Mining is a validation of transactions



General Information



Introductory



English

Schedule



1400 - 1630 hrs

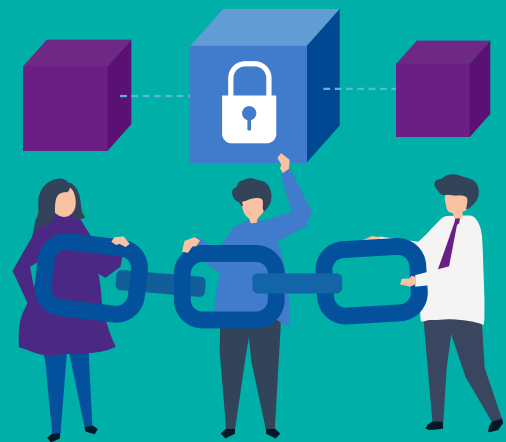


21 October 2019 - MSEI



Target Audience

Anyone who has an interest in this technology but lacks the fundamental technical knowledge that helps them understand the key principles behind DLTs, such as Financial Services practitioners



Lecturer

Mr Matthew Scerri



Matthew joined KPMG in 2014 to develop bespoke software for KPMG in Malta having already successfully delivered a number of projects in both the local and international markets. He now forms part of the KPMG Software team where he leads a number of client facing projects across the whole software development lifecycle, together with his team of software engineers. Throughout his career he was involved in engagements across various industries including the Automotive, Fintech, Gaming, and Telco industries. Matthew is extremely passionate about the tech industry, particularly emerging technologies such as Artificial Intelligence and Distributed Ledger Technologies (DLTs), with a keen interest in seeing how they can be applied to solve existing problems and make established practices function more efficiently. He is involved in a number of communities within the DLT space and regularly contributes material, as well as being regarded as the go-to person when seeking advice around the technical aspects and implications of DLTs, Smart Contracts and Cryptocurrencies in general.

Rules of engagement for VFA Agents, IVFAOs and VFA Service Providers



This session will look towards providing an in-depth look at what Virtual Financial Assets ("VFA") Agents, issuers of Virtual Financial Assets and VFA Services Providers are expected to do - in practice - to ensure compliance with the VFA framework. We will also look towards bringing into focus each player's roles and responsibilities as the underlying pillars to driving a sector which provides for investor protection, financial market integrity and financial stability. The session will bring into play insights from other key global crypto asset regulatory landscapes and the operating structure in such jurisdictions.

The session will also look towards providing a synopsis of Security Token Offerings – a form of VFA Offering - as the new means of raising capital.

Topics covered

Brief synopsis of the VFA regime and the local market

Understanding the various players operating in the Sector, and the need for these players

Understanding the duties and obligations of VFA Agents, Issuers and Services Providers

Understanding how an STO operates in the context of the current IVFAO

Current challenges faced by VFA Agents, Initial Virtual Financial Asset offerings, and VFA Services Providers

General Information



Intermediate



English

Schedule



1400 - 1630 hrs



23 October 2019 - MSEI



Target Audience

Individuals who are interested in understanding the regulatory interplay between VFA Agents, IVFAO Issuers and VFA Service Providers operating in the VFA realm.



Lecturer

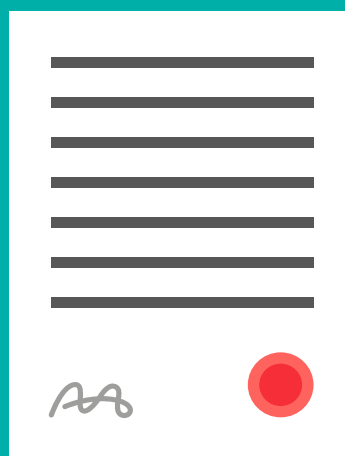
Mr Mark Curmi



Mark is a Director in the firm responsible for the Banking, Financial Institutions and VFA advisory services arm of the Malta practice. He holds a Bachelors' degree in Banking, with Honours in Management from the University of Malta, and has in excess of twelve years of local and international banking experience. Mark joined KPMG in 2014, to drive the Banking Service offering across Audit, Tax and Advisory within the firm.

His role within the firm is also one of an industry specialist, which has seen him at the forefront of some major engagements, including advice with disposals and acquisitions of Banks and Financial Institutions, licencing of new Credit and Financial Institutions, ongoing regulatory advice and assistance, and, assignments related to the emerging fields of financial technology and Virtual Financial Assets

Mark represents the local practice at KPMG's ECB Office in Frankfurt and forms part of KPMG's Global DLT Working group. He has lectured in external and internal fora, both locally and internationally.



Legal Aspects of Smart Contracts, IT Arrangements and Decentralized Autonomous Organisations (DAOs)



The course will delve into understanding the legal aspect of smart contracts, IT arrangements and decentralized autonomous organisations (DAOs). In particular, it will address the definition of smart contracts, why we need them and why we need lawyers to draft them. The seminar will discuss smart contract upsides and liabilities, including validity and enforceability of smart contracts. It will also address current challenges in litigation: frustration, duress, undue influence, unconscionable dealings or force majeure in smart contracts.

The course will delve into DAOs and IT arrangements with a particular focus on legal personality, governing jurisdiction, contracting with DAOs, governance and liability issues.

Topics covered

The legal aspect of smart contracts

IT arrangements

Decentralized Autonomous Organisations (DAOs)

The definition of a smart contract

Why we need smart contracts and how to draft them

Smart contract upsides and liabilities

The validity and enforceability of smart contracts

Current challenges in litigation related to smart contracts

DAOs and IT arrangements: Legal personality, Governing jurisdiction, Contracting with DAOs, and Governance and liability issues

General Information



Intermediate



English

Schedule



1400 - 1630 hrs



25 October 2019 - MSEI



Target Audience

Students, academics, lawyers and anyone interested in learning and understanding the legal aspects of smart contracts, IT arrangements and DAOs.



Lecturer

Ms Aiste Gerybaite



Prior to joining KPMG, Aiste worked at a leading gaming law firm in Malta and assisted a number of gaming clients with corporate matters. Aiste forms part of the tax implementation team at KPMG and on a daily basis deals with company, partnership, foundation and trust formations, as well as various other corporate matters including AML, Data Protection and contract law issues. During her time at KPMG she assisted a number of brand names in the gaming industry with their corporate and tax matters. She is responsible for developing service lines which assists corporate clients with the beneficial ownership disclosure requirement under the AML legislation and company "corporate health checks". She leads corporate engagements and overlooking the necessary involvement of different teams and departments. Being interested in technology and particularly DLT sphere, Aiste has assisted a number of DLT companies setting up in Malta in providing corporate and tax guidance. Aiste has participated in a number of Blockchain Malta Association Conferences on the proposed DLT Regulations.

Recently, she has undertaken an IFSP course on the introduction into the Virtual Financial Assets, and has participated in a technical seminar on the Virtual Financial Instrument test delivered by Finance Malta.

AML/CFT Dimension to DLT



The session will deal with two main aspects of the AML/CFT dimension to DLT.

The first part of the session will provide an introduction and background on the subject and will provide insight into the AML/CFT regulatory framework for DLT, delving into the current 4th Anti-Money Laundering Directive ("4AMLD"), updates on the upcoming 5AMLD and 6AMLD, as well as the local regulations – the Prevention of Money Laundering and Funding of Terrorism Regulations ("PMLFTR") and the FIAU Implementing Procedures. Reference will also be made to the FATF and Basel Committee guidelines, as well as to the use of Blockchain in AML.

In the second part of the session, we will delve into more detail around CDD on crypto transactions and the legal requirements around CDD. The session will also provide insight on CDD and ongoing monitoring for VFAs.

The session will be interactive and provide insight into the practical elements of the space.

Topics covered

Part 1 of Session

Introduction and Background

Use of Blockchain in AML

Local legislative framework: 4AMLD, PMLFTR, and FIAU Implementing Procedures

What the future holds for the 5AMLD and 6AMLD

FATF & Basel Committee guidelines

Situation in Malta and the other jurisdictions

Part 2 of Session

CDD on crypto transactions

Legal requirements around CDD

CDD for VFAs

Ongoing monitoring for VFAs

General Information



Intermediate



English

Schedule



1400 - 1630 hrs



28 October 2019 - MSEI



Target Audience

MLROs, Designate MLROs, and other AML compliance staff, who work and are interested to know more on AML/CFT within the VFA, DLT and Crypto space.



Lecturers



Mr Alex Azzopardi



Alex joined KPMG Malta in 2005 after successfully completing his Bachelor of Accountancy (Hons) Degree at the University of Malta. He is an accountant by profession and currently serves as Chairman to the Committee of the Malta Forum for Internal Auditors. He obtained extensive experience in auditing, risk consulting advisory, internal audit, and AML. Alex has worked on a number of AML-related assignments including ones whose objective was to determine alignment with requirements and good practice as well as larger projects designed to assist clients to enhance their controls following their visits by the Regulator. Alex has been involved in assignments within a number of sectors including Gaming, Banking, Financial Institutions, Investment Services and Insurance.

Ms Deborah Cassar



Deborah is a Senior Manager, AML - Risk Consulting Advisory Services, at KPMG Malta. She holds a Bachelors' degree in Banking & Finance and Management from the University of Malta. Deborah has over ten years' experience within the Financial Services sector and worked for over two years with the FIAU. She has worked extensively in the area of AML compliance -performing Compliance reviews, as well as assisting subject persons to establish appropriate AML/CFT internal structures. In 2017, she obtained an international golden standard specialisation with ACAMS as a recognised and Certified Anti-Money Laundering Specialist (CAMS). At KPMG, Deborah works extensively in the areas of Anti-Money Laundering Compliance. She has managed AML projects locally and assisted entities to comply with regulatory obligations specifically on AML/CFT.

Ms Ariane Azzopardi



Ariane is an Associate Director in KPMG Malta's Quality & Risk Management function. As part of her day to day duties she handles compliance and risk management queries, including those related to the prevention of money laundering and financing of terrorism. She delivers sessions on PMLFT at the KPMG AML roundtable and also delivers seminars at various conferences on related topics. She has experience as MLRO and is a member of the PMLFT sub-committee at the Malta Institute of Accountants and the Institute of Financial Services Practitioners. She graduated with a Masters in Accountancy Degree from the University of Malta and is a fellow member of the Malta Institute of Accountants.

Cryptoassets: Accounting Implications

Cryptoassets, including cryptocurrencies such as Bitcoin, witnessed a breakout in 2017. In light of this, Malta issued a framework regulating Digitalised Ledger Technologies (DLTs) and digital assets, thus providing a stable environment for investors and entities to operate in. This growing industry calls for an important aspect to be addressed - the accounting implications on these new type of assets.

The aim of this course is to provide an overview of the different categories of cryptoassets available on the market and their accounting treatment. This course will walk you through the existing IFRS standards that could be applied to different types of cryptoassets, both from the perspective of the holder and the issuer. Factors that need to be considered when determining the accounting treatment for these new assets will also be discussed. Furthermore, the course will delve into the accounting implications applicable in different scenarios including ICOs and entities operating as trading platforms.

Topics covered

Common types of cryptoassets

IASB's current position on cryptoassets

Accounting literature of relevance to cryptoassets

Classification of cryptoassets from the issuer's point of view

Classification of cryptoassets from the holder's point of view

Accounting for rights and obligations attached to cryptoassets

Accounting considerations relevant to trading platforms

Accounting considerations relevant to ICOs



General Information



Intermediate



English

Schedule



1400 - 1630 hrs



29 October 2019 - MSEI



Target Audience

Students, academics, accountants, auditors, lawyers and anyone interested in learning and understanding the accounting implications on cryptoassets and DLTs.



Lecturers

Mr Jonathan Dingli



Jonathan leads a team of professionals within the Accounting Advisory Services (AAS) Team as a Partner at KPMG Malta. At KPMG, Jonathan has assisted various local and international clients with respect to IFRS advice and IFRS adoption. Before returning to KPMG, Jonathan set up the Malta Institute of Accountants' Technical Department which he led for seven years. During his term of office Jonathan wrote a number of technical pronouncements on the application of IFRS to specific local circumstances, was responsible for the drafting of GAPSE and he also represented the Institute on local and international fora. Before joining the Institute, Jonathan also worked as an auditor for a number of years with KPMG in Malta and in Dublin. Jonathan was the editor of the MIA journal the Accountant for seven years. He has lectured on IFRS in various countries, ran various IFRS courses for KPMG and the Malta Institute of Accountants and has given presentations at various events and conferences. He lectures on advanced financial reporting in the Master in Accountancy post-graduate degree at the University of Malta. Jonathan received his Bachelor of Accountancy Honours degree from the University of Malta in 2002. He is a Certified Public Accountant and is also a fellow Member of the Malta Institute of Accountants.

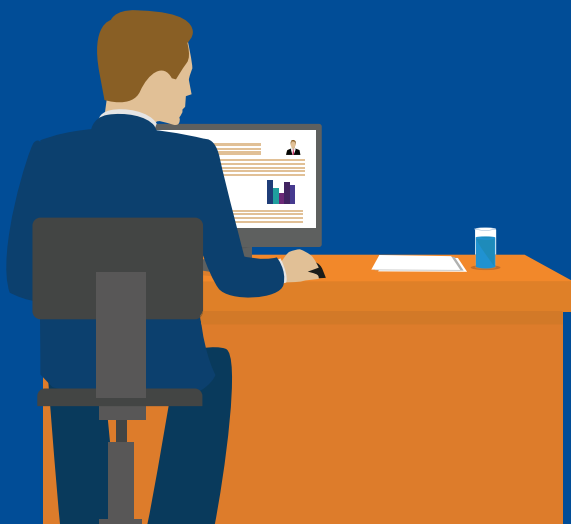
Ms Vanessa Bugeja



Vanessa forms part of the Accounting Advisory Services (AAS) Team as an Advisor at KPMG Malta, where she is responsible for assisting clients across industries, in the preparation of the financial statements in accordance with IFRS and local GAAP rules (including group reporting and consolidation procedures) as well as advising clients on the application of various IFRS matters. Prior to joining KPMG, Vanessa worked within accounting functions in the gaming and investment services industries, where she obtained experience on the preparation of financial reports and management accounts. Vanessa graduated with a Masters in Accountancy Degree from the University of Malta and is a fellow member of the Malta Institute of Accountants.



Cryptoassets and DLTs: Audit Considerations



This course will address the specific audit issues that are concerned with the cryptoasset world and how one needs to carry out audits on this 'etherial' asset class. The lecturer will cover the many regulatory aspects of auditing DLTs and outline the specific standards that need to be adhered to in order to maintain the desired and required standards as determined by the relevant Regulator. The course will also identify and explain the various advantages and opportunities of DLTs when auditing. The framework covering the audit, reviews and the special frameworks for DLTs and cryptoassets will also be highlighted.

Topics covered

Specific audit issues

What makes DLT-centric clients particular in auditing

Which audit areas are most interesting?

Regulatory aspects of auditing DLTs

The current scene in auditing DLTs

Probable future developments

Specific standards that need to be adhered to

Current framework (both local and overseas)

Audit, reviews and special frameworks

Advantages and opportunities of DLTs when auditing

General Information



Intermediate



English

Schedule



1400 - 1630 hrs



1 November 2019 - MSEI



Target Audience

Students, academics, accountants, auditors, lawyers and anyone interested in learning and understanding the audit considerations of cryptoassets and DLTs.



Lecturer

Mr Matthew Abela



Matthew is an audit senior and an information risk management specialist working as an in-charge within KPMG's audit department. His industry experience extends across Banking and Financial Institutions, Asset Management, Insurance and Gaming entities amongst others. Apart from his work within the Malta office, Matthew has regularly been assigned to client work in Los Angeles, Gibraltar, London, Austria and Bulgaria, gaining invaluable exposure to a variety of challenging engagements. Over the years he has gained extensive experience in review of controls, substantive audit work, data analytics and enterprise operations. In recent years he has focused extensively on the Fintech and DLT-centric industries participating in the delivery of formal training with the University of Malta and the Malta Stock Exchange and through work carried out as part of the Distributed Ledger Technology Working Group, an initiative that Matthew helped set up within KPMG in Malta.

Cryptoassets: Tax Issues

The impact of Maltese direct and indirect tax on cryptocurrency transactions and investments.

The session will cover the tax treatment of coins and tokens and the income they generate, as well as the VAT and duty impact of mining, issues and exchanges. During the session, we will go through the typical structures set up in Malta for ICOs and crypto exchanges and determine the effective tax impact of investing in crypto assets and doing crypto business from and through Malta.

Topics covered

General tax principles to be adhered to

The definition of cryptoassets for tax purposes

How to categorise cryptoassets for tax purposes

Tax on capital gains on the transfer of cryptoassets

Duty on the transfer of cryptoassets

General VAT treatment of cryptoasset transactions

Specific income tax, duty and VAT implications for mining, issues and exchanges

Examples of a typical corporate structure for an issue/ exchange setup and the overall tax impact



General Information



Introductory



English

Schedule



1400 - 1630 hrs



31 October 2019 - MSEI



Target Audience

Students, academics, accountants and lawyers with a beginner's knowledge of cryptocurrencies and a basic knowledge of Maltese tax.



Lecturer

Ms Osarugue Obayuwana



Osar, a lawyer by training, is an assistant manager in the tax function at KPMG in Malta, providing specialised tax services to domestic and international clients, providing end-to-end international tax solutions to multinational groups, and in particular, advising on the evolving tax aspects of Distributed Ledger Technology (DLT) businesses in Malta. Under the auspices of KPMG Malta, Osar' has made tax policy contributions to the drafting of Malta's guidelines on the income tax, VAT and stamp duty treatment of DLT assets in Malta. She frequently interacts with practitioners in the sphere of distributed ledger technologies and is conversant with the regulatory and evolving tax aspects of these developments.

Osar has featured as a speaker at an international tax conference in Malta, delivered internal trainings to KPMG tax teams, as well as participated in the delivery of external seminars to financial service practitioners in Malta.



			Malta Stock Exchange Institute, Valletta	
Session 1 	An introduction to DLTs	Matthew Scerri	Monday	21/10/19
Session 2 	Rules of engagement for VFA Agents, IVFAOs and VFA Service Providers	Mark Curmi	Wednesday	23/10/19
Session 3 	Legal aspects of Smart Contracts, IT arrangements and Decentralised Autonomous Organisations (DOAs)	Aiste Gerybaithe	Friday	25/10/19
Session 4 	AML/CFT Dimension to DLT	Alex Azzopardi, Arianne Azzopardi, & Deborah Cassar	Monday	28/10/19
Session 5 	Cryptoassets: Accounting Implications	Jonathan Dingli, Vanessa Grech	Tuesday	29/10/19
Session 6 	Cryptoassets and DLTs: Audit Considerations	Matthew Abela	Friday	01/11/19
Session 7 	Cryptoassets: Tax Issues	Osarugue Obayuwana	Thursday	31/10/19

Registration Form

Contact Person:

Organisation Name:

Address:

Contact Number:

Email Address:

Session

Attendee Name

1 - Tech Intro

2 - Rules of Engagement

3 - Legal

4 - AML/CFT

5 - Accounting

6 - Auditing

7 - Tax

SUBMIT

Terms and Conditions

The fee for each session is €75. Book for all 7 sessions and benefit from a 10% discount. Applicants who are registered for the course are not entitled to a refund if they are unable to attend, but may assign their booking to a colleague subject to confirmation. Sessions may be attended by different people from within the same organisation.

Training Venue:

Malta Stock Exchange plc

Garrison Chapel,
Castille Place,
Valletta VLT 1063,
Malta

website: www.borzamalta.com.mt

email: msei@borzamalta.com.mt

tel: +356 21244051

Payments by bank transfer

Bank details: APS Bank Limited, APS Centre, Tower Road, Birkirkara, Malta.

Account no: 20001558726 (KPMG)

IBAN: MT09APSB77002007966320001558726

BIC: APSBMTMT

Kindly insert your name, surname ID card number in the transaction narrative.

This application is to be accompanied by payment
or proof of payment by bank transfer.

Contact Us

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