

Letter of Comment

May 22, 2018

Greetings,

I am writing this letter in order to comment on the pending amendments to the legislation regarding virtual currency exchanges. Currently, I am the owner and operator of Icetor ehf. a technology services company that has setup one of the first Bitcoin Vending Machines (BVM) here in Iceland. Recently I have participated in the formation of a virtual currency educational group here in Iceland called "Rafmyntarað" or the Iceland Blockchain Foundation (IBF). The aim of the organization is to increase communication and education about various cryptocurrencies and virtual currencies in the Icelandic community.

Since looking at the proposed amendments to the legislation I have the following comments / suggestions:

- As it is currently phrased the proposed statutes would inadvertently effect a range of non-cryptocurrency companies such as Amazon Web Services, CCP Eve Online Plex and Apple iTunes giftcards.
- As an industry just taking its first steps within Iceland, my recommendation is a 2 year moratorium regulating cryptocurrency related industries. Instead I propose closer dialogue between this industry and the legislating authorities.
- Vigorous regulation of these industries will cause companies to seek out more favorable nations like Malta, Estonia or Switzerland. I point to the **Bitlicense** fiasco in NYC as a prime example of this.
- Consider setting a minimum monthly (or yearly) revenue threshold under which companies are not obligated to report. This will help small companies just starting out (such as mine) who cannot afford large legal consultation costs.
- Look to similar legislation that already exists from countries such as Denmark, Switzerland or Sweden for examples of reasonable engagement that promote innovation while still achieving aims.

Lastly, I'd be pleased to come to speak in detail with the committee about the operation of my vending machine since it began operations this February. I look forward to speaking to you about this as well as any additional information I can provide regarding the cryptocurrency / blockchain space in Iceland, or the world at large.

Sincerely,
Jason Scott

