

FinTech; Regulation; Crypto

New Exemptions from Licensing Obligations of Non-Bank Lenders and Payments and Financial Asset Services Providers



The Regulations exempting from the licensing obligations were recently published, and replace the temporary regulations, which expired on December 31, 2021.

The regulations include several updates that broaden the exemptions of non-bank lenders and payments and financial asset services providers from licensing Obligations. These updates include a temporary exemption from holding a license for the provision of credit to corporations incorporated in the USA, UK, or an EU member state, which are licensed to provide payment services in these countries and are allowed to provide credit as part thereof, as long as the credit shall be provided as part of the payment services. The provision of credit in Israel will be subject to consumer protections regulations.

The Regulations also grant a temporary exemption from holding a license for the provision of financial asset services for such corporations to the extent the services do not involve virtual currency.

These temporary exemptions will expire on January 1, 2024.

The Regulations also grant an exemption from holding a license for the provision of credit and provision of financial asset services to corporations incorporated in an OECD member state, as well as Israeli corporations, who perform derivative transactions, repurchase of securities or lending of securities (and with respect to foreign corporations, to the extent the provision of credit is done as part of such activities and as long as they are allowed according to their OECD license to do so).

For further information please contact:



Elite Elkon, Partner
elkon@gornitzky.com



Ido Malin , Partner
idom@gornitzky.com



Diana Barnea , Associate
dianap@gornitzky.com

