

Conn. Gen. Stat. § 36a-613, enacted in 2023

(a) The owner or operator of a virtual currency kiosk shall, in establishing a relationship with a customer and prior to entering into an initial virtual currency transaction for, on behalf of or with the customer, disclose in clear, conspicuous and legible writing in the English language all material risks associated with virtual currency generally, including, but not limited to, the following:

(1) A disclosure, which shall be acknowledged by the customer, provided separately from the disclosures provided pursuant to subdivisions (2) to (9), inclusive, of this subsection and written prominently and in bold type, stating the following: "WARNING: LOSSES DUE TO FRAUDULENT OR ACCIDENTAL TRANSACTIONS MAY NOT BE RECOVERABLE AND TRANSACTIONS IN VIRTUAL CURRENCY ARE IRREVERSIBLE.";

(2) Virtual currency is not backed or insured by the government and accounts and value balances are not subject to Federal Deposit Insurance Corporation, National Credit Union Administration or Securities Investor Protection Corporation protections;

(3) Some virtual currency transactions shall be deemed to be made when recorded on a public ledger, which may not be the date or time when the customer initiates the virtual currency transaction;

(4) The value of virtual currency may be derived from the continued willingness of market participants to exchange fiat currency for virtual currency, which may result in the permanent and total loss of the value of a particular virtual currency, if the market for that virtual currency disappears;

(5) There is no assurance that a person who accepts a virtual currency as payment today will continue to do so in the future;

(6) The volatility and unpredictability of the price of virtual currency relative to fiat currency may result in a significant loss over a short period of time;

(7) The nature of virtual currency may lead to an increased risk of fraud or cyber attack;

(8) The nature of virtual currency means that any technological difficulties experienced by the owner or operator may prevent access to or use of a customer's virtual currency; and

(9) Any bond maintained by the owner or operator for the benefit of the customers of such owner or operator may not be sufficient to cover all losses incurred by such customers.

(b) The owner or operator of a virtual currency kiosk shall, when opening an account for a new customer and prior to entering into an initial virtual currency transaction for, on behalf of or with such customer, disclose in clear, conspicuous and legible writing in the English language, using not less than twenty-four point sans-serif-type font, all relevant terms and conditions associated with the products, services and activities of the owner or operator and virtual currency generally, including, but not limited to, the following:

(1) The customer's liability for unauthorized virtual currency transactions;

(2) The customer's right to stop payment of a preauthorized virtual currency transfer and the procedure used to initiate a stop-payment order;

(3) Under what circumstances the owner or operator will, absent a court or government order, disclose information concerning the customer's account to third parties;

(4) The customer's right to receive periodic account statements and valuations from the owner or operator;

(5) The customer's right to receive a receipt, trade ticket or other evidence of a virtual currency transaction; and

(6) The customer's right to prior notice of a change in the rules or policies of the owner or operator.

(c) The owner or operator of a virtual currency kiosk shall, prior to each transaction in virtual currency for, on behalf of or with a customer, disclose to such customer in clear, conspicuous and legible

writing in the English language, using not less than twenty-four point sans-serif-type font, the terms and conditions of the virtual currency transaction, including, but not limited to, the following:

- (1) The amount of the transaction;
- (2) Any fees, expenses and charges borne by the customer, including, but not limited to, applicable exchange rates;
- (3) The type and nature of the virtual currency transaction;
- (4) A warning that, once executed, the virtual currency transaction may not be undone, if applicable;
- (5) A daily virtual currency transaction limit in accordance with subsection (g) of this section; and
- (6) The difference in the sale price of the virtual currency versus the current market price.

(d) The owner or operator of a virtual currency kiosk shall ensure that each customer acknowledges receipt of all disclosures required under this section.

(e) The owner or operator of a virtual currency kiosk shall, upon the completion of any virtual currency transaction, provide to the customer a receipt containing the following information:

- (1) The name of, and contact information for, the owner or operator, including a telephone number established by the owner or operator to answer questions and register complaints;
- (2) The type, value, date and precise time of such virtual currency transaction, and each virtual currency address;
- (3) The fee charged;
- (4) The exchange rate, if applicable;
- (5) A statement of the liability of the owner or operator for nondelivery or delayed delivery;
- (6) A statement of the refund policy of the owner or operator; and
- (7) Any additional information the Banking Commissioner may require.

(f) The Banking Commissioner may establish a schedule of maximum fees that an owner or operator of a virtual currency kiosk may charge for specific services.

(g) There is established a maximum daily transaction limit of two thousand five hundred dollars for each customer of a virtual currency kiosk.

(h) The owner or operator of a virtual currency kiosk shall, at such owner's or operator's cost and within seventy-two hours after a virtual currency transaction, allow the customer to cancel and receive a full refund for the virtual currency transaction if such virtual currency transaction:

- (1) Is the customer's first virtual currency transaction with such owner or operator; and
- (2) is to a virtual currency wallet or exchange located outside of the United States.