FINANCIAL CONDUCT AUTHORITY

Quarterly Consultation

CP26/8

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How to respond

The Financial Conduct Authority invites comments on this consultation paper. Comments should reach us by 13 April 2026 for Chapters 2-4 and 6-9, 20 April 2026 for Chapter 5, and 23 March 2026 for Chapter 10.

Comments may be sent by electronic submission using the form on the FCA's website.

Alternatively, please send comments in writing to:

Chapter 2: Nicole Edmondson, CASS & Resolution Policy and Strategy

Chapter 3: Robert Avery, Trading Policy

Chapter 4: Barbara Kubis, Consumer Finance Data Team

Chapter 5: Gavin Carrucan, Primary Markets Policy

Chapter 6: Alex Coutts, Asset Management & Funds Policy

Chapter 7: Oliver McCausland & Catherine Macaulay, Market Conduct & Post-trade Policy

Chapter 8: Kasper Stamp Nordahl Moller & Dr Hugh-David Hutcheson, Prudential Policy

Chapter 9: Anna Hughes, Law and Policy; Vlad Petrachi, Consumer Contracts Team; Ayesha Dayaji, Consumer Finance Policy; Jonathan Miles, Insurance Policy

Chapter 10: Jayne Williams, Primary Markets Policy

If you are responding in writing to multiple chapters, please send your comments to Lisa Ocero in the Handbook Team, who will pass your responses on as appropriate.

All responses should be sent to:

Financial Conduct Authority
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Disclaimer

When we make rules, we are required to publish:

- a list of the names of respondents who made representations where those respondents consented to the publication of their names,
- an account of the representations we receive, and
- an account of how we have responded to the representations.

In your response, please indicate:

- if you consent to the publication of your name. If you are replying from an organisation, we will assume that the respondent is the organisation and will publish that name, unless you indicate that you are responding in an individual capacity (in which case, we will publish your name),
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Chapter 1

Overview

Chapter No	Proposed changes to Handbook	Consultation closing period
2	To make consequential amendments to CASS 1, 7 and 8, following the proposed changes to the definition of designated investment business, to ensure the rules work for cryptoasset activities and the wider new crypto regime.	5 weeks
3	To rehouse some provisions in Article 17 of RTS 1 into the framework now provided by MAR 11A so that more equity transparency provisions are available and more clearly expressed in a single location. To disapply rights of action for private persons under section 138D of FSMA for the remaining chapters in MAR governing the mechanics and operation of secondary markets where trading venue members are generally professional investors as opposed to consumers. We propose a new MAR 1A and corresponding amendments to Schedule 5 to MAR. In line with industry feedback following the implementation of the new bond and derivatives transparency regime, we need to include an additional CFI code to identify overnight interest swaps in addition to fixed-floating interest rate swaps, reflecting the derivative types specified in Column A of MAR 11 Annex 1.	5 weeks
4	To make a correction to a change made in error in SYSC 1.5.3R in PS25/3 and to make minor amendments to SUP 16 to correct minor discrepancies in the wording used (Consumer Credit Returns).	5 weeks
5	To amend the rules for the new Public Offers and Admissions to Trading regime to clarify the scope of certain obligations and exemptions.	6 weeks
6	To make targeted changes to COLL to reflect changes to the revised Statement of Recommended Practice (SORP) for authorised funds.	5 weeks
7	To increase the clearing threshold for commodity derivatives under UK EMIR to €5bn to ensure it remains appropriate in a market with higher commodity prices.	5 weeks
8	Having become aware that our final rules in PS25/14 will unintentionally increase the scope of the prohibition on distributions on instruments in a form other than cash or own funds instruments for FCA investment firms, we are proposing to align this prohibition with the current prohibition in Article 73 of the UK CRR to ensure that existing capital instruments continue to qualify as own funds.	5 weeks
9	To make amendments to Amendments to ENFG, UNFCOG, ICOBS and CONC.	5 weeks
10	To make minor changes to UK Listing Rules, in response to recent feedback.	2 weeks

Chapter 2

Amendments to CASS related to cryptoasset activities

Introduction

2.1 In February 2026, the UK government published the Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026 (SI 2026/102) together with an explanatory memorandum. This legislation expands the scope of UK financial regulation to include a range of cryptoasset activities, including issuing qualifying stablecoins in the UK and the safeguarding of client cryptoassets. Our remit is currently limited to overseeing how cryptoassets are promoted and making sure firms meet expected anti-money laundering, counter-terrorist financing and proliferation financing standards. As the new regime is implemented, firms carrying out regulated cryptoasset activities on a commercial basis in the UK will need to seek authorisation and comply with relevant FCA Handbook requirements.

2.2 This consultation builds on the work already undertaken and should be read alongside the wider set of proposals shaping the future regulatory framework for cryptoassets (see our Crypto Roadmap and Consultation Papers: CP25/14, CP25/15, CP25/25, CP25/40, CP25/41, CP25/42 and CP26/4). The amendments proposed in this chapter are separate from the other proposals related to the Client Assets sourcebook (CASS), which form part of the wider cryptoasset regulatory regime.

2.3 In CP25/25, we proposed to expand the definition of designated investment business (DIB) to capture specified qualifying cryptoasset activities. CP26/4, which closes on 12 March 2026, sets out further proposals under which references to 'qualifying cryptoasset activities' would encompass activities relating to both qualifying cryptoassets and specified investment cryptoassets. As a consequence of these proposals, some existing CASS requirements will apply to certain cryptoasset activities by default, which may have unintended consequences, or give rise to unclear or duplicative obligations when read alongside the new crypto regime. We are therefore proposing targeted amendments to ensure the overall CASS framework operates as intended. This aims to ensure it is clear how CASS rules apply to cryptoasset firms, and to avoid overlap with the wider crypto regime.

Summary of proposals

2.4 The proposed expansion of the definition of DIB would automatically bring the following activities into scope of certain CASS rules:

- Issuance of qualifying stablecoins in the UK, which would constitute DIB and therefore may give rise to client money obligations under CASS 7.

- Safeguarding of client cryptoassets (including qualifying cryptoassets and specified investment cryptoassets), whether done directly or via a third party, where money flows arise in connection with the activities.
- Activities involving client money used to acquire or dispose of cryptoassets, where firms receive or hold money on behalf of clients as part of execution, dealing or arranging activities captured under DIB.

2.5 This chapter proposes amendments across the relevant CASS chapters to ensure that the CASS framework applies appropriately to cryptoasset activities, and to avoid unclear, duplicative or unintended requirements. In summary, we propose to amend CASS 7 to:

- clarify that money arising from the safeguarding of client cryptoassets should be treated as client money;
- clarify that money held in backing funds accounts for stablecoins should not be treated as client money;
- amend guidance on the alternative approach to client money segregation to include transactions involving cryptoassets;
- prohibit firms undertaking specified qualifying cryptoasset activities from allowing professional clients to opt-out of CASS 7 protections; and
- disapply the delivery versus payment (DvP) exemption related to the use of commercial settlement systems, where the delivery obligation relates to a cryptoasset.

2.6 In addition, we propose to:

- amend CASS 1 to specify that money held under different regimes, including CASS 16, should be segregated separately; and
- amend CASS 8 to clarify that where a firm is safeguarding client cryptoassets in accordance with CASS 17, it does not also have to comply with the mandate rules in CASS 8 in respect of those client cryptoassets.

The wider context and our objectives

2.7 These proposals are designed to improve firms' understanding of how our CASS requirements apply to cryptoasset activities. They are aligned with our operational objectives, as they promote:

- consumer protection by ensuring that, where a firm safeguards client cryptoassets, those assets, and any money arising from these activities which are covered by CASS provisions, are adequately protected;
- market integrity by ensuring that cryptoasset custodians adequately safeguard client cryptoassets, where responsible for them, which in turn builds consumer trust; and
- effective competition through the enhanced clarity in the regulatory framework that the proposed changes provide, which would encourage firm entry into the market.

2.8 The proposals also contribute to our secondary international competitiveness and growth objective (SICGO), with their design intended to support the business models of firms engaging in cryptoasset activities. For example, our proposals provide stablecoin issuers with clarity that where they are complying with CASS 16 for stablecoin backing funds, those should not be treated as client money, thereby reducing regulatory burden. In turn, our requirements ensure a level playing field in international markets for firms located in the UK.

2.9 The proposals are also aligned with our 5-year strategy (2025-2030), as they are intended to:

- support growth through the proportionate application of CASS rules to regulated cryptoasset firms. This then supports sustainable innovation and international competitiveness in the medium- to long-term;
- help consumers by ensuring they receive the appropriate levels of protection through our CASS rules; and
- support smarter regulation by relying on existing CASS provisions where appropriate, while ensuring their application to different firms is clear and does not duplicate other Handbook requirements.

Segregation and designation of stablecoin backing assets

2.10 CASS 7 applies to a firm that receives money from, or holds money on behalf of, a client in the course of, or in connection with, its DIB. The proposed amendment to the definition of DIB in CP25/25 would bring the issuance of qualifying stablecoins in the UK into scope of CASS 7.

2.11 CP25/14 proposed a new glossary definition under which a 'backing funds account' refers to an account provided by a bank where the issuer holds the money that makes up the pool backing a qualifying stablecoin. The proposed CASS 16 rules in CP25/14 then set out our proposed bespoke safeguarding regime for these backing funds. These rules have been tailored for money being safeguarded as part of the stablecoin backing asset pool.

2.12 We therefore propose introducing a new application rule to clarify that money required or permitted under CASS 16 to be held in backing funds accounts is not client money for the purposes of CASS 7. This would provide certainty that, where money is held solely to back qualifying stablecoins, CASS 16 rather than CASS 7 would apply.

2.13 CASS 1.2.11R specifies that firms must keep money held under different CASS chapters in separate accounts, so that funds subject to different regimes are not co-mingled. Although this chapter proposes that money held in stablecoin backing funds accounts is outside the scope of CASS 7, we propose that the requirement in CASS 1 to segregate money held under different chapters of CASS continues to apply.

2.14 We therefore propose to amend CASS 1.2.11R to clarify that it applies to money held under CASS 16. This means, for example, that money safeguarded under CASS 7 could not be held in the same account as money held under CASS 16. This aims to ensure that stablecoin backing funds remain clearly and exclusively subject to the CASS 16 safeguarding regime, providing clarity on the legal status of such funds, particularly in the event of firm failure or the failure of a third party holding backing assets.

Question 2.1: **Do you agree with our proposal to clarify that money held solely as backing assets for qualifying stablecoins would be subject to CASS 16 and not CASS 7, and that such money must be held separately from money protected under other chapters of CASS? If not, please explain why.**

Opt-outs for professional clients

2.15 CASS 7.10.9G to CASS 7.10.15G provide firms currently subject to CASS 7 with the option of allowing professional clients undertaking certain types of non-MiFID DIB to choose whether their money is subject to CASS 7 rules. The proposal to amend the definition of DIB would bring qualifying cryptoasset activities into scope of these rules.

2.16 We want to ensure that the protections applying to cryptoasset custody under our proposed CASS 17 regime are consistent with those applying to client money held in relation to cryptoasset activities. In both cases, the risks of harm do not differ materially between retail and professional clients.

2.17 We therefore propose that the professional client opt-out provision in CASS 7 does not apply to a firm where it is holding client money in relation to qualifying cryptoasset activities. This can help ensure that all client money associated with these activities is subject to a consistent safeguarding standard.

Question 2.2: **Do you agree with our proposal that the professional client opt-outs from the client money rules should not apply to money held in connection with qualifying cryptoasset activities? If not, please explain why.**

Delivery versus payment transaction exemption

2.18 Under CASS 7, money used in DvP transactions may be exempt from being treated as client money where the transaction is settled using a commercial settlement system, subject to certain conditions. The exemption is intended to apply only where settlement arrangements provide a level of assurance that supports temporary disapplication of client money protections. On-exchange wallet/ledger arrangements used by crypto trading venues do not constitute a 'commercial settlement system' for these purposes. The Handbook uses this term to refer to membership-based systems that facilitate settlement between participant settlement accounts (for example, CREST).

2.19 We are not aware of any commercial settlement systems of this kind currently being used, or available, for the settlement of cryptoasset transactions. Should such a system emerge, we would want to consider its features and the safeguards it provides before determining the potential implications of a DvP exemption.

2.20 We therefore propose to disapply the DvP exemption where the delivery obligation is in relation to a cryptoasset at this stage. This avoids premature or inappropriate reliance on the DvP carve-out unless and until settlement arrangements develop in a way that would justify its use.

Question 2.3: Do you agree with our proposal to disapply the DvP exemption related to the use of a commercial settlement system, where the delivery obligation is in relation to a cryptoasset? If not, please explain why.

The alternative approach to client money segregation

2.21 Under CASS 7, where there is a specific need to do so for a particular business line, and where the relevant conditions are met, a firm can use the alternative approach to segregating client money for that business line. Under the normal approach in CASS 7, firms must segregate client money promptly on receipt into a designated client bank account, ensuring that client money is held separately from the firm's own funds at all times. The alternative approach allows a firm, in limited circumstances, to receive into and pay out client money from its own bank account where applying the normal approach could present operational risks to client money protection, due to characteristics of that business line. Examples include where client transactions are complex, high-volume or time-sensitive, or where they involve multiple currencies or time zones.

2.22 Transactions involving cryptoasset activities can exhibit characteristics similar to those in traditional finance which may warrant the use of the alternative approach. For example, many cryptoasset firms operate cross-border models, support client funding and withdrawals in multiple currencies, or intermediate transactions that occur on a 24/7 basis across different time zones. While some clients may convert their funds into cryptoassets before transacting, firms may still handle money on behalf of clients – for example, when facilitating initial funding, processing withdrawals, or managing residual balances arising from execution or safeguarding activities. These features can create operational constraints that make the normal approach to immediate segregation more challenging in practice.

2.23 We therefore propose to clarify in guidance that the existing criteria and requirements for use of the alternative approach may also apply to client money related to cryptoasset transactions. This clarification would not expand the circumstances in which the alternative approach may be used.

Question 2.4: **Do you agree with our proposal to clarify that the alternative approach to client money segregation may apply, where appropriate, for client transactions involving qualifying cryptoasset activities? If not, please explain why.**

Client money arising from, or in connection with, safe custody assets

2.24 Under CASS 7, money arising from, or in connection with, the holding of safe custody assets should be treated as client money. However, with the proposed introduction of CASS 17, the current application of CASS 7 may become unclear. CASS 7 does not specify whether it applies in the same way to money arising in, or connection with, the safeguarding of client cryptoassets, including where the safeguarding is carried out by a third party appointed by the firm. This lack of clarity creates a risk that money arising in this context may not be appropriately identified and segregated in accordance with the client money rules, and therefore not appropriately protected.

2.25 We therefore propose to clarify in guidance that a firm should treat money arising from, or in connection with, the safeguarding of client cryptoassets as CASS 7 client money. We are also proposing a new rule that applies to situations where money arises from client cryptoassets safeguarded by a third party that the firm has appointed. The rule would specify that the firm must ensure that the third party deposits any money arising from client cryptoassets it is safeguarding into one of the firm's client bank accounts.

Question 2.5: **Do you agree with our proposal to clarify that money arising from, or in connection with, the safeguarding of client cryptoassets should be treated as client money, including where a firm appoints a third party to safeguard those client cryptoassets? If not, please explain why.**

The standard methods of internal client money reconciliation

2.26 CASS 7.16.22E contains an evidential provision setting out how a firm should calculate each individual client balance for the purposes of an internal client money reconciliation. The table in this provision refers to a client's designated investments.

2.27 CP25/25 proposed amendments to the definition of DIB to include qualifying cryptoasset activities, and CP26/4 subsequently proposed an amendment to the definition of designated investments. However, this latter change was only made in relation to its application to the Conduct of Business sourcebook (COBS).

2.28 To provide clarity for firms that deal as a principal agent in cryptoassets, we propose to specify that references to designated investments should be read as including qualifying cryptoassets, for the purposes of CASS 7.16.22E, where firms are calculating individual client balances. This could apply, for example, to transactions where one component is a qualifying cryptoasset and the other is money. In such cases, both components should be taken into account when calculating the individual client balance.

Question 2.6: **Do you agree with our proposal to clarify that references to designated investments in the CASS 7.16.22E evidential provision for the individual client balance calculation should be read as including qualifying cryptoassets? If not, please explain why.**

Preventing the misuse of mandates under CASS 8

2.29 A mandate is any means that gives a firm the ability to control a client's assets or liabilities. CASS 8 sets record keeping and internal control requirements for firms which hold a mandate in the course of, or in connection with, DIB. Under the current rules, CASS 8 does not apply to a firm in relation to client money or assets the firm is holding in accordance with other CASS chapters, such as CASS 7.

2.30 Due to the proposed amendment to the definition of DIB, CASS 8 would apply to cryptoasset firms undertaking DIB. As a result, we propose to amend CASS 8 to clarify that it would not apply in relation to client cryptoassets which a firm is safeguarding in accordance with CASS 17. This avoids duplicative or overlapping requirements where a firm holds the client's cryptoassets and is subject to the safeguarding requirements in that chapter.

2.31 However, CASS 8 would continue to apply where a firm has a mandate under which it can receive or give instructions in relation to a client's cryptoassets in the course of, or in connection with DIB, but **does not itself hold** the client's cryptoassets. This reflects the underlying purpose of the mandate rules: to ensure that firms maintain appropriate controls and records where they retain the means of access or direct a client's assets without the client initiating each transaction.

2.32 CASS 8 would continue to apply where a firm is arranging for another person to safeguard or administer client cryptoassets under Article 9N(1)(b) of SI 2026/102. In such arranging scenarios, a firm may still maintain a mandate – for example, the authority to instruct a third-party custodian on a client's behalf – even though it does not itself hold the assets. Where a firm retains such authority, the CASS 8 record keeping and internal control requirements remain appropriate to ensure that the use of that mandate is appropriately governed.

2.33 The proposed amendments do not introduce new obligations, but rather clarify which rules apply in different scenarios. This is intended to avoid duplication while ensuring firms have adequate record keeping and internal controls for the use of mandates that are **not** covered by other CASS chapters.

Question 2.7: **Do you agree with our proposal to make clarificatory amendments to CASS 8 for cryptoasset firms? If not, please explain why.**

Question 2.8: **Are there any other consequential amendments to CASS required as a result of our proposed regime for cryptoasset activities and the proposed amendment to DIB? If so, please specify which CASS rules may need to be amended and why.**

Rule Review Framework

2.34 The FCA's Rule Review Framework states that while we generally monitor key metrics of new rules, this is not a requirement where it would be disproportionate or where the new rule relates to a minor policy or rule change with minimal impact. Due to the nature of the changes proposed here, we are satisfied that the proposed amendments are exempt from the requirement to be monitored under the Framework.

Cost benefit analysis

2.35 Sections 1381(2)(a) of the Financial Services and Markets Act 2000 (FSMA) requires us to publish a cost benefit analysis (CBA) when proposing draft rules. However, section 138L of FSMA states that we do not need to provide a CBA where we consider that there will be no increase in costs, or the increases will be of minimal significance.

2.36 In CP25/14 and CP26/4, we consulted on the costs and benefits of the aspects of the proposed future regulatory regime for cryptoassets which relate to the consequential proposals in this chapter. We do not believe that our proposed changes and clarifications will alter the costs and benefits set out in CP25/14 and CP26/4.

Impact on mutual societies

2.37 Section 138K(2) of FSMA requires us to prepare a statement setting out our opinion on whether proposed rules will have an impact on mutual societies which is significantly different from the impact on other authorised persons.

2.38 We are satisfied that the proposals in this chapter would not have a significantly different impact on mutual societies compared with other authorised persons.

Compatibility statement

2.39 When consulting on new rules, we are required by section 138I(2) of FSMA to explain why we believe that making the proposed rules is consistent with our strategic objective, advances one or more of our operational objectives, and (so far as reasonably possible) the SICGO. Further, we must have regard to the regulatory principles in section 3B of FSMA and the importance of taking action intended to minimise financial crime (section1B(5)(b) of FSMA). We are also required to have regard to the principles in the Legislative and Regulatory Reform Act 2006 and the Regulators' Compliance Code.

2.40 We are satisfied that the proposed amendments are compatible with our objectives and regulatory principles. As explained in paragraphs 2.7 to 2.9 above, the amendments advance our operational objectives of securing an appropriate degree of consumer protection and promoting effective competition in the interests of consumers. We are satisfied that any burdens or restrictions are proportionate to the expected benefits. We are also satisfied that the proposed amendments are compatible with the SICGO.

Equality and diversity

2.41 We have considered the equality and diversity issues that may arise from the proposed amendments. We have not identified any adverse impact that the proposals in this chapter would have on any of the groups with protected characteristics under the Equality Act 2010 (ie, age, disability, sex, marriage or civil partnership, pregnancy and maternity, race, religion and belief, sexual orientation and gender reassignment). In Northern Ireland, the Equality Act is not enacted but other anti-discrimination legislation applies.

2.42 We will continue to consider the equality and diversity implications of the proposals during the consultation period and will revisit them when publishing the final rules. In the meantime, we welcome comments on any equality and diversity considerations respondents believe may arise.

Chapter 3

Transparency requirements for financial instruments and rights of action for damages in MAR

Introduction

3.1 In November 2024, we published Policy Statement, PS24/14, finalising changes to the UK bond and derivatives transparency regime. Therein we established a simpler and more effective post-trade transparency regime based on higher quality of data, more timely reporting of executed transactions and less complex and fewer deferrals for bonds and certain over-the-counter (OTC) derivatives while ensuring that liquidity providers are sufficiently protected against undue risk. Our changes were intended to:

- reduce instances where transactions that do not contribute to price formation are reported to the public
- improve the content of post-trade reports and the correct identification of derivatives

3.2 Changes to the transparency regime came into force on 1 December 2025. Our conversations with market participants indicate that implementation was orderly and that there was a significant increase in real-time reporting of transaction in bonds and derivatives. These conversations also highlighted a minor outstanding issue relating to Classification of Financial Instruments (CFI) encoding for overnight index swaps (OIS) we believe requires a change to our rules to ensure that the new regime is functioning as intended.

3.3 We are also using this chapter to make some minor amendments to the Market Conduct sourcebook (MAR) in order to provide clarity in relation to provisions currently housed in Article 17 of UK version of Commission Delegated Regulation (EU) 2017/587 (RTS 1) and to tidy up provisions relating to private rights of action.

3.4 We are currently considering responses to the discussion chapter of Consultation Paper, CP25/20, and will publish a separate CP on equity market structure by mid-2026. The proposed change to MAR 11A is unrelated to that work.

Summary of proposals

3.5 We address the following proposed changes in turn below:

- rehousing the provisions in Article 17 of RTS 1 into the framework now provided by MAR 11A

- inserting references to individual MAR chapters in Schedule 5 to MAR
- CFI codes for OISs

Rehousing the provisions in Article 17 of RTS 1 into the framework now provided by MAR 11A

3.6 In PS25/17, we made some amendments to Article 17 of RTS 1. This brought to light that the version of Article 17 on our website did not incorporate all the amendments made to it between Markets in Financial Instruments Directive II (MiFID II) being agreed and the UK's exit from the EU.

3.7 We are therefore proposing to lift and shift provisions dealing with transparency calculations currently contained within Article 17 of RTS 1 into MAR 11A.7 and the accompanying Annex to MAR 11A. We would look to simultaneously delete Article 17 and Annex III from RTS 1. In this process we are ensuring that the provisions and our amendments have regard to the correct version of Article 17 that we inherited from the UK's membership of the EU. These changes are intended to deliver clarity by centralising some of the provisions relating to equity transparency within the FCA Handbook, but do not represent substantive changes to our policy.

Question 3.1: Do you agree with our proposed lifting and shifting of equity transparency calculations provisions into MAR 11A.7?

Inserting references to individual MAR chapters in Schedule 5 to MAR

3.8 Schedule 5 to MAR (Rights of action for damages) provides guidance on the rules in MAR, contravention of which by a firm may be actionable under section 138D of the Financial Services and Markets Act 2000 (FSMA) by a person who suffers loss because of the contravention. Currently, the Schedule has limited content. The table setting out the position in relation to the chapters in MAR has rows in it covering relatively few of the chapters.

3.9 We are therefore proposing to make it more comprehensive to provide greater clarity for users of MAR and to insert a substantive provision in the main body of MAR, in the new MAR 1A, with a rule disapplying rights of action under section 138D of FSMA for the specified chapters in MAR.

3.10 In making these changes, we are not making any proposals to apply rights under section 138D of FSMA more broadly than they currently apply in practice in respect of MAR.

Question 3.2: Do you agree with our proposed changes to MAR Schedule 5 and the addition of MAR 1A?

CFI codes for overnight index swaps

3.11 MAR 11 Annex 1 gives the following CFI encoding for fixed-to-float which applies to interest rate swaps (IRSs) including OISs: *SRC(C/D/I/Y)S(C/P)*.

3.12 Market participants have made us aware that OISs have a separate encoding under the first attribute of group SR: Underlying Assets. Therefore, the encoding for the derivative types listed under 'Derivative Types' to which Note 1 in Column A of MAR 11 Annex 1 applies (being both Fixed-to-Float and OISs) should actually be: *SR**C**(C/D/I/Y)S(C/P)* or *SR**H**(C/D/I/Y)S(C/P)*.

3.13 We therefore propose to amend Note 1 to MAR 11 Annex 1 to reflect this change.

Question 3.3: Do you agree with our proposed change to Note 1 in MAR 11 Annex 1 to more accurately reflect the CFI encoding for OISs?

Rule Review Framework

3.14 The FCA's Rule Review Framework states that while we will generally monitor key metrics of new rules, this is not a requirement where it would be disproportionate or where the new rule relates to a minor policy or rule change with minimal impact. Due to the nature of the changes proposed here, we are satisfied that the proposed amendments are exempt from the requirement to be monitored under the Framework.

3.15 However, in 2026 we will undertake a broader post-implementation review of changes to the bond and derivatives transparency regime that took effect on 1 December 2025. We will publish the results of this review in due course.

Cost benefit analysis

3.16 Section 138I(2)(a) of FSMA requires us to publish a cost benefit analysis (CBA) when proposing draft rules. Section 138L(3) of FSMA provides that section 138I(2)(a) does not apply where we consider that there will be no increase in costs or that any increase will be of minimal significance.

3.17 We consider that any cost increases resulting from these changes will be of minimal significance. In particular, regarding package trades mixing different instrument types, we believe that firms should already have built deferral logic to reflect the changes from PS24/14 that took effect on 1 December 2025 and that minimal uplift should be required to reflect the guidance proposed in this chapter. We consider therefore that no CBA is required.

3.18 Section 138S(2)(f) of FSMA also imposes an obligation in relation to technical standards. We do not consider that lifting and shifting the provisions in Article 17 of RTS 1 into the framework now provided by MAR 11A will result in any change in costs to firms. We consider therefore that no CBA is required.

Impact on mutual societies

3.19 The FCA does not expect the proposals in this chapter to have a significantly different impact on mutual societies compared with other authorised firms. Our proposed rules will apply according to the powers exercised and to whom they are addressed, equally regardless of whether it is a mutual society or another authorised body.

Compatibility statement

3.20 When consulting on new rules, we are required by section 138I(2) of FSMA to explain why we believe that making the proposed rules is consistent with our strategic objective, advances one or more of our operational objectives and (so far as reasonably possible) the secondary international competitiveness and growth objective. Further, we must have regard to the regulatory principles in section 3B of FSMA and the importance of taking action intended to minimise financial crime (section 1B(5)(b) of FSMA). We are also required to have regard to the principles in the Legislative and Regulatory Reform Act 2006 and the Regulators' Compliance Code.

3.21 We are satisfied that the proposed amendments are compatible with our objectives and regulatory principles. The amendments advance our operational objectives of securing an appropriate degree of consumer protection and promoting effective competition in the interests of consumers. We are satisfied that any burdens or restrictions are proportionate to the expected benefits. We are also satisfied that the proposed amendments are compatible with the FCA's secondary international competitiveness and growth objective.

3.22 Consistent with our changes to the bond and derivatives transparency regime in PS24/14, we believe the changes in this chapter will make clearer the transparency requirements for bonds and derivatives and improve the quality of transparency information available to firms participating in secondary markets and to end users. This will in turn promote robust price formation, competition and consumer protection. Our changes promote the secondary international competitiveness and growth objective by ensuring that market participants have access to high-quality market data and therefore have a clearer view of total addressability. The changes are also intended to minimise unnecessary costs to firms and clarify the requirements that apply to them.

3.23 We have also had regard to the recommendations made by the Treasury in the November 2024 remit letter.

Equality and diversity

3.24 We have considered the equality and diversity issues that may arise from the proposed amendments. We have not identified any adverse impact that the proposals in this chapter would have on any of the groups with protected characteristics under the Equality Act 2010 (ie, age, disability, sex, marriage or civil partnership, pregnancy and maternity, race, religion and belief, sexual orientation and gender reassignment). In Northern Ireland, the Equality Act is not enacted but other anti-discrimination legislation applies.

3.25 We will continue to consider the equality and diversity implications of the proposals during the consultation period and will revisit them when publishing the final rules. In the meantime, we welcome comments on any equality and diversity considerations respondents believe may arise.

Chapter 4

Consumer Credit Returns: SYSC 1 correction and SUP 16 amendments

Introduction

4.1 In May 2025, we published Policy Statement, PS25/3, where we introduced a return which will collect data from consumer credit firms with permission to engage in any one, or more, of the regulated activities of:

- credit broking
- debt adjusting
- debt counselling
- providing credit information services

4.2 It also sets out our final rules and guidance for incorporating the new return into Supervision manual (SUP) 16.

4.3 The new return has 5 mandatory sections of questions for all firms in scope, followed by tailored questions specific to firms' permissions. It also replaces elements of CCR002 – Consumer credit data: Volumes and CCR007 – Consumer credit data: Key data for credit firms with limited permission.

Summary of proposals

4.4 Following the publication, we have identified a mistake in the changes made to Senior Management Arrangements, Systems and Controls sourcebook (SYSC) 1.5.3R, therefore we propose to make a correction.

4.5 We have also identified areas in the Handbook where minor amendments to the rules or guidance would help support firms' ability to meet the rules set out in SUP 16.

4.6 The changes in SUP 16 are not intended to impact the policy scope; instead, they focus on clarifying the language of the existing rules to improve the experience of firms when completing the return.

SYSC 1.5.3R (4)(a) and 5(a)

4.7 We propose to correct a change made in error in PS25/3 and identified through firm feedback, under 'Definition of a significant SYSC firm' and replace 'relevant questions in a CCR009 return' in subsections (a) and (b) with 'most recent relevant report'. The relevant report may be a client money and client asset report or CCR009 return. The intention was not to restrict it to a CCR009 return.

SUP 16 Annex 38CR and SUP 16 Annex 38DG

4.8 A review of data fields in SUP 16 Annex 38CR and SUP 16 Annex 38DG has identified several minor discrepancies in the wording used. None of these affect the meaning of the data fields, but we are proposing to align the wording.

4.9 The changes to the questions listed below cover:

- adding the product/section name to the question itself to make them clearer when completing the form
- using more consistent wording/options across sections to avoid potential misunderstanding
- spelling mistakes/incorrect cross referencing

4.10 The table below summarises the relevant Handbook references:

SUP 16 Annex 38CR

Section	Reference
CCR009 - Credit Broking	• 102A • 114A-115A • 116A-117A • 119B-S-120B-S • 121B-S-122B-S
CCR009 – Debt Adjusting and/or Debt Counselling	• 203A • 222A-M-225A-M • 226A-M-229A-M • 231A-M-232A-M • 233A-M-234A-M • 253A
CCR009 – Providing credit information services	303A

SUP 16 Annex 38DG

Section	Reference
CCR009 – Credit Broking	• 114A-W-115A-W • 116A-W-117A-W • 119B-S-120B-S • 121B-S-122B-S • 127AA • 171A
CCR009 – Debt Adjusting and/or Debt Counselling	• 203A • 222A-225A • 226A-229A • 231A-232A • 233A-234A • 253A • 274A
CCR009 – Providing credit information services	303A

Question 4.1: **Do you agree with our proposed correction to SYSC 1.5.3R?**

Question 4.2: **Do you agree with our proposed minor amendments to SUP 16?**

Rule Review Framework

4.11 The FCA's Rule Review Framework states that while we will generally monitor key metrics of new rules, this is not a requirement where it would be disproportionate or where the new rule relates to a minor policy or rule change with minimal impact. Due to the nature of the changes proposed here, we are satisfied that the proposed amendments are exempt from the requirement to be monitored under the Framework.

Cost benefit analysis

4.12 Section 138I of the Financial Services and Markets Act 2000 (FSMA) requires us to perform a cost benefit analysis (CBA) of our proposed requirements and to publish the results, unless we consider the proposal will not give rise to any increase in costs or that the increase in costs will be of minimal significance.

4.13 We expect firms to incur no, or minimal, additional costs as a result of these proposals. As such, we have not conducted a CBA in accordance with the exemption under section 138L(3) of FSMA.

Impact on mutual societies

4.14 The FCA does not expect the proposals in this paper to have a significantly different impact on mutual societies. The extent to which our proposed rules will have an impact on mutual societies will depend on which credit-related regulated activities they carry on (if any).

Compatibility statement

4.15 When consulting on new rules, we are required by section 138I(2) of FSMA to explain why we believe that making the proposed rules is consistent with our strategic objective, advances one or more of our operational objectives and (so far as reasonably possible) the secondary international competitiveness and growth objective. Further, we must promote effective competition when advancing our other operational objectives (section 1B(4) of FSMA), and have regard to the regulatory principles in section 3B of FSMA and the importance of taking action intended to minimise financial crime (section 1B(5)(b) of FSMA). We are also required to have regard to the principles in the Legislative and Regulatory Reform Act 2006, the Regulators' Compliance Code and the Treasury's recommendations on economic policy (section 1JA of FSMA).

4.16 We are satisfied that the proposed amendments are compatible with our objectives and other legal obligations. The amendments advance our operational objectives of securing an appropriate degree of consumer protection and promoting effective competition in the interests of consumers. We are satisfied that any burdens or restrictions are proportionate to the expected benefits. We are also satisfied that the proposed amendments are compatible with the FCA's secondary international competitiveness and growth objective.

Equality and diversity

4.17 We have considered the equality and diversity issues that may arise from the proposed amendments. We have not identified any adverse impact that the proposals in this chapter would have on any of the groups with protected characteristics under the Equality Act 2010 (ie, age, disability, sex, marriage or civil partnership, pregnancy and maternity, race, religion and belief, sexual orientation and gender reassignment). In Northern Ireland, the Equality Act is not enacted but other anti-discrimination legislation applies.

4.18 We will continue to consider the equality and diversity implications of the proposals during the consultation period and will revisit them when publishing the final rules. In the meantime, we welcome comments on any equality and diversity considerations respondents believe may arise.

Chapter 5

Clarificatory amendments to PRM

Introduction

5.1 We are proposing amendments to the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (PRM). These proposals are intended to clarify certain rules and give proper effect to the policy proposals consulted on in Consultation Papers, CP24/12 and CP25/2, which were finalised in Policy Statement, PS25/9. The proposed amendments are summarised below.

Summary of proposals

Exemption for transferable securities offered, allotted, or to be allotted to existing or former directors or employees

5.2 PRM 1.4.12R provides an exemption from the prospectus requirement for admissions to trading of transferable securities that are offered, allotted, or to be allotted to existing or former directors by their employer, subject to certain requirements. As currently drafted, there is no requirement in PRM 1.4.12R for the transferable securities to be held for any period.

5.3 As noted in our recently updated guidance in Technical Note 602.5 (TN 602.5), PRM 1.4.12R is derived from Article 1(5)(h) of the UK Prospectus Regulation. As with Article 1(5)(h), PRM 1.4.12R is intended to facilitate long-term incentive schemes/ employee share schemes, which incentivise directors and employees to hold securities of their own company. These schemes can have a positive impact on companies' governance and the long-term value it can create by fostering employees' dedication and sense of ownership, aligning the respective interests of shareholders and employees, and providing the latter with investment opportunities.

5.4 As such, we do not intend for PRM 1.4.12R to apply to admissions where the issuer uses an allotment to a director or employee for the purpose of an onward transfer from the director or employee to a third party as part of an arrangement to raise funds or satisfy an obligation for the benefit of the company. We consider this type of arrangement to be contrary to the policy intent behind the PRM 1.4.12R exemption.

5.5 In Primary Market Bulletin 58 (PMB 58), we noted that the update to TN 602.5 was in response to some issuers relying on the Article 1(5)(h) exemption in circumstances that are contrary to its intent. As this exemption has been broadly carried over in PRM 1.4.12R, we updated the guidance to emphasise the purpose of the exemption. In doing so, we stated that if we continue to observe the exemption being used in circumstances contrary to the policy intent, we will consider amending PRM 1.4.12R.

5.6 Since publishing PMB 58, we have continued to observe this exemption being used in circumstances contrary to the policy intent. Although the further issuance threshold has been increased to 75% in PRM, we remain concerned about these types of market practices.

5.7 Therefore, to address the potential misuse of PRM 1.4.12R, and to clarify its intended purpose, we propose to amend PRM 1.4.12R so that it is not available where the issuer intends for the securities to be placed with a third party via an offer or allotment to a director or employee. We had initially considered requiring that the securities be subject to a lock-in arrangement for a specified period of time, but we are concerned that this might be disproportionate and could have unintended consequences. We would welcome views on our proposed approach.

Question 5.1: Do you agree with our proposal to amend the drafting of PRM 1.4.12R to clarify that it does not apply where the securities are issued as part of an arrangement to raise funds from or satisfy an obligation with a third party for the benefit of the issuer? If not, please explain why.

Publishing final terms

5.8 PRM 2.3.9R(1) specifies the manner in which final terms should be published where they are not included in the base prospectus, or in a supplementary prospectus. Currently, PRM 2.3.9R(1) includes cross-references to various other PRM provisions that relate to publication.

5.9 In PRM 2.3.9R(1), we propose replacing the cross-reference to PRM 9.5.3R with a cross-reference to PRM 9.5.4R. PRM 9.5.3R relates to the timing of publication, which is addressed elsewhere in PRM. PRM 9.5.4R relates to the method of publishing.

Question 5.2: Do you agree with our proposed change to the drafting of PRM 2.3.9R(1)? If not, please explain why.

Content-specific accompanying statement for protected forward-looking statements (PFLS)

5.10 PRM 8.2.3R currently requires the content-specific accompanying statement for a protected forward-looking statement (PFLS) to appear immediately next to the PFLS to which it relates. We understand that some issuers may wish to have numerous PFLS disclosures alongside prospectus content that is not PFLS. We also understand that issuers may want to include repeated instances of the same PFLS disclosure in their prospectus. Consequently, the existing requirement in PRM 8.2.3R could undermine the readability of a prospectus as numerous content-specific accompanying statements could interrupt the flow of the text.

5.11 We propose amending PRM 8.2.3R to clarify that the content-specific accompanying statement does not need to be repeated each time the corresponding PFLS appears in the prospectus, as long as it appears immediately adjacent to at least one instance of the PFLS. For the other instances of the same PFLS disclosure, the reader should be directed to the part of the document that contains the content-specific accompanying statement. This means that issuers will have greater flexibility in deciding how to present PFLS in a prospectus. For example, under our proposal, the content-specific accompanying statements in a prospectus could be included in a separate section of the document as long as the content-specific accompanying statement appears immediately next to an instance of the corresponding PFLS in that separate section.

Question 5.3: **Do you agree with our proposal to amend PRM 8.2.3R to provide flexibility for the placement of the content-specific accompanying statement? If not, please explain why.**

Prospectus submission and approval requirements

5.12 When the first draft of a prospectus is submitted to us, where required under PRM 9.4.3R, a list of cross references identifying the pages where each applicable disclosure item in PRM App 2 Annexes can be found, accompanies the draft (PRM 9.2.3(1)R). At approval, the final draft of the prospectus does not need to be submitted with cross-reference lists, and this is reflected in PRM 9.2.12R. However, for an issuer seeking to rely on PRM 9.2.16R, they need to confirm that no changes have been made to a number of previously submitted documents, including the list of cross references. This confirmation is customarily provided by completing the PRM No change confirmation template letter. We propose amending PRM 9.2.16R to clarify that the confirmation does not need to be provided with respect to the cross-reference lists.

Question 5.4: **Do you agree with our proposal to amend PRM 9.2.16R so an issuer does not need to confirm that there have been no changes to the cross-reference lists? If not, please explain why.**

5.13 Where an issuer wishes to include a PFLS disclosure in any draft prospectus, it would improve the efficiency of the review process if a cross-reference list for PRM 8 is submitted with the first draft of a prospectus. We propose amending PRM 9.4.3R to clarify this point.

Question 5.5: **Do you agree with our proposal to amend PRM 9.4.3R to require a cross-reference list for PRM 8 to improve the efficiency of the review process? If not, please explain why.**

Publication of a prospectus for an initial public offer (IPO)

5.14 PRM 9.5.2R requires that, in the case of an initial offer of a class of shares admitted to trading for the first time (initial public offer (IPO)), the prospectus must be published at least 3 working days before the end of the offer period. This rule is based on Article 21(1) of the UK Prospectus Regulation, which required publication of the prospectus at least 6 working days before the end of the offer.

5.15 In CP24/12, we proposed changing the requirement from 6 days to 3 days. We noted that this change might encourage issuers to include retail investors in offerings, boosting their participation. This could also benefit issuers by widening the investor base.

5.16 As currently drafted, however, PRM 9.5.2R applies to all IPOs, whether or not there is retail participation. This was not our policy intent. We propose, therefore, to amend the drafting of PRM 9.5.2R to clarify that it applies to IPOs only where there is retail participation.

Question 5.6: **Do you agree with our proposal to limit the application of PRM 9.5.2R to only certain types of IPOs? If not, please explain why.**

Using a supplementary prospectus to change the terms and conditions and/or form of final terms

5.17 For transferable securities issued under a base prospectus, a supplementary prospectus may not be used to change the terms and conditions and/or form of final terms of the transferable securities unless certain conditions in PRM 10.1.9R apply.

5.18 The condition in PRM 10.1.9R(1) applies where the change results in the transferable securities remaining fungible with those that could have been issued under the base prospectus immediately prior to the change. In using the word 'fungible' we intended to retain the approach in TN 605.3, which used the words 'manifestly the same'.

5.19 We have since been advised that any change to terms and conditions will result in transferable securities that are not fungible with those that could have been issued before the change. Therefore, as currently drafted, PRM 10.1.9R(1) has no effect because it applies to an empty set.

5.20 We propose replacing the word 'fungible' in PRM 10.1.9R(1) and (2) with the words 'manifestly the same', which will restore our intended policy position.

Question 5.7: **Do you agree with our proposal to amend PRM 10.1.9R(1) and (2) by replacing the word 'fungible' with the words 'manifestly the same'? If not, please explain why.**

Informing investors about the possibility of supplementary prospectuses and withdrawal rights

5.21 Where transferable securities are bought or subscribed for by an investor directly from the issuer or an underwriter appointed by the issuer, PRM 10.1.16R requires the issuer or underwriter, at the time of making the offer, to inform the investor that a supplementary prospectus may be published and that the investor may, in certain circumstances, have withdrawal rights.

5.22 There is a similar requirement in PRM 10.1.17R for intermediaries in situations where the transferable securities are bought or subscribed for through an intermediary.

5.23 As currently drafted, PRM 10.1.16R and PRM 10.1.17R apply to a wider range of offers than PRM 10.1.14R, which specifies the circumstances and manner in which withdrawal rights may be exercised.

5.24 To achieve consistency across these 3 provisions, we propose amending PRM 10.1.16R and PRM 10.1.17R so that they apply in the same circumstances as PRM 10.1.14R. We are also interested in views on whether offers to less than 150 persons who are not qualified investors (paragraph (3) of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 (POATRs)) should be exempt from the requirements of these rules given that such offers may be targeted at retail investors.

Question 5.8: **Do you agree with our proposal to amend PRM 10.1.16R and PRM 10.1.17R so they apply in the same circumstances as PRM 10.1.14R? If not, please explain why.**

Question 5.9: **Do you agree that offers made reliant on the exemption set out in paragraph (3) of Schedule 1 to the POATRs should be exempt from the requirements of PRM 10.1.14R, PRM 10.1.16R, and 10.1.17R, even though such offers are made to persons who are not qualified investors? If so, please explain why.**

Rule Review Framework

5.25 The FCA's Rule Review Framework states that while we will generally monitor key metrics of new rules, this is not a requirement where it would be disproportionate or where the new rule relates to a minor policy or rule change with minimal impact. Due to the nature of the changes proposed here, we are satisfied that the proposed amendments are exempt from the requirement to be monitored under the Framework.

Cost benefit analysis

5.26 Section 138I(2)(a) of the Financial Services and Markets Act 2000 (FSMA) requires us to publish a cost benefit analysis (CBA) when proposing draft rules. Section 138L(3) of FSMA provides that section 138I(2)(a) does not apply where we consider that there will be no increase in costs or that any increase will be of minimal significance.

5.27 The changes proposed in this chapter are intended to improve clarity and avoid costs of uncertainty. By giving proper effect to the policy proposals consulted on in CP24/12 and CP25/2, which were finalised in PS25/9, the changes are unlikely to result in cost increases and, to the extent that they do, any increases will be of minimal significance. Therefore, we consider that no CBA is required.

Impact on mutual societies

5.28 Section 138K of FSMA requires us to state whether, in our opinion, our proposed rules have a significantly different impact on authorised persons who are mutual societies, compared to other authorised persons. We do not expect the proposals in this chapter to have an impact on mutual societies.

Compatibility statement

5.29 When consulting on new rules, we are required by section 138I(2) of FSMA to explain why we believe that making the proposed rules is consistent with our strategic objective, advances one or more of our operational objectives and (so far as reasonably possible) the secondary international competitiveness and growth objective. Further, we must promote effective competition when advancing our other operational objectives (section 1B(4) of FSMA), and have regard to the regulatory principles in section 3B of FSMA and the importance of taking action intended to minimise financial crime (section 1B(5)(b) of FSMA). We are also required to have regard to the principles in the Legislative and Regulatory Reform Act 2006, the Regulators' Compliance Code and the Treasury's recommendations on economic policy (section 1JA of FSMA).

5.30 We are satisfied that the proposed amendments are compatible with our objectives and other legal obligations. The amendments are consistent with our strategic objective of ensuring that the relevant markets function well and advance our operational objective of protecting the integrity of the UK financial system. The amendments will give proper effect to the policy proposals consulted on in CP24/12 and CP25/2, which were finalised in PS25/9.

5.31 Therefore, the amendments are compatible with our strategic objective of ensuring that the relevant markets function well because they relate to the preservation of current requirements which ensure that investors have the necessary information to assess securities being admitted to trading on a regulated market, whilst at the same time reducing costs for issuers where appropriate. The amendments will act towards market integrity by giving proper effect to rules that are intended to ensure appropriate and

accurate information is available to investors, the promotion of efficient price discovery and allocation of capital in line with risk appetite.

5.32 We are satisfied that any burdens or restrictions are proportionate to the expected benefits. We are also satisfied that the proposed amendments are compatible with the FCA's secondary international competitiveness and growth objective, as there will be no effect on growth from these clarifications.

5.33 Section 138EA of FSMA requires us to have regard to any matters specified in regulations made by the Treasury for the purposes of section 138EA of FSMA that are relevant to the making of the rules in question. Regulation 19 of the POATRs states that the desirability of facilitating offers of transferable securities in the UK being made to a wide range of investors is a matter specified for the purposes of section 138EA of FSMA in relation to the making of regulated market admission rules, among other things. We have had regard to the matter specified in regulation 19 of the POATRs when developing our proposed changes to PRM, which contains our regulated market admission rules.

Equality and diversity

5.34 We have considered the equality and diversity issues that may arise from the proposed amendments. We have not identified any adverse impact that the proposals in this chapter would have on any of the groups with protected characteristics under the Equality Act 2010 (ie, age, disability, sex, marriage or civil partnership, pregnancy and maternity, race, religion and belief, sexual orientation and gender reassignment). In Northern Ireland, the Equality Act is not enacted but other anti-discrimination legislation applies.

5.35 We will continue to consider the equality and diversity implications of the proposals during the consultation period and will revisit them when publishing the final rules. In the meantime, we welcome comments on any equality and diversity considerations respondents believe may arise.

Chapter 6

Implementing the revised Statement of Recommended Practice (SORP)

Introduction

6.1 In October 2025, the Investment Association (IA) published the revised Statement of Recommended Practice (SORP) for authorised funds, following its approval by the Financial Reporting Council (FRC). SORPs are sector-specific recommendations on how the national standards set by the FRC for financial reporting, auditing or actuarial practices should be applied to specialised industries. The SORP is based principally on Financial Reporting Standard (FRS) 102.

6.2 The IA has been designated by the FRC to produce the SORP for annual and interim financial statements of authorised funds. The FCA was represented in the IA's SORP Working Party (SWP), dedicated to revising the previous SORP.

6.3 The IA consulted on the revised SORP in April 2025, receiving 19 written responses. This feedback was incorporated into the finalised version.

6.4 The main changes made in the 2025 SORP reflect revisions to national financial reporting standards since the previous 2014 edition. For example, the new version specifies that mid-market prices are an appropriate valuation basis for investments instead of bid prices. Other changes include simplifying the balance sheet format, refocusing risk disclosures on requirements of accounting standards, and concluding that FRS 104 provides an appropriate basis for a condensed format to be used in interim accounts.

6.5 The IA has also streamlined the structure and scope of the SORP, particularly by removing material not directly supporting compliance with current reporting standards.

6.6 The revised SORP will be effective for annual accounting periods of authorised funds beginning on or after 1 January 2026. It supersedes the previous SORP for authorised funds.

Summary of proposals

6.7 We are now proposing changes that are necessary or desirable to the Handbook to reflect amendments included in the 2025 SORP edition. Certain disclosures that were required by the 2014 SORP edition are no longer required by the 2025 edition. We have considered the investor protection implications of removing these disclosures. We have not identified any investor protection issues, but would like to seek views on whether

there is a need to maintain any of the disclosures. Additionally, the SWP identified some minor points in the Collective Investment Schemes sourcebook's (COLL) rules for managers' reports and accounts that could be clarified, which we propose to address.

Glossary and transitional provision

6.8 We will update the Glossary definition of 'SORP' so that it refers to the 2025 SORP edition. The proposed amendments, including indirect changes arising from updating the definition, will immediately apply to an authorised fund manager (AFM) when the fund's latest annual accounting period begins after the instrument's commencement date. Where the beginning of a fund's annual accounting period is after 1 January 2026 but before the commencement date of the instrument, an AFM will be permitted to apply the amended rules.

6.9 Based on the feedback the IA received on the exposure draft, we also anticipate interest from some AFMs in adopting the 2025 SORP edition for reports covering accounting periods that began prior to 1 January 2026. We propose to allow this provided that amendments to Financial Reporting Standard (FRS) 102 issued in March 2024 are applied at the same time. The disclosure required by paragraph 1.38 of the September 2024 edition of FRS 102 must also be made.

Question 6.1: **Do you agree with our proposal to allow a transitional provision to apply to adoption of the revised edition of SORP under the conditions proposed? If not, please explain why.**

Disclosure of income distributions and unit reconciliations

6.10 The 2014 SORP contained a requirement for the notes to the financial statements to contain a table showing the distribution rate per unit. This requirement was found at paragraph 3.98 of the previous SORP edition and was removed from the latest edition of SORP. As investors receive information about distribution rates elsewhere — typically via personalised annual tax certificates if investing through a nominee or platform, or from a fund administrator directly for unitholders on a fund register - we do not propose reproducing this requirement in COLL.

6.11 The requirement at paragraph 3.97 in the 2014 SORP edition to publish a reconciliation of the opening and closing numbers of units of each unit class has also been removed from the revised SORP, on the basis that it was only included to reflect a previous requirement of FRS 102, which was revoked in 2017. This required AFMs to show the number of units issued, cancelled and converted in each annual accounting period. We think that this requirement provides limited decision-useful information to investors and we do not intend to reproduce it in COLL.

Question 6.2: **Do you agree with not reproducing these requirements in COLL? If you do not agree, please explain why not.**

Other COLL clarifications

6.12 In order to align the terminology used in COLL with the language of FRS 102, we propose to modify references to the net revenue of an authorised fund to refer to 'net revenue or expense after taxation', recognising that a fund's net income property may be either a positive or a negative balance at the end of an accounting period.

Question 6.3: Do you have any comments on the change of terminology to 'net revenue or expense after taxation'?

6.13 Authorised funds have an accounting reference date and an annual accounting period. The accounting reference date is the date in the fund's prospectus on which the annual accounting period ends. We will use these terms throughout the next section. The accounting reference date and annual accounting period apply at umbrella level, as stated at COLL 6.8.1R(3). Sub-funds do not have their own accounting reference date and annual accounting period.

6.14 Where a new sub-fund is launched within an existing umbrella, and the launch date of that sub-fund falls less than 6 months before the end of the umbrella's annual accounting period, as explained in COLL 6.8.2AG(1), the new sub-fund may end its first annual accounting period at the following year's accounting reference date. Otherwise, where COLL 6.8.2R(4) does not apply, COLL 6.8.2R requires the first annual accounting period to end on the next accounting reference date.

6.15 Under COLL 6.8.2R(6A), an authorised fund (including an umbrella or a sub-fund) not in its first accounting period can end its annual accounting period 7 days either side of the accounting reference date.

6.16 We propose to amend COLL 6.8.2R(3), so it allows a fund's first annual accounting period to end 7 days either side of the accounting reference date, in line with COLL 6.8.2R(6A). Making this amendment removes an inconsistency that could force different accounting period end dates within the same umbrella fund.

Question 6.4: Do you agree with our proposed change to COLL 6.8.2R(3)? If not, please explain why. If you have another wording you prefer, please state it.

Rule Review Framework

6.17 The FCA's Rule Review Framework states that while we will generally monitor key metrics of new rules, this is not a requirement where it would be disproportionate or where the new rule relates to a minor policy or rule change with minimal impact. Due to the nature of the changes proposed here, we are satisfied that the proposed amendments are exempt from the requirement to be monitored under the Framework.

Cost benefit analysis

6.18 Section 138L(3) of the Financial Services and Markets Act 2000 (FSMA) provides an exemption from the requirement to produce a cost benefit analysis (CBA) in cases where we consider there will be no increase in cost or an increase in cost that will be of minimal significance. We consider the changes proposed in this chapter are not likely to result in cost increases or that any increases will be of minimal significance. We consider therefore that no CBA is required.

6.19 We have proposed not to reproduce the requirement for AFMs to produce tables showing distribution rates in the annual long report, nor to provide a reconciliation of opening and closing unit numbers. These proposals are permissive, allowing firms to produce more streamlined disclosures than before without increasing or adding new risks.

Impact on mutual societies

6.20 Clause 22 of the Financial Services Bill 2012 amends the rule-making powers in the Financial Services and Markets Act 2000 (FSMA) to require the FCA to provide an opinion on whether the impact of proposed rules on mutual societies is significantly different to the impact on other authorised persons. We have considered these proposals and we do not expect that they will have a significantly different impact on mutual societies.

Compatibility statement

6.21 When consulting on new rules, we are required by section 138I(2) of FSMA to explain why we believe that making the proposed rules is consistent with our strategic objective, advances one or more of our operational objectives and (so far as reasonably possible) the secondary international competitiveness and growth objective. The proposals in this paper support well-functioning financial markets by balancing disclosure of key information to investors with not placing unnecessary burdens on AFMs.

6.22 Further, we must have regard to the regulatory principles in section 3B of FSMA and the importance of taking action intended to minimise financial crime (section 1B(5)(b) of FSMA). We are also required to have regard to the principles in the Legislative and Regulatory Reform Act 2006, the Regulators' Compliance Code and the Treasury's recommendations in their remit letter on economic policy (section 1JA of FSMA).

6.23 We are satisfied that the proposed amendments are compatible with our objectives and regulatory principles. The amendments advance our operational objectives of securing an appropriate degree of consumer protection, by ensuring that disclosures are appropriate to the information needs of investors, enabling retail investors to make informed decisions. Our proposed changes will also have the benefit of increasing competition by ensuring that remaining disclosure obligations and their associated costs are proportionate and targeted. We are satisfied that any burdens or restrictions are proportionate to the expected benefits.

6.24 Finally, we are also satisfied that the proposed amendments are compatible with the FCA's secondary international competitiveness and growth objective. By reducing some burdensome disclosure obligations on funds, the proposals should reduce costs to UK asset managers, aiding the UK's competitiveness.

Equality and diversity

6.25 We have considered the equality and diversity issues that may arise from the proposed amendments. We have not identified any adverse impact that the proposals in this chapter would have on any of the groups with protected characteristics under the Equality Act 2010 (ie, age, disability, sex, marriage or civil partnership, pregnancy and maternity, race, religion and belief, sexual orientation and gender reassignment). In Northern Ireland, the Equality Act is not enacted but other anti-discrimination legislation applies.

6.26 We will continue to consider the equality and diversity implications of the proposals during the consultation period and will revisit them when publishing the final rules. In the meantime, we welcome comments on any equality and diversity considerations respondents believe may arise.

Chapter 7

Increasing the clearing threshold for commodity derivatives under UK EMIR

Introduction

7.1 We're consulting on increasing the clearing threshold for commodity derivatives (commodity clearing threshold) under the UK version of the European Market Infrastructure Regulation (UK EMIR).

7.2 Under UK EMIR, in scope over-the-counter (OTC) derivatives may be subject to mandatory clearing (the clearing obligation). All OTC derivatives that are not subject to mandatory clearing may be subject to bilateral margin requirements. The application of the clearing obligation and margin requirements depends on how counterparties are classified under UK EMIR.

7.3 The clearing obligation applies to in scope contracts between any combination of financial counterparties (FCs) and non-financial counterparties (NFCs) who exceed prescribed clearing thresholds set by the FCA. The bilateral margin requirements apply to contracts between NFCs who exceed the clearing thresholds and FCs. However, UK EMIR also provides certain exemptions from these requirements.

7.4 To determine whether they have exceeded the clearing threshold, FCs and NFCs must calculate their 12-month average aggregate group position of OTC derivatives in each asset class and compare it to a set of clearing thresholds (€1bn for credit and equity, €3bn for interest rate instruments, foreign exchange and commodities) as specified in Article 11 of the UK version of Commission Delegated Regulation (EU) No 149/2013 (Binding Technical Standard (BTS) 2013/149). FCs who exceed the clearing threshold in any asset class are required to clear all their OTC derivatives that are subject to mandatory clearing. NFCs who exceed the clearing threshold are only required to clear their OTC derivatives in the asset class for which they exceed the clearing threshold. Both NFCs who exceed the clearing threshold and FCs are required to exchange bilateral margin for all OTC derivatives that are not centrally cleared.

Changes to the clearing regime

7.5 In July 2025, as part of the Mansion House package, HM Treasury (HMT) communicated its intention to review Title II of UK EMIR in which the Government anticipates revoking firm-facing requirements and either restating them in statute or replacing them with regulator rules. As part of that work, they have identified a review of the clearing regime, including a review of the clearing thresholds as a priority area for policy change.

7.6 We have been supporting HMT with this work and are currently considering the most effective way to implement changes that would be more proportionate for firms and accurately reflect current market activity. One of the ways in which we can achieve this is to review the clearing regime as a whole, assessing the clearing thresholds (which currently sit in FCA Technical Standards) alongside the calculation methodology (which currently sits in HMT legislation).

7.7 As we have progressed this work, commodity firms have raised concerns that rising commodity prices, particularly in metals, are pushing firms close to exceeding the commodity clearing threshold, even if they are not actively increasing the amount of business they conduct. This could create disproportionate costs for those firms who may be subject to excessive margin requirements as well as impact liquidity for commodity firms in times of volatility. Feedback has indicated that this may be influencing firms' behaviour as they seek to remain below the thresholds, which has the potential to constrain economically beneficial activity.

Summary of proposals

7.8 To ensure the regulatory framework reflects rising commodity prices, and to avoid UK counterparties being competitively disadvantaged, we are proposing to recalibrate the clearing threshold for commodity derivatives by increasing the threshold from €3bn to €5bn. The threshold was originally set in 2016, but feedback has suggested that the inflation of commodity prices has effectively lowered the threshold, which has remained numerically unchanged since originally set. We consider a €2bn increase in the threshold to be appropriate as it serves to ensure that the threshold remains closer to, in real terms, the original level and to ensure that margin requirements which mitigate systemic risks are not inappropriately applied to activity in firms which are unlikely to create material systemic risk. We have considered that there may be a very minor increase in counterparty credit risk as a result of our proposal, but we consider this to be proportionate given the increase in commodity prices.

7.9 We are proposing to make this change now to address the immediate concerns raised to us by industry and the ongoing fluctuations in commodity prices, particularly metals, but this should be viewed as a transitional measure as we continue to consider wider changes to the clearing regime as part of our review of Title II of UK EMIR. This may lead to the clearing threshold for commodity derivatives being amended again, at a later stage, as we consider this alongside changes to the calculation methodology. We believe that this interim measure provides firms with an appropriate threshold in a market with higher commodities prices.

7.10 In the absence of appropriate changes, we believe UK firms may be competitively disadvantaged relative to competitors in other jurisdictions where there are similar regimes but where the thresholds are calibrated differently, including the EU. This proposal is designed to mitigate this until a full review of the clearing regime in UK EMIR is conducted.

7.11 Our proposals would be made by amendments to the clearing threshold for commodities in BTS 2013/149 that support UK EMIR.

7.12 Our proposals aim to support market integrity by ensuring the regulatory framework reflects market dynamics to remain both effective and proportionate. In doing so, our proposals also aim to support growth by helping to avoid firms incurring disproportionate costs due to exceeding the clearing thresholds for commodities and support liquidity in times of volatility. It will also enable the status quo to be better maintained while we conduct fuller reforms to the regulatory framework.

7.13 In developing this proposal, we consulted with HMT, the Prudential Regulation Authority and Bank of England.

Question 7.1: Do you agree with our proposal to raise the clearing threshold for commodity derivatives to €5bn?

Rule Review Framework

7.14 The FCA's Rule Review Framework states that while we will generally monitor key metrics of new rules, this is not a requirement where it would be disproportionate or where the new rule relates to a minor policy or rule change with minimal impact. As the change proposed here is a transitional measure to preserve the status quo in advance of a wider review of UK EMIR, we are satisfied that the proposed amendments are exempt from the requirement to be monitored under the Framework.

Cost benefit analysis

7.15 Section 138I of the Financial Services and Markets Act 2000 (FSMA) requires us to publish a cost benefit analysis (CBA) of our proposed rules. Section 138IA of FSMA requires the FCA to consult the CBA panel about the preparation of a CBA. FSMA does not require us to publish a CBA when we believe these rules will involve either no cost increase or where the increase will be of 'minimal significance' (compared to a scenario of no FCA intervention).

7.16 Margin requirements play an important role internationally in reducing systemic risk in the financial system. Any measure which increases the number of non-collateralised trades associated with systemic counterparty risk may therefore be considered a cost. However, the commodity clearing threshold is designed to ensure margin requirements to mitigate systemic risk are not inappropriately applied to non-systemic activity. There has been significant commodity price inflation since the thresholds were originally set in 2016, with the S&P GSCI commodity index suggesting a price rise of over 90% during this period. This has brought NFCs that are unlikely to pose systemic risk close to exceeding the commodity clearing threshold. For these firms, the costs from increased systemic risk of not margining their derivative positions associated with this proposal are likely to be of minimal significance. We consider that in this regard the proposal will have minimal impact for FCs since they are subject to the bilateral margin requirements regardless. We have also considered these changes under our rebalancing risk framework and there is no change in risk from our proposals.

7.17 In addition, we do not expect any material familiarisation or compliance costs as we are only seeking to change the threshold value, rather than any other part of the regime. Therefore, the activity undertaken to assess whether a firm is below the threshold remains unchanged. Consequently, the costs of these proposals are of minimal significance, and we are therefore not required under FSMA to publish a CBA.

7.18 There are benefits to firms from our proposals. There are direct compliance cost savings for firms that now, or in the future, would exceed the commodity clearing threshold. There are also benefits to firms that would otherwise move business to another jurisdiction to avoid costs of applying the bilateral margin requirements, or constraining their positions to remain below the threshold. Our data suggests that most NFCs which have exceeded the commodity clearing threshold will remain above the commodity clearing threshold following the change. Over time, we would expect more firms to be constrained in their commodity derivatives trading by the threshold and the costs associated with going above it. We understand that one large energy company considering exceeding the commodity clearing threshold estimated that it would cost them £9m one off and £21m ongoing to do so. We do not think these costs are representative of all firms potentially affected by the threshold change, but the costs show the potential savings from raising the threshold.

7.19 We do not think it is reasonably practicable to estimate the benefits of our proposals. This is because we cannot predict how many firms would be brought into the scope of the bilateral margin requirements as their positions increase to between €3-5bn. Nor can we predict the number of firms that would move jurisdictions or the benefits for firms that currently constrain their commodity derivative positions to remain just below the threshold.

Impact on mutual societies

7.20 Section 138K of FSMA requires us to state whether, in our opinion, our proposed rules have a significantly different impact on authorised persons who are mutual societies, compared to other authorised persons. We do not expect our proposal to have a significantly different impact on mutual societies.

Compatibility statement

7.21 When consulting on new technical standards, we are required by sections 138S(2) and 138I(2) of FSMA to explain why we believe that making the proposed technical standard is consistent with our strategic objective, advances one or more of our operational objectives and (so far as reasonably possible) the secondary international competitiveness and growth objective. Further, we must promote effective competition when advancing our other operational objectives (section 1B(4) of FSMA), and have regard to the regulatory principles in section 3B of FSMA and the importance of taking action intended to minimise financial crime (section 1B(5)(b) of FSMA). We are also required to have regard to the principles in the Legislative and Regulatory Reform Act 2006, the Regulators' Compliance Code and the Treasury's recommendations on economic policy (section 1JA of FSMA).

7.22 We are satisfied that the proposed amendment is compatible with our objectives and other legal obligations. The amendment is intended to advance our market integrity objective and ensure the relevant markets function well by updating the regulatory framework to ensure it continues to function effectively and proportionately in light of increased commodity prices until we can review the clearing threshold regime more holistically. We are also satisfied that the proposed amendments advance the FCA's secondary international competitiveness and growth objective by ensuring UK counterparties are not disadvantaged by the regulatory framework failing to keep up with changes in market dynamics.

Equality and diversity

7.23 We have considered the equality and diversity issues that may arise from the proposed amendments. We have not identified any adverse impact that the proposals in this chapter would have on any of the groups with protected characteristics under the Equality Act 2010 (ie, age, disability, sex, marriage or civil partnership, pregnancy and maternity, race, religion and belief, sexual orientation and gender reassignment). In Northern Ireland, the Equality Act is not enacted but other anti-discrimination legislation applies.

7.24 We will continue to consider the equality and diversity implications of the proposals during the consultation period and will revisit them when publishing the final rules. In the meantime, we welcome comments on any equality and diversity considerations respondents believe may arise.

Chapter 8

Amending the prohibition on non-cash distributions on own funds instruments for FCA investment firms

Introduction

8.1 In Policy Statement (PS), PS25/14: Definition of capital for FCA investment firms, we published final rules removing cross-references to the UK Capital Requirements Regulation (UK CRR) from Chapter 3 of the Prudential Sourcebook for MiFID Investment Firms (MIFIDPRU) to create a standalone framework for the definition of regulatory capital (or own funds) for FCA investment firms. This included carrying across a simplified version of the prohibition on paying distributions in a form other than cash or own funds instruments from Article 73 of the UK CRR into MIFIDPRU 3 (the simplified prohibition). Article 73 of the UK CRR contains complex distribution rules that were designed with large banks in mind. Our simplified prohibition was intended to provide a more concise requirement, proportionate to the simpler distribution arrangements typical of investment firms. The simplified prohibition, along with the other rules in PS25/14, will come into force on 1 April 2026.

8.2 Since the publication of PS25/14, we have become aware that our simplified prohibition would render ineligible some investment firms' capital instruments which are eligible under the current prohibition in Article 73 of the UK CRR (the current prohibition). The current prohibition focuses on when non-cash distributions can be paid. It permits firms to have capital instruments that contemplate non-cash distributions, provided those distributions can only be paid in certain specified circumstances. By contrast, our simplified prohibition renders capital instruments whose terms contemplate non-cash distributions ineligible, even where firms do not in practice pay non-cash distributions. This was not our intention, nor was this issue raised in any of the responses to Consultation Paper, CP25/10: Definition of capital for FCA investment firms.

Summary of proposals

8.3 To ensure that capital instruments that comply with the current prohibition continue to qualify as own funds, we propose aligning the scope of the simplified prohibition with the current prohibition. Rather than prohibiting own funds instruments whose terms allow for non-cash distributions, we propose to continue prohibiting the payment of non-cash distributions in certain specified circumstances. This means that all own funds instruments that comply with the current prohibition will remain eligible after 1 April 2026.

8.4 In accordance with the current prohibition, we propose to prohibit the payment of distributions in a form other than cash or own funds instruments where:

1. the firm has the sole discretion to decide to make such payment; or
2. a person other than the firm has the discretion to decide or require such payment to be made.

8.5 Whilst we have seen no evidence of market demand for more complex distribution mechanisms, the waiver process will remain available to firms that wish to pay distributions in a form other than cash or own funds instruments, provided they can demonstrate that this would not undermine the outcome of our own funds rules. This change reduces any cost associated with a waiver, because it avoids the need for changes to a firm's constitutional documentation alongside the waiver process itself.

8.6 The changes in PS25/14 will come into force on 1 April 2026. We would expect to bring the changes described in this chapter into force shortly thereafter. In the intervening period, we do not expect firms to amend the terms of their capital instruments based on the change from the current to the simplified prohibition, and firms should continue to treat relevant own funds instruments as eligible.

Question 8.1: **Do you agree with our proposal to align the simplified prohibition on distributions on capital instruments in a form other than cash or own funds instruments for FCA investment firms with the current prohibition in Article 73 of the UK CRR? If not, please explain why?**

Rule Review Framework

8.7 The FCA's Rule Review Framework states that while we will generally monitor key metrics of new rules, this is not a requirement where it would be disproportionate or where the new rule relates to a minor policy or rule change with minimal impact. Due to the nature of the changes proposed here, we are satisfied that the proposed amendments are exempt from the requirement to be monitored under the Framework.

Cost benefit analysis

8.8 Section 138I(2)(a) of the Financial Services and Markets Act 2000 (FSMA) requires us to publish a cost benefit analysis (CBA) when proposing draft rules. Section 138L(3) of FSMA provides that section 138I(2)(a) does not apply where we consider that there will be no increase in costs or that any increase will be of minimal significance. We do not consider that the changes proposed in this chapter will result in cost increases. This is because our proposal is intended to maintain our existing capital eligibility requirements for investment firms.

Impact on mutual societies

8.9 Section 138K of FSMA requires us to state whether, in our opinion, our proposed rules have a significantly different impact on authorised persons who are mutual societies, compared to other authorised persons. We do not expect our proposal to have a significantly different impact on mutual societies.

Compatibility statement

8.10 When consulting on new rules, we are required by section 138I(2) of FSMA to explain why we believe that making the proposed rules is consistent with our strategic objective, advances one or more of our operational objectives and (so far as reasonably possible) the secondary international competitiveness and growth objective. Further, we must promote effective competition when advancing our other operational objectives (section 1B(4) of FSMA), and have regard to the regulatory principles in section 3B of FSMA and the importance of taking action intended to minimise financial crime (section 1B(5)(b) of FSMA). We are also required to have regard to the principles in the Legislative and Regulatory Reform Act 2006, the Regulators' Compliance Code and the Treasury's recommendations on economic policy (section 1JA of FSMA).

8.11 We are satisfied that the proposal is compatible with our objectives and other legal obligations. Our proposal supports the FCA's strategic objective of ensuring that relevant markets function well and our operational objective to protect market integrity.

8.12 We are satisfied that any burdens or restrictions are proportionate to the expected benefits. Our proposal maintains the eligibility of investment firms' capital arrangements while avoiding a potential increase in firms' regulatory burden as a consequence of PS25/14.

8.13 We are also satisfied that our proposal is compatible with the FCA's secondary international competitiveness and growth objective. By avoiding any changes to investment firms' capital arrangements, our proposal provides regulatory stability and avoids putting the UK at a disadvantage to other jurisdictions.

8.14 In our opinion, the proposed changes to our existing rules covered by this chapter are not material under section 143I(3) and (5) of FSMA. We explained how we complied with the relevant requirements in CP25/10.

Equality and diversity

8.15 We have considered the equality and diversity issues that may arise from the proposed amendments. We have not identified any adverse impact that the proposals in this chapter would have on any of the groups with protected characteristics under the Equality Act 2010 (ie, age, disability, sex, marriage or civil partnership, pregnancy and maternity, race, religion and belief, sexual orientation and gender reassignment). In Northern Ireland, the Equality Act is not enacted but other anti-discrimination legislation applies.

8.16 We will continue to consider the equality and diversity implications of the proposals during the consultation period and will revisit them when publishing the final rules. In the meantime, we welcome comments on any equality and diversity considerations respondents believe may arise.

Chapter 9

Amendments to ENFG, UNFCOG, ICOBS and CONC

Introduction

9.1 Last year, we updated the Enforcement Guide (ENFG) in Policy Statement, PS25/5, following a 2-part consultation in Consultation Papers, CP24/2 (Part 1) and CP24/2 (Part 2). As part of this update, content in the previous Enforcement Guide (EG) Chapters 19 and 20 on our approach to the use of relevant powers under non-FSMA legislation is now summarised at Appendix (App) 2.

9.2 We are proposing clarifications to ENFG App 2. These amendments do not change our approach to using these powers.

9.3 In addition, we are updating ENFG App 2 to reflect our powers under recent legislation.

Summary of proposals

Approach to non-FSMA powers

9.4 ENFG App 2 contains a non-exhaustive list of relevant non-FSMA legislation. In PS25/2, we explained we wanted to refocus ENFG to contain key enforcement-related policy that is not elsewhere. Content on our approach to using cancellation and intervention powers was moved to the Supervision manual (SUP) 6B to sit alongside other information on these powers.

9.5 App 2 outlines our enforcement toolkit beyond the Financial Services Markets Act 2000 (FSMA) and directs readers to relevant resources such as a statement of policy in the Decision Procedure and Penalties manual (DEPP) or to legislation.

9.6 Our approach to the exercise of our non-FSMA powers has not changed. Where legislation gives us powers equivalent to those in FSMA to cancel, vary or impose a requirement on a person's authorisation or registration, our approach is consistent with the exercise of powers under FSMA.

9.7 For clarity, we propose adding an introduction to App 2 which explains the difference in content between the 2 tables at App 2.1 and App 2.2. In both App 2.1 and App 2.2, we will now include an overt reference to SUP 6B. We are also removing the repeated entry on the Payment Services Regulations 2017 from App 2.2 but will retain the entry in App 2.1.

Question 9.1: Do you have any comments on the proposed clarifications to App 2 ENFG?

The Digital Markets, Competition and Consumers Act 2024

9.8 The Digital Markets, Competition and Consumers Act 2024 (DMCCA) enhances consumer protection and UK competition regulation. It also establishes a new regime under which the Competition and Markets Authority (CMA) can impose competition-enhancing conduct and other requirements on the largest providers of digital services.

9.9 Currently, we summarise our consumer protection powers under Part 8 of the Enterprise Act 2002 in ENFG App 2. Since April 2025, we have enhanced investigative and enforcement consumer protection powers under the DMCCA to take court-based enforcement action against breaches of consumer protection law. These powers modernise and replace our powers under Part 8 of the Enterprise Act 2002. Suspected breaches before the DMCCA's implementation date will be considered under our powers under the Enterprise Act.

9.10 Our changes reflect our commitment in our response to Which?'s super-complaint to update our Handbook to reflect our role under the DMCCA. These powers are available to us already and this consultation does not impede our ability to use the powers.

9.11 We are adding our powers under the DMCCA in 2 areas of the Handbook:

1. ENFG App 2 as this contains material on our powers under non-FSMA legislation
2. the Unfair Contract Terms and Consumer Notices Regulatory Guide (UNFCOG) part of the Handbook which sets out our approach and policies for the use of our powers in relation to unfair terms and consumer notices

9.12 We are taking the opportunity to substitute one reference in the Insurance Conduct of Business sourcebook (ICOBS) to the Consumer Protection from Unfair Trading Regulations 2008 (which were revoked on 6 April 2025), to refer to the DMCCA instead.

9.13 We are also updating 4 references in the Consumer Credit sourcebook (CONC) from the Unfair Trading Regulations (2008) to the DMCCA. These references are included in the following provisions: **CONC 2.2.5R, CONC 4.2.3G, CONC 8.9.2R** and **CONC 8.9.4R**.

9.14 As well as amending the reference in **CONC 2.2.5R** from Unfair Trading Regulations 2008 (UTR) to the DMCCA, we are also removing the reference to Part 8 of the Enterprise Act 2002 as this has been repealed by the DMCCA.

Additional changes to UNFCOG

9.15 In addition to changes being made to reflect the DMCCA, we are making further changes to ensure UNFCOG fully reflects the requirements of the Consumer Rights Act 2015 (CRA). This includes the transparency requirement under section 68 of the CRA and the core exemption under section 64 of the CRA. We are also making a change to better explain our supervisory approach to issues involving unfair or unclear terms, including that we may use our powers under FSMA if we are able to achieve the same level of consumer protection.

Question 9.2: Do you have any comments on the proposed amendments to ENFG, CONC and UNFCOG?

Removing hyperlinks to the glossary

9.16 Currently, several ENFG provisions containing the terms 'market abuse' and 'insider dealing' hyperlink to the Handbook glossary definition of these words. Those glossary definitions specifically refer to the UK Market Abuse Regulation or the Criminal Justice Act 1993. Some of which provisions may not be relevant to cryptoasset market abuse because, for example, there is no criminal regime for cryptoasset market abuse.

9.17 We therefore propose not to link these terms in ENFG to these glossary definitions. By doing this we intend to make it clear that our approach to opening an investigation and the exercise of our enforcement powers will be the same for cryptoasset market abuse and insider dealing, as it would be under the UK Market Abuse Regulation and the Criminal Justice Act 1993.

Question 9.3: Do you have any comments on our proposal not to link to the Handbook glossary definitions of 'market abuse' and 'insider dealing' in ENFG?

Rule Review Framework

9.18 The FCA's Rule Review Framework states that while we will generally monitor key metrics of new rules, this is not a requirement where it would be disproportionate or where the new rule relates to a minor policy or rule change with minimal impact. We are not proposing to make any new rules. Therefore, the Rule Review Framework does not apply.

Cost benefit analysis

9.19 Under section 138I of FSMA, if the FCA wishes to make new rules, it must, subject to certain exceptions, publish a relevant cost benefit analysis along with the proposed rules, when publicly consulting on the latter. Our proposals do not introduce any new rules. We have therefore undertaken a cost benefit analysis.

Impact on mutual societies

9.20 Section 138K of FSMA requires that where we consult on new rules, we must prepare a statement setting out whether and how the new rules would impact mutual societies. Our proposals do not introduce any new rules. In any event, we do not expect the proposed changes to have a different impact on mutual societies.

Compatibility statement

9.21 We are satisfied that the proposed amendments are compatible with our objectives and other legal obligations. The amendments advance our operational objectives of securing an appropriate degree of consumer protection and promoting effective competition in the interests of consumers. We are satisfied that any burdens or restrictions are proportionate to the expected benefits. We are also satisfied that the proposed amendments are compatible with the FCA's secondary international competitiveness and growth objective.

Equality and diversity

9.22 We have considered the equality and diversity issues that may arise from the proposed amendments. We have not identified any adverse impact that the proposals in this chapter would have on any of the groups with protected characteristics under the Equality Act 2010 (ie, age, disability, sex, marriage or civil partnership, pregnancy and maternity, race, religion and belief, sexual orientation and gender reassignment). In Northern Ireland, the Equality Act is not enacted but other anti-discrimination legislation applies.

9.23 We will continue to consider the equality and diversity implications of the proposals during the consultation period and will revisit them when publishing the final amendments. In the meantime, we welcome comments on any equality and diversity considerations respondents believe may arise.

Chapter 10

Minor changes to UK Listing Rules

Introduction

10.1 On 19 January 2026, we amended the UK Listing Rules sourcebook (UKLR) and introduced the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (PRM). We have received feedback that some aspects of these changes have increased regulatory burden for issuers and added uncertainty about our requirements. We are therefore consulting on amending UKLR to reduce the regulatory burden (and the associated costs) and make our requirements clearer.

10.2 We are consulting on amending the continuing obligations for companies with listed securities to notify information on changes to their capital via a regulatory information service (RIS) when they undertake a further issuance of securities. These requirements are set out in the UK Listing Rules sourcebook (UKLR), at UKLR 6.4.4R(4) and UKLR 6.4.5R and corresponding rules in other UKLR chapters.

10.3 The feedback we received was in response to the following changes:

- When we removed the further issuance listing application process from UKLR, we deleted all references to 'block listings' as a consequential change. This included removing the 'block listing exemption to the notification obligation in UKLR 6.4.4R(4) (and corresponding rules in other chapters). This means that, from 19 January 2026, such issuances are required to be notified 'as soon as possible' under UKLR 6.4.4R(4), rather than batched into a 6-monthly notification under UKLR 20.6 (now removed).
- We introduced a new notification obligation in PRM 1.6.4R. This requires issuers to make a notification about a further issuance of securities when they are admitted to trading on a regulated market. This includes listed securities and applies in addition to the notification under UKLR 6.4.4R(4).

10.4 Currently, therefore, there are 2 notification obligations:

- UKLR 6.4.4R(4) (and corresponding rules in other chapters) – the issuer must notify a RIS of the results of any new issue of equity securities or a public offering of existing equity securities. The notification must be made 'as soon as possible'.
- PRM 1.6.4R – the issuer must notify a RIS of the admission to trading of the new securities. The notification must contain the information specified in PRM 1.6.5R, which includes the number of securities admitted. The notification must usually be made within 120 days (for example under PRM 1.6.2R(1), the issuer has 60 days from allotting the securities to request their admission to trading, under PRM 1.6.4R, and 60 days from their admission to trading to make the notification).

10.5 Frequent issuers will be the most impacted by these changes. This includes issuers who regularly issue listed equity securities under an employee share option scheme. They may have previously benefitted from the 'block listing' exemption to UKLR 6.4.4R(4) pre-19 January 2026. This exemption was removed because it became redundant when the concept of 'block listings' was removed from UKLR on 19 January 2026. These issuers would have previously been required to make a 6-monthly notification under UKLR 20.6 (now removed) instead of the notification under UKLR 6.4.4R(4).

10.6 The changes we made have also caused uncertainty about whether issuers can roll admission notifications over a 60-day period into one notification that meets their obligations under both the PRM and the UKLR. This is because the deadline under UKLR 6.4.4R(4) (and corresponding rules in other chapters of UKLR) is far tighter than the deadline in PRM 1.6.4R.

10.7 These impacts are unintended and contrary to the overarching policy objectives we set out in CP25/2 and PS25/9 on removing complexity and unnecessary compliance costs. They also undermine the benefit intended by the more flexible deadline in PRM 1.6.4R. When we consulted on PRM 1.6.4R, some respondents were concerned that notification requirements would be increased for frequent issuers, particularly under employee share option schemes.

10.8 As set out in paragraph 8.73 of PS25/9, we were sympathetic to that feedback and sought to reduce the additional notification burden for these issuers caused by PRM 1.6.4R. We therefore extended the PRM 1.6.4R deadline for the 'admission to trading' notification, noting it would benefit frequent issuers most, including in respect of employee share option schemes. We had originally proposed the notification be made on the day of admission but extended the deadline in our final rules to 60 days post admission. In support of that we said:

> We have retained a notification requirement to support transparency on the number of shares admitted to trading ... and an admission to trading requirement for further issuances. We have changed the timing of the notification for further issuances so that it can be made within 60 days of admission. Furthermore, admissions to trading over the course of 60 days can be rolled into a single notification but the notification must be up to date as at the day it is made or close of business on the preceding business day.
>
> These changes are intended primarily to address the concerns of issuers who make frequent issuances, including under share option schemes, although they give flexibility to all issuers.

Summary of proposals

10.9 Taking account of the recent feedback, we consider retaining 2 rules for notifying the market of the same issuance of listed equity securities with different deadlines is disproportionate. It was also unintended, as illustrated by the policy intent set out in PS25/9.

10.10 We are therefore proposing the following changes to UKLR to remove the increased regulatory burden (and the associated costs) for issuers and make our requirements clearer.

UKLR 6.4.4R(4) and UKLR 6.4.5R

10.11 We propose to delete UKLR 6.4.4R(4) and the rule in UKLR 6.4.5R which allows for notifications under UKLR 6.6.4R(4) to be delayed in certain situations. These rules are currently applicable to issuers with equity securities listed in the equity shares (commercial companies) category in UKLR 5.

10.12 Issuers with securities listed in the closed-ended investment funds category in UKLR 11 that are currently required by UKLR 11.4.1R to comply with all the requirements of UKLR 6 would also no longer need to comply with UKLR 6.4.4R(4).

Corresponding provisions in other UKLR chapters

10.13 We also propose removing the following rules, which apply to other issuers and impose similar notification requirements to UKLR 6.4.4R(4) and UKLR 6.4.5R:

- UKLR 13.3.20R(4) and UKLR 13.3.21, which apply to listed shell companies
- UKLR 14.3.17R(4) and UKLR 14.3.18R, which apply to listed companies with a listing of equity shares in the equity shares (international commercial companies secondary listing) category
- UKLR 16.3.16R(4) and UKLR 16.3.17R, which apply to listed companies with a listing of shares in the non-equity shares and non-voting equity shares category
- UKLR 22.2.17R(4) and UKLR 22.2.18R, which apply to listed companies with a listing of equity shares in the equity shares (transition) category

10.14 Issuers of equity shares represented by a listing of certificates representing securities who are currently required by UKLR 15.3.1R(3) to comply with the continuing obligations in UKLR 14.3 would also no longer need to comply with UKLR 14.3.17R(4) and UKLR 14.3.18R.

Impact on transparency

10.15 We do not consider that removing the UKLR provisions outlined above will harm market transparency because relevant information should continue to be disclosed under other requirements.

10.16 For example, information on the number of securities admitted to trading is notified to the market under PRM 1.6.4R (which there was support for, as discussed in PS25/9). Also, information on the issuance may be disclosed in a prospectus.

10.17 Issuers should also continue to consider whether they should disclose other information on the circumstances of the issue of listed equity securities – or information on the issuance of non-listed equity securities – under other rules such as the Disclosure, Guidance and Transparency Rules sourcebook and the Market Abuse Regulation.

Question 10.1: Do you agree with our proposal to remove UKLR 6.4.4R(4), UKLR 6.4.5R and corresponding rules in other UKLR chapters? If you disagree, please provide your reasons.

Rule Review Framework

10.18 The FCA's Rule Review Framework states that while we will generally monitor key metrics of new rules, this is not a requirement where it would be disproportionate or where the new rule relates to a minor policy or rule change with minimal impact. Due to the nature of the changes proposed here, we are satisfied that the proposed amendments are exempt from the requirement to be monitored under the Framework.

Cost benefit analysis

10.19 Section 138I(2)(a) of Financial Services and Markets Act 2000 (FSMA) requires us to publish a cost benefit analysis (CBA) when proposing draft rules. Section 138L(3) of FSMA provides that section 138I(2)(a) does not apply where we consider that there will be no increase in costs or that any increase will be of minimal significance. We consider the changes proposed in this chapter are not likely to result in cost increases or that any increases will be of minimal significance. This is because the changes are intended to clarify or simplify our existing requirements for listed companies rather than imposing new obligations on them, and without increasing or adding new risks for their shareholders or other investors. We consider therefore that no CBA is required.

Impact on mutual societies

10.20 Section 138K of FSMA requires us to state whether, in our opinion, our proposed rules have a significantly different impact on authorised persons who are mutual societies, compared to other authorised persons. We do not expect the proposals in this chapter to have an impact on mutual societies.

Compatibility statement

10.21 When consulting on new rules, we are required by section 138I(2) of FSMA to explain why we believe that making the proposed rules is consistent with our strategic objective,

advances one or more of our operational objectives and (so far as reasonably possible) the secondary international competitiveness and growth objective. Further, we must promote effective competition when advancing our other operational objectives (section 1B(4) of FSMA), and have regard to the regulatory principles in section 3B of FSMA and the importance of taking action intended to minimise financial crime (section 1B(5)(b) of FSMA). We are also required to have regard to the principles in the Legislative and Regulatory Reform Act 2006, the Regulators' Compliance Code and the Treasury's recommendations on economic policy (section 1JA of FSMA).

10.22 We are satisfied that the proposed amendments are compatible with our objectives and other legal obligations. The amendments advance our operational objectives of securing an appropriate degree of consumer protection and promoting effective competition in the interests of consumers. We are satisfied that any burdens or restrictions are proportionate to the expected benefits. We are also satisfied that the proposed amendments are compatible with the FCA's secondary international competitiveness and growth objective.

Equality and diversity

10.23 We have considered the equality and diversity issues that may arise from the proposed amendments. We have not identified any adverse impact that the proposals in this chapter would have on any of the groups with protected characteristics under the Equality Act 2010 (ie, age, disability, sex, marriage or civil partnership, pregnancy and maternity, race, religion and belief, sexual orientation and gender reassignment). In Northern Ireland, the Equality Act is not enacted but other anti-discrimination legislation applies.

10.24 We will continue to consider the equality and diversity implications of the proposals during the consultation period and will revisit them when publishing the final rules. In the meantime, we welcome comments on any equality and diversity considerations respondents believe may arise.

Annex 1

List of questions

Question 2.1: Do you agree with our proposal to clarify that money held solely as backing assets for qualifying stablecoins would be subject to CASS 16 and not CASS 7, and that such money must be held separately from money protected under other chapters of CASS? If not, please explain why.

Question 2.2: Do you agree with our proposal that the professional client opt-outs from the client money rules should not apply to money held in connection with qualifying cryptoasset activities? If not, please explain why.

Question 2.3: Do you agree with our proposal to disapply the DvP exemption related to the use of a commercial settlement system, where the delivery obligation is in relation to a cryptoasset? If not, please explain why.

Question 2.4: Do you agree with our proposal to clarify that the alternative approach to client money segregation may apply, where appropriate, for client transactions involving qualifying cryptoasset activities? If not, please explain why.

Question 2.5: Do you agree with our proposal to clarify that money arising from, or in connection with, the safeguarding of client cryptoassets should be treated as client money, including where a firm appoints a third party to safeguard those client cryptoassets? If not, please explain why.

Question 2.6: Do you agree with our proposal to clarify that references to designated investments in the CASS 7.16.22E evidential provision for the individual client balance calculation should be read as including qualifying cryptoassets? If not, please explain why.

Question 2.7: Do you agree with our proposal to make clarificatory amendments to CASS 8 for cryptoasset firms? If not, please explain why.

Question 2.8: Are there any other consequential amendments to CASS required as a result of our proposed regime for cryptoasset activities and the proposed amendment to DIB? If so, please specify which CASS rules may need to be amended and why.

Question 3.1: Do you agree with our proposed lifting and shifting of equity transparency calculations provisions into MAR 11A.7?

Question 3.2: Do you agree with our proposed changes to MAR Schedule 5 and the addition of MAR 1A?

Question 3.3: Do you agree with our proposed change to Note 1 in MAR 11 Annex 1 to more accurately reflect the CFI encoding for OISs?

Question 4.1: Do you agree with our proposed correction to SYSC 1.5.3R?

Question 4.2: Do you agree with our proposed minor amendments to SUP 16?

Question 5.1: Do you agree with our proposal to amend the drafting of PRM 1.4.12R to clarify that it does not apply where the securities are issued as part of an arrangement to raise funds from or satisfy an obligation with a third party for the benefit of the issuer? If not, please explain why.

Question 5.2: Do you agree with our proposed change to the drafting of PRM 2.3.9R(1)? If not, please explain why.

Question 5.3: Do you agree with our proposal to amend PRM 8.2.3R to provide flexibility for the placement of the content-specific accompanying statement? If not, please explain why.

Question 5.4: Do you agree with our proposal to amend PRM 9.2.16R so an issuer does not need to confirm that there have been no changes to the cross-reference lists? If not, please explain why.

Question 5.5: Do you agree with our proposal to amend PRM 9.4.3R to require a cross-reference list for PRM 8 to improve the efficiency of the review process? If not, please explain why.

Question 5.6: Do you agree with our proposal to limit the application of PRM 9.5.2R to only certain types of IPOs? If not, please explain why.

Question 5.7: Do you agree with our proposal to amend PRM 10.1.9R(1) and (2) by replacing the word 'fungible' with the words 'manifestly the same'? If not, please explain why.

Question 5.8: Do you agree with our proposal to amend PRM 10.1.16R and PRM 10.1.17R so they apply in the same circumstances as PRM 10.1.14R? If not, please explain why.

Question 5.9: Do you agree that offers made reliant on the exemption set out in paragraph (3) of Schedule 1 to the POATRs should be exempt from the requirements of PRM 10.1.14R, PRM 10.1.16R, and 10.1.17R, even though such offers are made to persons who are not qualified investors? If so, please explain why.

Question 6.1: Do you agree with our proposal to allow a transitional provision to apply to adoption of the revised edition of SORP under the conditions proposed? If not, please explain why.

Question 6.2: Do you agree with not reproducing these requirements in COLL? If you do not agree, please explain why not.

Question 6.3: Do you have any comments on the change of terminology to 'net revenue or expense after taxation'?

Question 6.4: Do you agree with our proposed change to COLL 6.8.2R(3)? If not, please explain why. If you have another wording you prefer, please state it.

Question 7.1: Do you agree with our proposal to raise the clearing threshold for commodity derivatives to €5bn?

Question 8.1: Do you agree with our proposal to align the simplified prohibition on distributions on capital instruments in a form other than cash or own funds instruments for FCA investment firms with the current prohibition in Article 73 of the UK CRR? If not, please explain why?

Question 9.1: Do you have any comments on the proposed clarifications to App 2 ENFG?

Question 9.2: Do you have any comments on the proposed amendments to ENFG, CONC and UNFCOG?

Question 9.3: Do you have any comments on our proposal not to link to the Handbook glossary definitions of 'market abuse' and 'insider dealing' in ENFG?

Question 10.1: Do you agree with our proposal to remove UKLR 6.4.4R(4), UKLR 6.4.5R and corresponding rules in other UKLR chapters? If you disagree, please provide your reasons.

Annex 2

Abbreviations used in this paper

Abbreviation	Description
AFM	Authorised Fund Manager
App	Appendix
BTS	Binding Technical Standards
CASS	Client Assets sourcebook
CBA	Cost benefit analysis
CCR	Consumer Credit Return
CFI	Classification of Financial Instruments
COBS	Conduct of Business sourcebook
COLL	Collective Investment Schemes sourcebook
CONC	Consumer Credit sourcebook
CP	Consultation Paper
CRA	Consumer Rights Act 2015
DEPP	Decision Procedure and Penalties manual
DIB	Designated investment business
DMCCA	Digital Markets, Competition and Consumers Act 2024
DvP	Delivery versus payment
EG	(Previous) Enforcement Guide
ENFG	Enforcement Guide
EU	European Union
FC	Financial counterparty

Abbreviation	Description
FRC	Financial Reporting Council
FRS	Financial Reporting Standard
FSMA	Financial Services and Markets Act 2000
HMT	HM Treasury
IA	Investment Association
ICOBS	Insurance Conduct of Business sourcebook
IPO	Initial public offer
IRS	Interest rate swap
LTAF	Long Term Asset Fund
MAR	Market Conduct sourcebook
MiFID II	Markets in Financial Instruments Directive II
MIFIDPRU	Prudential Sourcebook for MiFID Investment Firms
NFC	Non-financial counterparty
OIS	Overnight index swap
OTC	Over-the-counter
PFLS	Protected forward-looking statement
PMB	Primary Market Bulletin
POATRs	Public Offers and Admissions to Trading Regulations 2024
PRA	Prudential Regulation Authority
PRM	Prospectus Rules: Admission to Trading on a Regulated Market sourcebook
PS	Policy Statement
PSR	Payment Services Regulator
PSRs	Payment Services Regulations 2017
RTS 1	UK version of Commission Delegated Regulation (EU) 2017/587

Abbreviation	Description
SICGO	Secondary international competitiveness and growth objective
SORP	Statement of Recommended Practice
SUP	Supervision manual
SWP	SORP Working Party
SYSC	Senior Management Arrangements, Systems and Controls sourcebook
TN	Technical Note
UK CRR	UK Capital Requirements Regulation
UK EMIR	UK version of the European Market Infrastructure Regulation
UKLR	UK Listing Rules sourcebook
UNFCOG	Unfair Contract Terms and Consumer Notices Regulatory Guide
UTR	Unfair Trading Regulations 2008

Appendix 1

Amendments to CASS related to cryptoasset activities

CRYPTOASSETS (CLIENT ASSETS CONSEQUENTIALS) INSTRUMENT 2026

Powers exercised

A. The Financial Conduct Authority ("the FCA") makes this instrument in the exercise of the powers and related provisions in or under:

(1) the following sections in the Financial Services and Markets Act 2000 ("the Act"):

(a) section 137A (The FCA's general rules);
(b) section 137B (FCA general rules: clients' money, right to rescind etc.)
(c) section 137T (General supplementary powers); and
(d) section 139A (Power of the FCA to give guidance); and

(2) the other powers and related provisions listed in Schedule 4 (Powers exercised) to the General Provisions of the FCA's Handbook.

B. The rule-making provisions listed above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.

Commencement

C. This instrument comes into force on [*date*].

Amendments to the Handbook

D. The Client Assets sourcebook (CASS) is amended in accordance with the Annex to this instrument.

Citation

E. This instrument may be cited as the Cryptoassets (Client Assets Consequentials) Instrument 2026.

By order of the Board
[*date*]

Annex

Amendments to the Client Assets sourcebook (CASS)

In this Annex, underlining indicates new text and striking through indicates deleted text.

[*Editor's note*: This Annex takes into account the changes introduced by the Payments and Electronic Money (Safeguarding) Instrument 2025 (FCA 2025/38), which come into force on 7 May 2026. This Annex also takes into account the proposals and legislative changes suggested in the consultation papers 'Stablecoin Issuance and Cryptoasset Custody' (CP25/14) and 'Application of FCA Handbook for Regulated Cryptoasset Activities II' (CP26/4) as if they were made final.]

1 Application and general provisions

…

1.2 General application: who? what?

…

Investments and money held under different regimes

1.2.11 R (1) A *firm* must not keep *money* in respect of which any one of the following chapters applies in the same *client bank account* ~~or~~, *client transaction account* or *backing funds account* as *money* in respect of which another of the following chapters applies:

(a) the *client money chapter*;

(b) the *insurance client money chapter*;

(c) the *debt management client money chapter*;

(d) *CASS* 16 (Stablecoin backing assets).

…

(4) A *firm* must not keep *funds* in respect of which *CASS* 15 applies in a *client bank account*, *client transaction account* or *backing funds account* held for the purpose of any other chapter of *CASS*.

…

7 Client money rules

…

7.10 Application and purpose

…

7.10.7F G …

Issuing qualifying stablecoins

7.10.7G R *Money* which is required or permitted under *CASS* 16 (Stablecoin backing assets) to be held in *backing funds accounts* is not *client money*.

Money that is not client money: 'opt outs' for any business other than insurance distribution activity

7.10.8 R …

7.10.8A R *CASS* 7.10.9G to *CASS* 7.10.15G do not apply to a *firm* in relation to *money* within the scope of *CASS* 7.10.1R(2) where the relevant *designated investment business* is *qualifying cryptoasset activity*.

…

7.11 Treatment of client money

…

Delivery versus payment transaction exemption

7.11.14 R (1) Subject to (2) and *CASS* 7.11.16R and with the agreement of the relevant *client*, *money* need not be treated as *client money* in respect of a delivery versus payment transaction through a *commercial settlement system* if:

(a) in respect of a *client's* purchase the *firm* intends for the *money* from the *client* to be due to it within one *business day* following the *firm's* fulfilment of its delivery obligation to the *client*; or

(b) in respect of a *client's* sale, the *firm* intends for the *money* in question to be due to the *client* within one *business day* following the *client's* fulfilment of its delivery obligation to the *firm*~~.~~; and

(c) in either case (a) or (b) the delivery obligation is in relation to a *security* that is not a *cryptoasset*.

…

…

7.13 Segregation of client money

…

The alternative approach to client money segregation

…

7.13.54 G (1) In certain circumstances, use of the normal approach for a particular business line of a *firm* could lead to significant operational risks to *client money* protection. These may include a business line under which *clients'* transactions are complex, numerous, closely related to the *firm's* proprietary business and/or involve a number of currencies or classes of *cryptoassets* and time zones. In such circumstances, subject to meeting the relevant criteria and fulfilling the relevant notification and audit requirements, a *firm* may use the alternative approach to segregating *client money* for that business line.

…

…

7.14 Client money held by a third party

…

Client money arising from, or in connection with, safe custody assets

7.14.5 G (1) *Money* arising from, or in connection with, the holding of ~~a~~ *safe custody assets* or the *safeguarding of cryptoassets* which are *client cryptoassets* by a *firm* which is due to *clients* should, unless treated otherwise under the *client money rules*, be treated as *client money* by the *firm*.

…

7.14.6 R …

7.14.6A R If a *firm* has appointed a third party to *safeguard client cryptoassets* under *CASS* 17.3 and *client money* arises from, or in connection with, those *client cryptoassets* then the *firm* must ensure that the third party deposits the *money* in a *client bank account* of the *firm*.

…

7.16 The standard methods of internal client money reconciliation

…

Non-margined transactions (eg, securities): individual client balance

…

7.16.22 E (1) …

(2) Each *individual client balance* for a *client* should be calculated in accordance with this table (and, where appropriate, references to *designated investments* should be read as including *qualifying cryptoassets*):

…

…

…

8 Mandates

8.1 Application

…

8.1.2A R The *mandate rules* do not apply to a *firm*:

…

(2A) …

(2B) in relation to *client cryptoassets* in respect of which the *firm* is *safeguarding cryptoassets* in accordance with *CASS* 17; or

…

8.1.2B G …

(2) …

(2A) Similarly, in respect of *CASS* 8.1.2AR(2B), a *firm* that is *safeguarding cryptoassets* which are *client cryptoassets* in accordance with *CASS* 17 does not also need to comply with the *mandate rules* in relation to those *client cryptoassets*, but the *mandate rules* would apply if the *firm* has a *mandate* under which it can receive a *client's cryptoassets* from another *person* in the course of or in connection with *designated investment business*.

…

…

8.2 Definition of mandate

8.2.1 R A *mandate* is any means that give a *firm* the ability to control a *client's* assets or liabilities, which meet the conditions in (1) to (5):

…

(4) they put the *firm* in a position where it is able to give any or all of the types of instructions described in (a) to (d):

…

(c) instructions to another *person* in relation to an asset of the *client*, where that other *person* is responsible to the *client* for holding that asset (including where that other *person* is *safeguarding and administering investments*, *acting as trustee or depositary of an AIF* ~~or~~, *acting as trustee or depositary of a UK UCITS* or *safeguarding cryptoassets*);

…

…

…

Ability to give instructions to another person

8.2.4 G The instructions referred to at *CASS* 8.2.1R(4) are all instructions given by a *firm* to another *person* who also has a relationship with the *firm's client*. For example, the other *person* may be the *client's bank*, intermediary, *custodian*, cryptoasset wallet provider or credit card provider. This means, for example, that any means by which a *firm* can control a *client's money* or assets for which it is itself responsible to the *client* (rather than any other *person*) would not amount to a *mandate*. This includes where the *firm* is holding a *client's money* or assets other than in accordance with *CASS* 5, *CASS* 6 ~~or~~, *CASS* 7 or *CASS* 17 (for example, because of an exemption in those *rules*).

…

Appendix 2

Transparency requirements for financial instruments and rights of action for damages in MAR

MARKETS IN FINANCIAL INSTRUMENTS (EQUITY TRANSPARENCY) INSTRUMENT 2026

Powers exercised

A. The Financial Conduct Authority ("the FCA") makes this instrument in the exercise of the powers and related provisions in or under:

(1) the following sections of the Financial Services and Markets Act 2000 ("the Act"):

(a) section 137A (The FCA's general rules);
(b) section 137T (General supplementary powers);
(c) section 139A (Power of the FCA to give guidance); and
(d) section 300H (Rules relating to investment exchanges and data reporting service providers);

(2) regulation 11 of the Financial Services and Markets Act 2000 (Recognition Requirements for Investment Exchanges, Clearing Houses and Central Securities Depositories) Regulations 2001 (SI 2001/995); and

(3) the other rule and guidance making powers listed in Schedule 4 (Powers exercised) to the General Provisions of the FCA's Handbook.

B. The rule-making powers listed above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.

Commencement

C. This instrument comes into force on [*date*].

Interpretation

D. In this instrument, any reference to any provision of assimilated direct legislation is a reference to it as it forms part of assimilated law.

Amendments to the Handbook

E. The Glossary of definitions is amended in accordance with Annex A to this instrument.

F. The Market Conduct sourcebook (MAR) is amended in accordance with Annex B to this instrument.

Notes

G. In the Annexes to this instrument, the notes (indicated by "**Note**:" or "*Editor's note*:") are included for the convenience of readers, but do not form part of the legislative text.

Citation

H. This instrument may be cited as the Markets in Financial Instruments (Equity Transparency) Instrument 2026.

By order of the Board
[*date*]

Annex A

Amendments to the Glossary of definitions

In this Annex, underlining indicates new text and striking through indicates deleted text, unless otherwise stated.

Insert the following new definition in the appropriate alphabetical position. The text is not underlined.

[*Editor's note*: This Annex takes into account the proposals and legislative changes suggested in the consultation paper 'Changes to the UK Short Selling Regime' (CP25/29) (Annex A of the Short Selling Rules Sourcebook Instrument 2025) as if they were made final.]

transparency information	information published by the *FCA* for a *financial instrument* for the purposes of *MAR* 11A.7.

Amend the following definition as shown.

trading day	…
	(3) (in *SSR* and *MAR*) in relation to a *trading venue*, means a *day* during which the *trading venue* concerned is open for trading.
	…

Annex B

Amendments to the Market Conduct sourcebook (MAR)

In this Annex, underlining indicates new text and striking through indicates deleted text, unless otherwise stated.

[*Editor's note*: This Annex takes into account the changes introduced by parts 2 and 4 of Annex A, Parts 1, 3 and 5 of Annex C and Annex E of the Markets in Financial Instruments (Systematic Internalisers, Multilateral Trading Facilities and Equity Transparency) Instrument 2025 (FCA 2025/55), which come into force on 30 March 2026.]

Insert the following new chapter, MAR 1A, after MAR 1 (Market Abuse). The text is all new and is not underlined.

1A Application of MAR

1A.1 What

1A.1.1 G The application of each of the chapters *MAR* 4 to *MAR* 12 is set out in those chapters.

1A.2 Actions for damages

1A.2.1 R A contravention of a *rule* in *MAR* 5, *MAR* 5A, *MAR* 5AA, *MAR* 6, *MAR* 7A, and *MAR* 9 to *MAR* 12 does not give rise to a right of action by a *private person* under section 138D of the *Act* (and each of those *rules* is specified under section 138D(3) of the *Act* as a provision giving rise to no such right of action).

1A.2.2 G *MAR* 8.1.3R sets out the application of section 138D of the *Act* to the *rules* in *MAR* 8.

Amend the following as shown.

11 Transparency rules for bond transparency instruments

…

11 Category 1 instruments
Annex 1

R This is the table of *category 1 instruments*.

Note: The deferral periods shown in columns F, H and J end at 6pm on the day of publication.

…

Note 1: Common attributes	
…	
CFI code	SRC (C/D/I/Y)S(C/P) or SRH (C/D/I/Y)S(C/P)
…	

…

…

11A Pre-trade transparency rules for equity instruments

11A.1 Purpose and application

…

Application

11A.1.2 R This chapter applies to a *trading venue operator*.

11A.1.3 G In addition, *MAR* 11A.7.2 and *MAR* 11A.7.3 apply to *equity systematic internalisers*.

…

Insert the following new section, MAR 11A.7, after MAR 11A.6 (Publications). The text is all new and is not underlined.

11A.7 Transparency calculations

11A.7.1 G Each year, the *FCA* will publish for each *financial instrument* traded on a *trading venue*:

(1) the *trading venue* which is the most relevant market in terms of liquidity as set out in Article 17B of *MiFID RTS 1*;

(2) the average daily turnover for the purpose of identifying the size of orders that are large in scale as set out in *MAR* 11A.4; and

(3) the average value of transactions for the purpose of determining the standard market size as set out in Article 11(2) of *MiFID RTS 1*.

11A.7.2 R *Trading venue operators* and *equity systematic internalisers* must use the *transparency information* for the purposes of *MAR* 11A.2, *MAR* 11A.4, and paragraphs 2 and 4 of Article 14 of *MiFIR* until such time as the *transparency information* is next published in the following year.

11A.7.3 R Where the *transparency information* is replaced by new information during the 12-month period, *trading venue operators* and *equity systematic internalisers* must use that new information for the purposes of *MAR* 11A.2, *MAR* 11A.4 and paragraphs 2 and 4 of Article 14 of *MiFIR*.

11A.7.4 G The *FCA* may update the *transparency information* for the purposes of *MAR* 11A.2, *MAR* 11A.4, and paragraphs 2 and 4 of Article 14 of *MiFIR*.

11.A.7.5 G For the purposes of *MAR* 11A.7.1G, the daily turnover in relation to a *financial instrument* will be calculated by:

(1) for each transaction executed during a defined period of time, multiplying the number of units of that *financial instrument* exchanged between the buyers and sellers by the unit price applicable to such transaction; and

(2) adding together the results of the calculations undertaken under (1) for all transactions in a *financial instrument* executed during the defined period.

11A.7.6 R (1) A *trading venue operator* must make the information set out in *MAR* 11 Annex 3R available to the *FCA* when:

(a) the *financial instrument* is admitted to trading;

(b) the *financial instrument* is first traded on that *trading venue*; or

(c) any change has been made to the information set out in *MAR* 11A Annex 1R previously provided to the *FCA*.

(2) A *trading venue operator* must make available the information in (1) after the end of the *trading day*, but before the end of the *day*.

Insert the following new annex, MAR 11A Annex 1R, after MAR 11A.7 (Transparency calculations). The text is all new and is not underlined.

11A Annex 1R **Reference data to be provided for the purpose of transparency calculations**

[*Editor's note*: This annex will consist of the 2 tables previously located at Annex III of MiFID RTS 1. No changes are proposed to be made to the content of these tables.]

Table 1: Symbol table for Table 2		
SYMBOL	**DATA TYPE**	**DEFINITION**
{ALPHANUM-n}	Up to n alphanumerical characters	Free text field
{ISIN}	12 alphanumerical characters	ISIN code, as defined in ISO 6166
{MIC}	4 alphanumerical characters	Market identifier as defined in ISO 10383

#	Field	Description/Details to be published	Format to be populated as defined in Table 1
1	Instrument identification code	Code used to identify the financial instrument	{ISIN}
2	Instrument full name	Full name of the financial instrument	{ALPHANUM-350}
3	Trading venue	Segment MIC for the trading venue or systematic internaliser, where available, otherwise operational MIC.	{MIC}
4	MiFIR identifier	Identification of equity financial instruments **Shares** as referred to in Article 2(1)(24)(a) of *MiFIR*; **Depositary receipts** as defined in Article 2(1)(25) of *MiFIR*; **ETF** as defined in Article 2(1)(26) of *MiFIR*; **Certificates** as defined in Article 2(1)(27) of *MiFIR*;	Equity financial instruments: SHRS = shares ETFS = ETFs DPRS = depositary receipts CRFT = certificates OTHR = other equity-like financial instruments

		Other equity-like financial instrument is a transferable security which is an equity instrument similar to a share, ETF, depositary receipt or certificate but other than a share, ETF, depositary receipt or certificate.	

Amend the following as shown.

Sch 5 Rights of action for damages

Sch 5.1 G

…	
4.	…
5.	There are no rights of action under section 138D of the *Act* in respect of any contravention by a *data reporting services provider* of any *rule* made under the *Act*.

Sch 5.2 G

Chapter / Appendix	**Section / Annex**	**Paragraph**	**For Private Person?**	**Removed**	**For other person?**	
…						
MAR 5 (all *rules*)			~~Yes~~ No	Yes, *MAR* 1A.2.1R		
MAR 5A (all *rules*)			~~Yes~~ No	Yes, *MAR* 1A.2.1R		
MAR 5AA (all *rules*)			No	Yes, *MAR* 1A.2.1R	No	
MAR 6 (all *rules*)			No	Yes, *MAR* 1A.2.1R	No	

MAR 7A (all *rules*)			No	Yes, *MAR* 1A.2.1R	No	
MAR 8 (all *rules*)			No	Yes, *MAR* 8.1.3R	No	
MAR 9A (all *rules*)			No	Yes, *MAR* 1A.2.1R	No	
MAR 10 (all *rules*)			No	Yes, *MAR* 1A.2.1R	No	
MAR 11 (all *rules*)			No	Yes, *MAR* 1A.2.1R	No	
MAR 11A (all *rules*)			No	Yes, *MAR* 1A.2.1R	No	
MAR 12 (all *rules*)			No	Yes, *MAR* 1A.2.1R	No	

TECHNICAL STANDARDS (MARKETS IN FINANCIAL INSTRUMENTS REGULATION) (EQUITY TRANSPARENCY) (AMENDMENT) INSTRUMENT 2026

Powers exercised

A. The Financial Conduct Authority ("the FCA") makes this instrument in the exercise of the powers and related provisions in or under:

(1) Article 22 (Providing information for the purposes of transparency and other calculations) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012; and

(2) the following sections of the Financial Services and Markets Act 2000 ("the Act") as amended by the Financial Regulators' Powers (Technical Standards etc.) (Amendment etc.) (EU Exit) Regulations 2018 (SI 2018/1115):

(a) section 137T (General supplementary powers);
(b) section 138P (Technical standards);
(c) section 138Q (Standards instruments); and
(d) section 138S (Application of Chapters 1 and 2).

B. The provisions listed above are specified for the purpose of section 138Q(2) (Standards instruments) of the Act.

Pre-conditions to making

C. The FCA has consulted the Prudential Regulation Authority and the Bank of England as appropriate in accordance with section 138P of the Act.

D. The requirement for Treasury approval under section 138R of the Act has been met.

E. The FCA published a draft of this instrument in accordance with section 138I(1)(b) of the Act, accompanied by the information required by section 138I(2). The FCA had regard to representations made in response to the public consultation.

Modifications

F. The following technical standard, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, is amended in accordance with the Annex to this instrument.

Commission Delegated Regulation (EU) 2017/587 of 14 July 2016 supplementing Regulation (EU) 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on transparency requirements for trading venues and investment firms in respect of shares, depositary receipts, exchange-traded funds, certificates and other similar financial instruments.

Commencement

G. This instrument comes into force on [*date*].

Citation

H. This instrument may be cited as the Technical Standards (Markets in Financial Instruments Regulation) (Equity Transparency) (Amendment) Instrument 2026.

By order of the Board
[*date*]

In this Annex, underlining indicates new text and striking through indicates deleted text, unless otherwise stated.

Annex

Commission Delegated Regulation (EU) 2017/587 of 14 July 2016 supplementing Regulation (EU) 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on transparency requirements for trading venues and investment firms in respect of shares, depositary receipts, exchange-traded funds, certificates and other similar financial instruments.

The following is deleted in its entirety. The deleted text is not shown but is marked [deleted] as shown below.

…

CHAPTER IV PROVISIONS COMMON TO PRE-TRADE AND POST-TRADE TRANSPARENCY CALCULATIONS

Article 17

Methodology, date of publication and date of application of the transparency calculations (Article 22(1) of Regulation (EU) No 600/2014) [deleted]

…

ANNEX III

Reference data to be provided for the purpose of transparency calculations [deleted]

Appendix 3

Consumer Credit Returns: SYSC 1 correction and SUP 16 amendments

CONSUMER CREDIT (REGULATORY REPORTING) (AMENDMENT) INSTRUMENT 2026

Powers exercised

A. The Financial Conduct Authority ("the FCA") makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 ("the Act"):

(1) section 137A (The FCA's general rules);
(2) section 137T (General supplementary powers); and
(3) section 139A (Power of the FCA to give guidance).

B. The rule-making provisions listed above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.

Commencement

C. This instrument comes into force on [*date*].

Amendments to the Handbook

D. The Senior Management Arrangements, Systems and Controls sourcebook (SYSC) is amended in accordance with Annex A to this instrument.

E. The Supervision manual (SUP) is amended in accordance with Annex B to this instrument.

Citation

F. This instrument may be cited as the Consumer Credit (Regulatory Reporting) (Amendment) Instrument 2026.

By order of the Board
[*date*]

Annex A

Amendments to the Senior Management Arrangements, Systems and Controls sourcebook (SYSC)

In this Annex, underlining indicates new text and striking through indicates deleted text.

1 Application and purpose

…

1.5 Significant SYSC firm

…

Definition of a significant SYSC firm

…

1.5.3 R …

(4) "client money" means *client money* that a *firm* receives or holds in the course of, or in connection with, all of the *regulated activities* that it carries on:

(a) as set out in the ~~relevant questions in a CCR009 return~~ most recent relevant report submitted to the *FCA* under *SUP* 16.12 (Integrated Regulatory Reporting); or

…

(5) "Assets belonging to its *clients*" means the assets to which the *custody rules* apply:

(a) as set out in the ~~relevant questions in a CCR009 return~~ most recent relevant report submitted to the *FCA* under *SUP* 16.12 (Integrated Regulatory Reporting); or

…

…

Annex B

Amendments to the Amendments to the Supervision manual (SUP)

In this Annex, underlining indicates new text and striking through indicates deleted text, unless stated otherwise.

16 **Reporting requirements**

…

16 Annex 38CR **Data item relating to relevant ancillary credit firms**

…

CCR009 Consumer credit data: relevant ancillary credit firm

Section 1: Reporting fields for a firm with permission to carry on the regulated activity of credit broking		
Section 1.1: Credit broking – permissions Tell us about your *permissions*. Some questions will only apply if you have not undertaken or do not intend to undertake any relevant *credit-related regulated activity*.		
Reference	**Data element**	**Code (where applicable)**
…		
102A	Why do you hold your *credit broking permission*?	A - Applied to cancel *authorisation* or to vary *permission* to remove *credit broking* B - Required to hold the *permission* as a provider of 'home credit' or 'payday' lending to comply with the Competition and Markets Authority Review of Home Credit Market Investigation Order 2007 (as amended) and Payday Lending Market Investigation Order 2015 (as amended) requirements to publish information on a price comparison website C - Hold *permission* at the request of a *lender* or *owner* in order to be on their panel D - Hold *permission* ~~to~~ in relation to *credit agreements* secured by a *legal or equitable mortgage* on *land* only and not any other *credit agreement* or *consumer hire agreement* eg, mortgage intermediaries W - Other reason
…		
Section 1.3: Credit broking – goods and services Tell us about the *goods* and services you broker *finance* for. This section only applies if you broker *finance* for *goods* and/or services.		
…		

Section 1.3.2: Credit broking – motor vehicles on credit agreements

Tell us about the vehicles you arrange *finance* for. This section only appears for *credit agreements* relating to motor vehicles.

Please provide us with the following information:

- 114A-W – ~~Total~~ For motor vehicles on *credit agreements*, total number of introductions made by your firm (excluding activity of your *appointed representatives*, if you have any)
- 115A-W – ~~Total~~ For motor vehicles on *credit agreements*, total number of introductions made by *appointed representatives* of your firm

This information is to be provided for the vehicle types reported in 111A.

Section 1.3.3: Credit broking – motor vehicles on consumer hire agreements

Tell us about the vehicles on which you arrange *consumer hire agreements*. This section only applies for hire agreements relating to motor vehicles.

Please provide us with the following information:

- 116A-W – ~~Total~~ For motor vehicles on *credit agreements*, total number of introductions made by your firm (excluding activity of your *appointed representatives*, if you have any)
- 117A-W – ~~Total~~ For motor vehicles on *credit agreements*, total number of introductions made by *appointed representatives* of your firm

This information is to be provided for the vehicle types reported in 111A.

Section 1.4: Credit broking – general goods and services

This section only appears if your *credit broking* activity is related to *goods* and services (apart from motor vehicles).

…

Section 1.4.1: Credit broking – general goods and services on credit agreements

Tell us about the *goods* or services you supply on *credit agreements*. This section only appears for *credit agreements* relating to *goods* and services (apart from motor vehicles).

Please provide us with the following information:

- 119B-S – ~~Total~~ For general *goods* and services on *credit agreements*, total number of introductions made by your firm (excluding activity of your *appointed representatives*, if you have any)

- 120B-S – ~~Total~~ For general *goods* and services on *credit agreements*, total number of introductions made by *appointed representatives* of your firm

This information is to be provided for the *goods* and services reported in 108A.

Section 1.4.2: Credit broking – general goods and services on consumer hire agreements

Tell us about the *goods* or service you supply on *consumer hire agreements*. This section only applies for hire agreements relating to *goods* and services (apart from motor vehicles).

Please provide us with the following information:

- 121B-S – ~~Total~~ For general *goods* and services on *consumer hire agreements*, total number of introductions made by your firm (excluding activity of your *appointed representatives*, if you have any)

- 122B-S – ~~Total~~ For general *goods* and services on *consumer hire agreements*, total number of introductions made by *appointed representatives* of your firm

This information is to be provided for the *goods* and services reported in 108A.

…

Section 2: Reporting fields for a firm with permission to carry on the regulated activities of debt adjusting and/or debt counselling

Section 2.1: Debt adjusting and/or debt counselling – permissions

Tell us about your *permissions*. Certain questions will only apply if you have not undertaken or do not intend to undertake any relevant *credit-related regulated activities*.

Reference	Data element	Code (where applicable)
…		
203A	If you have selected ''W - Other reason'', ~~then~~ please specify why you have ~~you~~ not used your *debt adjusting* and/or *debt counselling permission*~~?~~	[Free text]
…		
Section 2.4: Debt adjusting and/or debt counselling – debt advice/solutions Tell us about the *debt solutions* you provide.		
…		
Section 2.4.1: Debt solutions offered and administered by your firm		
…		

Please provide us with the following information:

- 222A-M – ~~Total~~ For *debt solutions* offered and administered by your firm, total revenue for your firm (excluding activity of your *appointed representatives*, if you have any) ~~of~~ derived from commission per *debt solution* type

- 223A-M – ~~Total~~ For *debt solutions* offered and administered by your firm, total up-front fees for your firm (excluding activity of your *appointed representatives*, if you have any) per *debt solution* type

- 224A-M – ~~Total~~ For *debt solutions* offered and administered by your firm, total ongoing fees for your firm (excluding activity of your *appointed representatives*, if you have any) per *debt solution* type

- 225A-M – ~~Total~~ For *debt solutions* offered and administered by your firm, total number of *debt solutions* (excluding activity of your *appointed representatives,* if you have any) per *debt solution* type

This information is to be provided for the *debt solutions* reported in 221A.

Section 2.4.2: Debt solutions offered and administered by your firm via appointed representative

Please provide us with the following information:

- 226A-M – ~~Total~~ For *debt solutions* offered and administered by your firm, total revenue for your firm (generated by activity of your *appointed representatives*) ~~of~~ derived from commission per *debt solution* type

- 227A-M – ~~Total~~ For *debt solutions* offered and administered by your firm, total up-front fees for your firm (generated by activity of your *appointed representatives*) per *debt solution* type

- 228A-M – ~~Total~~ For *debt solutions* offered and administered by your firm, total ongoing fees for your firm (generated by activity of your *appointed representatives*) per *debt solution* type

- 229A-M – ~~Total~~ For *debt solutions* offered and administered by your firm, total number of *debt solutions* (generated by activity of your *appointed representatives*) per *debt solution* type

This information is to be provided for the *debt solution* reported in 221A.

Section 2.4.3: Debt solutions offered by your firm but administered by another firm

…		

Please provide us with the following information:

- 231A-M – ~~Total~~ For *debt solutions* offered by your firm but administered by another firm, total revenue for your firm (excluding activity of your *appointed representatives*, if you have any) of fees or commission per *debt solution* type

- 232A-M – ~~Total~~ For *debt solutions* offered by your firm but administered by another firm, total number of *debt solutions* (excluding activity of your *appointed representatives*, if you have any) per *debt solution* type

This information is to be provided for the *debt solution* reported in 230A.

Section 2.4.4: Debt solutions offered by your firm via appointed representatives but administered by another firm ~~via appointed representative~~

Please provide us with the following information:

- 233A-M – ~~Total~~ For *debt solutions* offered by your firm via *appointed representatives* but administered by another firm, total revenue (generated by activity of your *appointed representatives*) of fees or commission per *debt solution* type

- 234A-M – ~~Total~~ For *debt solutions* offered by your firm via *appointed representatives* but administered by another firm, total number of *debt solutions* (generated by activity of your *appointed representatives*) per *debt solution* type

This information is to be provided for the *debt solutions* reported in 230A.

…

Section 2.7: Debt adjusting and/or debt counselling – engagement with individuals

Tell us about how you engage with *individuals*.

…		

Section 2.7.2: Debt adjusting and/or debt counselling – web chat

Tell us about your web chat demand. Certain questions will only apply if your firm has web chat as a method of engagement.

Reference	Data element	Code (where applicable)

…		
253A	Number of web chat ~~enquires~~ enquiries that have been resolved	[Enter value]
…		

Section 3: Reporting fields for a firm with *permission* to carry on the regulated activity of providing credit information services		
Section 3.1: Providing credit information services – permissions Tell us about your *permissions*.		
Reference	**Data element**	**Code (where applicable)**
…		
303A	If you have selected 'W – Other reason', please specify why you have not used your *providing credit information services permission*	[Free text]
…		

16 Annex 38DG Notes for completion of data item relating to relevant ancillary credit firms

…

Section 1: Reporting fields for a firm with permission to carry on the regulated activity of credit broking		
…		
Section 1.3: Credit broking – goods and services		
…		
Section 1.3.2: Credit broking – motor vehicles on credit agreements		
114A-W	~~Total~~ For motor vehicles on *credit agreements*, total number of introductions made by your firm (excluding activity of your *appointed representatives*, if you have any)	Total number of introductions of *individuals* made to prospective *lenders*, regardless of outcome. For firms that undertake *lead generator* activity, this includes the number of *customers* whose contact details were passed onto a *lender* or *credit broker*.
115A-W	~~Total~~ For motor vehicles on *credit agreements*, total number of introductions made by *appointed representatives* of your firm	
Section 1.3.3: Credit broking – motor vehicles on consumer hire agreements		

116A-W	~~Total~~ For motor vehicles on *consumer hire agreements*, total number of introductions made by your firm (excluding activity of your *appointed representatives*, if you have any)	Total number of introductions of *individuals* made to prospective *owners*, regardless of outcome. For firms that undertake *lead generator* activity, this includes the number of *customers* whose contact details were passed onto an *owner* or *credit broker*.
117A-W	~~Total~~ For motor vehicles on *consumer hire agreements*, total number of introductions made by *appointed representatives* of your firm	
Section 1.4: Credit broking – general goods and services		
…		
Section 1.4.1: Credit broking – general goods and services on credit agreements		
119B-S	~~Total~~ For general goods and services on *credit agreements*, total number of introductions made by your *firm* (excluding activity of your *appointed representatives*, if you have any)	Total number of introductions of *individuals* made to prospective *lenders*, regardless of outcome. For firms that undertake *lead generator* activity, this includes the number of *customers* whose contact details were passed onto a *lender* or *credit broker*.
120B-S	~~Total~~ For general goods and services on *credit agreements*, total number of	

	introductions made by *appointed representatives* of your *firm*	
Section 1.4.2: Credit broking – general goods and services on consumer hire agreements		
121B-S	~~Total~~ For general goods and services on *consumer hire agreements*, total number of introductions made by your firm (excluding activity of your *appointed representatives*, if you have any)	Total number of introductions of *individuals* made to prospective *owners*, regardless of outcome. For firms that undertake *lead generator* activity, this includes the number of *customers* whose contact details were passed onto an *owner* or *credit broker*.
122B-S	~~Total~~ For general goods and services on *consumer hire agreements*, total number of introductions made by *appointed representatives* of your firm	
…		
Section 1.6: Credit broking – relationships with lenders, brokers and owners		
…		
Section 1.6.2: Credit broking – total introductions via appointed representatives		
127AA-~~AF~~ FA	Total *credit broking* revenue (generated by activity of your *appointed representatives*)	Total income received from *individuals, credit brokers*, *lenders*, *owners* or vendors for your *credit broking* activities.

		This includes commissions, fees from *individuals* and any other income received.
…		
Section 1.10: Credit broking – staff remuneration		
…		
171A	How are your sales staff remunerated in relation to your *regulated activities*?	'Sales staff' in this instance is any staff member of the firm that interacts with *individuals* and sells *credit agreements*. The staff member may not be directly employed to do so, but this forms part of their role. Select ~~one option only~~ all that apply.
…		

Section 2: Reporting fields for a firm with *permission* to carry on the regulated activities of debt adjusting or debt counselling		
Section 2.1: Debt adjusting and/or debt counselling – permissions		
…		
203A	If you have selected ''W - Other reason'', ~~then~~ please specify why you have ~~you~~ not used your *debt adjusting* and/or *debt counselling permission*~~?~~	N/A
…		
Section 2.4: Debt adjusting and/or debt counselling – debt advice/solutions		
…		

Section 2.4.1: Debt solutions offered and administered by your firm		
…		
222A-M	~~Total~~ For *debt solutions* offered and administered by your firm, total revenue for your firm (excluding activity of your *appointed representatives*, if you have any) ~~of~~ derived from commission per *debt solution*	Provide values in respect of commission received, in which the *debt solution* is administered by you firm. Include any revenue received via Fair Share.
223A-M	~~Total~~ For *debt solutions* offered and administered by your firm, total up-front fees for your firm (excluding activity of your *appointed representatives*, if you have any) per *debt solution*	Provide values in respect of fees that are received up front – ie, received when the *debt solution* is entered into.
224A-M	~~Total~~ For *debt solutions* offered and administered by your firm, total ongoing fees for your firm (excluding activity of your *appointed representatives*, if you have any) per *debt solution*	Provide values in respect of ongoing fees received in the reporting period – eg, a monthly fee received for a *debt solution*. Include all fees received in the reporting period, including those for *debt solutions* that have been entered into prior to said period.
225A-M	~~Total~~ For *debt solutions* offered and administered by your firm, total number of *debt solutions* (excluding activity of your *appointed representatives,* if you have any) per solution type	Provide values in respect of *debt solutions* that are administered by your firm.
Section 2.4.2: Debt solutions offered and administered by your firm via appointed representative		

226A-M	~~Total~~ For *debt solutions* offered and administered by your firm, total revenue for your firm (generated by activity of your *appointed representatives*) ~~of~~ derived from commission per *debt solution*	Provide values in respect of commission received, in which the *debt solution* is administered by your *appointed representatives*. Include any revenue received via Fair Share.
227A-M	~~Total~~ For *debt solutions* offered and administered by your firm, total up-front fees for your firm (generated by activity of your *appointed representatives*) per *debt solution*	Provide values in respect of fees that are received up front – ie, received when the *debt solution* administered by your *appointed representatives* is entered into.
228A-M	~~Total~~ For *debt solutions* offered and administered by your firm, total ongoing fees for your firm (generated by activity of your *appointed representatives*) per *debt solution*	Provide values in respect of ongoing fees received in the reporting period – eg, a monthly fee received for a *debt solution* is administered by your *appointed representatives*. Include all fees received in the reporting period, including those for *debt solutions* that have been entered into prior to said period.
229A-M	~~Total~~ For *debt solutions* offered and administered by your firm, total number of *debt solutions* (generated by activity of your *appointed representatives*) per *debt solution* type	Provide values in respect of *debt solutions* that are administered by your *appointed representatives*.
Section 2.4.3: Debt solutions offered by your firm but administered by another firm		
…		
231A-M	~~Total~~ For *debt solutions* offered by your firm but administered by another firm, total revenue for your firm (excluding	Provide values in respect of fees or commission received, in which the *debt solution* is administered by another *firm*.

	activity of your *appointed representatives*, if you have any) of fees or commission per *debt solution*	
232A-M	~~Total~~ For *debt solutions* offered by your firm but administered by firm, total number of *debt solutions* (excluding activity of your *appointed representatives*, if you have any) per solution type	Provide values in respect of *debt solutions* that are administered by another *firm*.
Section 2.4.4: Debt solutions offered by your firm via appointed representatives but administered by another firm ~~via appointed representative~~		
233A-M	~~Total~~ For *debt solutions* offered by your firm via *appointed representatives* but administered by another firm, total revenue (generated by activity of your *appointed representatives*) of fees or commission per *debt solution*	Provide values in respect of fees or commission received, in which the *debt solution* is offered by your firm via *appointed representatives* but administered by another *firm*.
234A-M	~~Total~~ For *debt solutions* offered by your firm via *appointed representatives* but administered by another firm, total number of *debt solutions* (generated by activity of your *appointed representatives*) per solution type	Provide values in respect of *debt solutions* offered by your firm via *appointed representatives* that are administered by another *firm*.
…		
Section 2.7: Debt adjusting and/or debt counselling – engagement with individuals		

…		
Section 2.7.2: Debt adjusting and/or debt counselling – web chat		
…		
253A	Number of web chat ~~enquires~~ enquiries that have been resolved	This relates to an interaction which the firm classed as resolved by the human agent.
…		
Section 2.11: Debt adjusting and/or debt counselling – prudential		
…		
274A	Total prudential resources requirement	Enter whichever figure is higher out of: • £5000; and • the variable prudential resources requirement calculated based on the value of *relevant debts under management* outstanding entered in element ~~270A~~ 273A (Total value of *relevant debts under management* that are outstanding). See *CONC* 10.2.5R, *CONC* 10.2.8R and *CONC* 10.2.11G to *CONC* 10.2.12G. It is not permissible to answer '0' for this question, even if '0' was entered against ~~270A~~ 273A (Total value of *relevant debts under management* that are outstanding), as the minimum prudential resources requirement in *CONC* 10 is £5,000.
…		

Section 3: Reporting fields for a firm with *permission* to carry on the regulated activity of providing credit information services
Section 3.1: Providing credit information services – permissions

…		
303A	If you have selected 'W - Other reason', please specify why you have not used your *providing credit information services* *permission*	N/A
…		

Appendix 4

Clarificatory amendments to PRM

PROSPECTUS RULES: ADMISSION TO TRADING ON A REGULATED MARKET (CLARIFICATORY AMENDMENTS) INSTRUMENT 2026

Powers exercised

A. The Financial Conduct Authority ("the FCA") makes this instrument in the exercise of the powers and related provisions in or under:

(1) the following sections of the Financial Services and Markets Act 2000 ("the Act"):

(a) section 71N (Designated activities: rules);
(b) section 137A (The FCA's general rules);
(c) section 137T (General supplementary powers); and
(d) section 139A (Power of the FCA to give guidance); and

(2) the following provisions of the Public Offers and Admissions to Trading Regulations 2024 (SI 2024/105):

(a) regulation 14 (FCA rules relating to admissions to trading on regulated market);
(b) regulation 15 (FCA rules relating to admissions to trading on primary MTF);
(c) regulation 18 (Further provision about regulated market admission rules); and
(d) regulation 32 (Withdrawal rights).

B. The rule-making powers listed above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.

Commencement

C. This instrument comes into force on [*date*].

Amendments to the Handbook

D. The Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (PRM) is amended in accordance with the Annex to this instrument.

E. In the Annex to this instrument, the note (indicated by "*Editor's note*:") is included for the convenience of readers but do not form part of the legislative text.

Citation

F. This instrument may be cited as the Prospectus Rules: Admission to Trading on a Regulated Market (Clarificatory Amendments) Instrument 2026.

By order of the Board

[*date*]

Annex

Amendments to the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (PRM)

In this Annex, underlining indicates new text and striking through indicates deleted text.

1 Introduction, application and prospectus requirement

…

1.4 Prospectus requirement

…

[*Editor's note*: PRM 1.4.12R takes into account the proposals and legislative changes suggested in 'Quarterly Consultation No 50' (CP25/35) as if they were made final.]

Exemption: transferable securities allotted to existing or former directors or employees

1.4.12 R *Transferable securities* offered, allotted or to be allotted to an *issuer*'s existing or former *directors* or *employees* by ~~their employer~~ that *issuer* or an affiliated *undertaking* of that *issuer* are exempt from *PRM* 1.4.1R, provided that:

(1) the said *transferable securities* are of the same class as the *transferable securities* already *admitted to trading* on the same *regulated market* ~~and~~;

(2) ~~that~~ a document is made available containing information on:

(a) the number and nature of the *transferable securities*; and

(b) the reasons for and detail of the offer or allotment~~.~~; and

(3) the *issuer* or affiliated *undertaking* does not offer or allot the *transferable securities* to the *directors* or *employees* concerned for the purposes of the *transferable securities* being subsequently transferred to a third party as part of an arrangement to raise funds from or satisfy an obligation with a third party for the benefit of the *issuer* or affiliated *undertaking*.

1.4.12A G For the purposes of *PRM* 1.4.12R(3), subsequent transfer includes the renunciation of some or all of the *transferable securities* by the *directors* or *employees* in favour of the third party.

…

2 Drawing up the prospectus

…

2.3 Base prospectus

…

2.3.9 R Where the *final terms* are not included in the *base prospectus*, or in a *supplementary prospectus*, the *issuer* must:

(1) make the *final terms* available to the public in accordance with ~~*PRM* 9.5.3R~~ *PRM* 9.5.4R to *PRM* 9.5.8R, *PRM* 9.5.10R, *PRM* 9.5.11R and *PRM* 9.5.15R as soon as practicable upon a *PRM offer* and, where possible, before the beginning of the offer or *admission to trading*;

…

…

8 Protected forward-looking statements

…

8.2 Accompanying statement

Form (content and placement)

…

8.2.3 R For each *protected forward-looking statement* included in a *prospectus* or *MTF admission prospectus*:

(1) at least one instance of that *protected forward-looking statement* in the document must be followed by its ~~A~~ content-specific accompanying statement, which must appear immediately next to ~~the *protected forward-looking statement* to which it relates.~~ it; and

(2) any other instances must be accompanied by a cross-reference immediately next to it identifying where the relevant content-specific statement appears in the document.

…

9 Approval of a prospectus

…

9.2 Submission requirements

…

9.2.3 R The following information must also be submitted to the *FCA* in searchable electronic format via *electronic means*:

(1) the list of cross references, where required by *PRM* 9.4.3R (available at: https://www.fca.org.uk/markets/forms-and-checklists/prm-cross-reference-lists);

…

…

Submission for approval of the final draft of the prospectus

…

9.2.16 R Where no changes have been made to the information referred to in ~~*PRM* 9.2.3 R to~~ *PRM* 9.2.3R(2) to *PRM* 9.2.3R(5), and *PRM* 9.2.4R(2), the *issuer* or *person* asking for *admission to trading* must confirm so in writing and by *electronic means*.

…

9.4 Applying for approval

…

9.4.3 R An *applicant* must submit to the *FCA*:

(1) where the order of information referred to in *PRM* App 1 Annex 1.1R(4) and *PRM* App 1 Annex 1.2R(3) is different from the order set out in the *PRM* App 2 Annexes, ~~an *applicant* must provide the *FCA* with~~ a cross-reference list identifying the relevant pages where each disclosure item can be found in the *prospectus*~~.~~;

(2) where applicable, a list identifying the pages on which the statements required by *PRM* 8 can be found in the *prospectus*.

.

…

9.5 Publication of the prospectus

…

9.5.2 R In the case of an *offer* that is not made reliant on one or more of the exemptions set out in paragraphs (1) to (5) and (12) of Schedule 1 to the *Public Offers and Admissions to Trading Regulations*, and it is an initial *offer* of a class of shares *admitted to trading* for the first time, the *prospectus* must be made available to the public in accordance with the

rules in *PRM* 9.5 and *PRM* 9.6 at least 3 *working days* before the end of the *offer period.*

…

10 Supplementary prospectus

10.1 Supplementary prospectus

…

Availability of a supplementary prospectus to amend a base prospectus without there being a significant new factor, material mistake or material inaccuracy

…

10.1.9 R In respect of *transferable securities* issued under a *base prospectus*, a *supplementary prospectus* may not be used to change the terms and conditions and/or form of *final terms* of the *transferable securities* that may be issued under a *base prospectus*, unless:

(1) the change results in the *transferable securities* in question remaining ~~fungible with~~ manifestly the same as the *transferable securities* that could have been issued under the *base prospectus* immediately prior to the change of the terms and conditions and/or form of *final terms*; or

(2) where the change results in the *transferable securities* in question not ~~being fungible with~~ remaining manifestly the same as the *transferable securities* that could have been issued under the *base prospectus* immediately prior to the change of the terms and conditions and/or form of *final terms*, the conditions at (a) and (b) are met:

…

…

Transferable securities bought or subscribed for directly from the issuer or through an intermediary

10.1.16 R Where a *prospectus* relates to an *offer* that is not made reliant on one or more of the exemptions set out in paragraphs (1) to (5) and (12) of Schedule 1 to the *Public Offers and Admissions to Trading Regulations* and the *transferable securities* are bought or subscribed for by an investor directly from the *issuer* or an underwriter appointed by the *issuer*, the *issuer* or underwriter must, when making the *offer*, inform the investor:

…

10.1.17 R Where a *prospectus* relates to an *offer* that is not made reliant on one or more of the exemptions set out in paragraphs (1) to (5) and (12) of Schedule

1 to the *Public Offers and Admissions to Trading Regulations* and the *transferable securities* are bought or subscribed for through an intermediary, the intermediary must inform the ~~investors~~ investor:

…

…

Appendix 5

Implementing the revised Statement of Recommended Practice (SORP)

COLLECTIVE INVESTMENT SCHEMES SOURCEBOOK (STATEMENT OF RECOMMENDED PRACTICE) INSTRUMENT 2026

Powers exercised

A. The Financial Conduct Authority ("the FCA") makes this instrument in the exercise of the following powers and related provisions in or under:

(1) the following sections of the Financial Services and Markets Act 2000 ("the Act"):

(a) section 137A (The FCA's general rules);
(b) section 137T (General supplementary powers);
(c) section 247 (Trust scheme rules); and
(d) section 261I (Contractual scheme rules); and

(2) regulation 6 (FCA rules) of the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228).

B. The rule-making provisions listed above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.

Commencement

C. This instrument comes into force on [*date*].

Amendments to the Handbook

D. The Glossary of definitions is amended in accordance with Annex A to this instrument.

E. The Collective Investment Schemes sourcebook (COLL) is amended in accordance with Annex B to this instrument.

Notes

F. In the Annexes to this instrument, the notes (indicated by "*Editor's note*:") are included for the convenience of readers but do not form part of the legislative text.

Citation

G. This instrument may be cited as the Collective Investment Schemes Sourcebook (Statement of Recommended Practice) Instrument 2026.

By order of the Board
[*date*]

Annex A

Amendments to the Glossary of definitions

In this Annex, underlining indicates new text and striking through indicates deleted text.

SORP	(in *COLL*) the Statement of Recommended Practice for financial statements of *authorised funds* issued by the Investment Association ~~(formerly the Investment Management Association) on 14 May 2014 (and updated in June 2017)~~ in October 2025.

Annex B

Amendments to the Collective Investment Schemes sourcebook (COLL)

In this Annex, underlining indicates new text and striking through indicates deleted text.

4 Investor Relations

…

4.5 Reports and accounts

…

Contents of the annual long report

4.5.7 R (1) An annual long report on an *authorised fund*, other than a *scheme* which is an *umbrella*, must contain:

…

(3) The *directors* of an *ICVC* or the *authorised fund manager* of an *AUT* or *ACS* must ensure that the accounts referred to in (1)(a), (2)(a) and (4)(a) give a true and fair view of the net revenue or expense after taxation, and the net capital gains or losses on the *scheme property* of the *authorised fund*, or, in the case of (2)(a) and (4)(a), the *sub-fund*, for the *annual accounting period* in question and the financial position of the *authorised fund* or *sub-fund* as at the end of that period.

…

…

Report of the auditor

4.5.12 R The *authorised fund manager* must ensure that the report of the auditor to the *unitholders* includes the following statements:

…

(2) whether, in the auditor's opinion, the accounts give a true and fair view of the net revenue or expense after taxation, and the net capital gains or losses on the *scheme property* of the *authorised fund* (or, as the case may be, the *scheme property* attributable to the *sub-fund*) for the *annual accounting period* in question and the financial position of the *authorised fund* or *sub-fund* as at the end of that period;

…

…

6 Operating duties and responsibilities

…

6.8 Income: accounting, allocation and distribution

…

Accounting periods

6.8.2 R …

(3) The first *annual accounting period* of a *scheme* must begin:

(a) on the first *day* of any period of *initial offer*; or

(b) in any other case, on the date of the relevant *authorisation order*;

and in either case must end on the next *accounting reference date*, except where (4) or (6A) applies.

…

…

Income allocation and distribution

…

6.8.3 R …

(3A) The amount available for income allocations must be calculated by:

(a) taking the net revenue or expense after taxation determined in accordance with the *SORP*;

…

…

…

8 Qualified investor schemes

…

8.3 Investor relations

…

Contents of the annual report

8.3.5A R …

(4) The *directors* of an *ICVC* or the *authorised fund manager* of an *AUT* or *ACS* must ensure that the accounts referred to in (1)(a), (2)(a) and (3)(a) give a true and fair view of the net revenue or expense after taxation, and the net capital gains or losses on the *scheme property* of the *authorised fund* or *sub-fund* for the relevant *annual accounting period*, and of the financial position of the *authorised fund* or *sub-fund* as at the end of that period.

…

…

15 Long-term asset funds

…

15.5 Annual report and investor relations

…

Contents of the annual report

15.5.3 R …

(4) The *directors* of an *ICVC* or the *authorised fund manager* of an *AUT* or *ACS* must ensure that the accounts referred to in (1)(a), (2)(a) and (3)(a) give a true and fair view of the net revenue or expense after taxation, and the net capital gains or losses on the *scheme property* of the *authorised fund* or *sub-fund* for the relevant *annual accounting period*, and of the financial position of the *authorised fund* or *sub-fund* as at the end of that period.

…

…

TP 1 Transitional provisions

TP 1.1

(1)	(2) Material to which transitional	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force

	provision applies					
…						
67	…					
Amendments made by the Collective Investment Schemes Sourcebook (Statement of Recommended Practice) Instrument 2026						
68	The amendments to the *rules* in *COLL* made by the Collective Investment Schemes Sourcebook (Statement of Recommended Practice) Instrument 2026, including indirect changes arising from amendments to the *Glossary* definition of *SORP*.	R	(1)	The *rules* as amended by the provisions specified in column (2) apply to an *authorised fund manager* when the *authorised fund's* latest *annual accounting period* began on or after [*Editor's note*: insert commencement date of instrument].	From [*Editor's note*: insert commence-ment date of instrument] to 30 April 2027	[*Editor's note*: insert commence-ment date of instrument]
			(2)	An *authorised fund manager* may apply the provisions as amended by the *rules* specified in column (2) in relation to *annual accounting periods* beginning on or after 1 January 2026 but before [*Editor's note*: insert commencement date of instrument].		
			(3)	An *authorised fund manager* may apply the provisions as amended by the *rules* specified in column (2) in relation to *annual accounting periods* beginning before 1 January 2026 if:		

				(a)	amendments to the Financial Reporting Council's Financial Reporting Standard FRS 102 issued in March 2024 are applied at the same time; and		
				(b)	the disclosure required by paragraph 1.38 of FRS 102 is made.		

Appendix 6

Increasing the clearing threshold for commodity derivatives under UK EMIR

TECHNICAL STANDARDS (EUROPEAN MARKETS INFRASTRUCTURE REGULATION) (CLEARING THRESHOLDS) (AMENDMENT) INSTRUMENT 2026

Powers exercised

A. The Financial Conduct Authority ("the FCA") makes this instrument in the exercise of the powers and related provisions in or under:

(1) Article 10(4) of Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories; and

(2) the following sections of the Financial Services and Markets Act 2000 ("the Act"):

(a) section 137T (General supplementary powers).
(b) section 138P (Technical standards);
(c) section 138Q (Standards instruments); and
(d) section 138S (Application of Chapters 1 and 2).

B. The provisions listed above are specified for the purpose of section 138Q(2) (Standards instruments) of the Act.

Pre-conditions to making

C. The FCA has consulted the Prudential Regulation Authority and the Bank of England as appropriate in accordance with section 138P of the Act.

D. The requirement for Treasury approval under section 138R of the Act has been met.

Modifications

E. The following technical standard is amended in accordance with the Annex to this instrument.

Commission Delegated Regulation (EU) No 149/2013 of 19 December 2012 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council with regard to regulatory technical standards on indirect clearing arrangements, the clearing obligation, the public register, access to a trading venue, non-financial counterparties, and risk mitigation techniques for OTC derivatives contracts not cleared by a CCP.

Commencement

F. This instrument comes into force on [*date*].

Citation

G. This instrument may be cited as the Technical Standards (European Markets Infrastructure Regulation) (Clearing Thresholds) (Amendment) Instrument 2026.

By order of the Board
[*date*]

In this Annex, underlining indicates new text and striking through indicates deleted text.

Annex

Commission Delegated Regulation (EU) No 149/2013 of 19 December 2012 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council with regard to regulatory technical standards on indirect clearing arrangements, the clearing obligation, the public register, access to a trading venue, non-financial counterparties, and risk mitigation techniques for OTC derivatives contracts not cleared by a CCP.

…

CHAPTER VII NON-FINANCIAL COUNTERPARTIES

…

Article 11 (Article 10(4)(b) of Regulation (EU) No 648/2012) Clearing thresholds

The clearing thresholds values for the purpose of the clearing obligation shall be:

…

(e) EUR ~~3~~5 billion in gross notional value for OTC commodity derivative contracts and other OTC derivative contracts not provided for under points (a) to (d).

Appendix 7

Amending the prohibition on non-cash distributions on own funds instruments for FCA investment firms

DEFINITION OF CAPITAL FOR INVESTMENT FIRMS INSTRUMENT 2026

Powers exercised

A. The Financial Conduct Authority ("the FCA") makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 ("the Act"):

(1) section 137A (The FCA's general rules);
(2) section 137T (General supplementary powers);
(3) section 138D (Actions for damages);
(4) section 139A (Power of the FCA to give guidance);
(5) section 143D (Duty to make rules applying to parent undertakings); and
(6) section 143E (Powers to make rules applying to parent undertakings).

B. The rule-making provisions listed above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.

Commencement

C. This instrument comes into force on [*date*].

Amendments to the Handbook

D. The Prudential sourcebook for MiFID Investment Firms (MIFIDPRU) is amended in accordance with the Annex to this instrument.

Citation

E. This instrument may be cited as the Definition of Capital for Investment Firms Instrument 2026.

By order of the Board
[*date*]

Annex

Amendments to the Prudential sourcebook for MiFID Investment Firms (MIFIDPRU)

In this Annex, underlining indicates new text and striking through indicates deleted text.

[*Editor's note*: This Annex takes into account the changes introduced by the Definition of Capital for Investment Firms Instrument 2025 (FCA 2025/42), which come into force on 1 April 2026.]

3 Own funds

…

3.6A General requirements for own funds instruments

3.6A.1 R An *own funds instrument* must not ~~provide or allow for the payment of~~ pay *distributions* in a form other than cash or *own funds instruments*~~.~~ where:

(1) the *firm* has the sole discretion to decide to make such payment; or

(2) a *person* other than the *firm* has the discretion to decide or require such payment to be made.

…

3 Annex 5R Notification under MIFIDPRU 3.6A.6R(2) - intended reduction in own funds instruments where a condition in MIFIDPRU 3.6A.7R applies

This annex consists of a form which can be found at the following link:

[*Editor's note*: insert link]

MIFIDPRU 3 Annex 5R

Notification under MIFIDPRU 3.6A.6R(2) of the intended reduction in own funds instruments where a condition in MIFIDPRU 3.6A.7R applies

Details of Senior Manager responsible for this notification:

...

2. Please confirm to which of the following the ~~application~~ notification relates:

a. Carry out a reduction of capital in relation to any of its common equity tier 1 instruments; ☐

b. Reduce, distribute or reclassify as another own funds item the share premium accounts related to any of its own funds instruments; ☐

c. Carry out a reduction of capital in relation to an additional tier 1 instrument, whether on a call date or otherwise; or ☐

d. Carry out a reduction of capital in relation to a tier 2 instrument prior to maturity. ☐

...

Appendix 8

Amendments to ENFG, UNFCOG, ICOBS and CONC

ENFORCEMENT GUIDE (AMENDMENT) INSTRUMENT 2026

Powers exercised

A. The Financial Conduct Authority ("the FCA") makes this instrument in the exercise of the powers and related provisions in section 139A (Power of the FCA to give guidance) of the Financial Services and Markets Act 2000 ("the Act").

Commencement

B. This instrument comes into force on [*date*].

Amendments to material outside the Handbook

C. The Enforcement Guide (ENFG) is amended in accordance with the Annex to this instrument.

Citation

D. This instrument may be cited as the Enforcement Guide (Amendment) Instrument 2026.

By order of the Board
[*date*]

Annex

Amendments to the Enforcement Guide (ENFG)

In this Annex, underlining indicates new text and striking through indicates deleted text.

2 Conduct of typical enforcement investigations

…

2.3 Notifying the person under investigation

…

2.3.2 G In certain types of investigations, the *FCA* may not know the identity of the perpetrator or may be looking into market circumstances at the outset of the investigation rather than investigating a particular *person*. These investigations could relate to potential ~~*insider dealing*~~ insider dealing, ~~*market abuse*~~ market abuse, misleading statements and impressions offences, breaches of the *general prohibition*, the restriction on *financial promotion* or the prohibition on promoting *collective investment schemes*. In those circumstances, the *FCA* will give an indication of the nature and subject matter of its investigation to those who are required to provide information to assist with the investigation. As soon as a *person* becomes the focus of the *FCA*'s enquiries, the *FCA* will consider whether it is appropriate to notify that *person* that they are under investigation.

…

2.6 Use of statutory powers to require the production of documents, the provision of information or the answering of questions

2.6.1 G The *FCA's* standard practice is to use statutory powers to require the production of documents, the provision of information or the answering of questions in interview. This is for reasons of fairness, transparency and efficiency. It will sometimes be appropriate to depart from this standard practice. For example:

(1) For suspects or possible suspects in criminal or ~~*market abuse*~~ market abuse investigations, the *FCA* may prefer to question that *person* on a voluntary basis, possibly under caution. In such a case, the interviewee does not have to answer but, if they do, those answers may be used against them in subsequent proceedings, including criminal or ~~*market abuse*~~ market abuse proceedings.

…

…

2.8 Approach to interviews and interview procedures

…

Interviews under caution

2.8.5 G Individuals suspected of a criminal offence may be interviewed under caution. These interviews will be subject to all the safeguards of the relevant Police and Criminal Evidence Act Codes and are voluntary on the part of the suspect. The *FCA* will warn the suspect at the start of the interview of their right to remain silent (and the consequences of remaining silent) and will inform the suspect that they are entitled to have their own legal adviser present. The *FCA* will also give a cautionary warning in similar terms to interviewees who are the subject of ~~*market abuse*~~ market abuse investigations.

Subsequent interviews

2.8.6 G If a suspect has been interviewed by the *FCA* using statutory powers, before they are re-interviewed on a voluntary basis (under caution or otherwise), the *FCA* will explain the difference between the 2 types of interview. The *FCA* will also tell the individual about the limited use that can be made of their previous answers in criminal proceedings or in proceedings in which the *FCA* seeks a penalty for ~~*market abuse*~~ market abuse under Part VIII of the *Act*.

…

3 Other matters relevant to enforcement investigations

…

3.6 FCA approach to firms conducting their own investigations in anticipation of enforcement action

Firm-commissioned reports: the desirability of early discussion and agreement where enforcement is anticipated

…

3.6.6 G In certain circumstances the *FCA* may prefer that a *firm* does not commission its own investigation (whether an internal audit report or a report by external advisers) because action by the *firm* could itself be damaging to an *FCA* investigation. This is true in particular of criminal investigations, where alerting the suspects could have adverse consequences. For example, where the *FCA* suspects that individuals are abusing positions of trust within financial institutions and that an ~~*insider dealing*~~ insider dealing ring is operating, it might notify the relevant *firm* but would not want the *firm* to embark on its own investigation: to do so would alert those under investigation and prejudice ongoing monitoring of the suspects and other action. *Firms* are therefore encouraged to be alive to the possibility that their own investigations could prejudice or hinder a subsequent *FCA* investigation and, if in doubt, to discuss this with the *FCA*.

The *FCA* recognises that *firms* may be under time and other pressures to establish the relevant facts and implications of possible misconduct, and will have regard to this in discussions with the *firm*.

…

6 Prosecution of criminal offences

…

6.3 Criminal prosecutions in cases of market abuse

6.3.1 G In some cases, there will be instances of market misconduct that may arguably involve a breach of the criminal law as well as ~~*market abuse*~~ market abuse. When the *FCA* decides whether to commence criminal proceedings rather than impose a sanction for ~~*market abuse*~~ market abuse in relation to that misconduct, it will apply the basic principles set out in the Code for Crown Prosecutors (https://www.cps.gov.uk/publication/code-crown-prosecutors).

6.3.2 G The factors which the *FCA* may consider when deciding whether to commence a criminal prosecution for market misconduct rather than impose a sanction for ~~*market abuse*~~ market abuse include, but are not limited to, the following:

…

6.3.4 G It is the *FCA's* policy not to impose a sanction for ~~*market abuse*~~ market abuse where a person is being prosecuted for market misconduct or has been finally convicted or acquitted of market misconduct (following the exhaustion of all appeal processes) in a criminal prosecution arising from substantially the same allegations. Similarly, it is the *FCA's* policy not to commence a prosecution for market misconduct where the *FCA* has brought or is seeking to bring enforcement proceedings for ~~*market abuse*~~ market abuse arising from substantially the same allegations.

App 1 FSMA and other powers

App 1.1 Injunctions

Injunctions (or in Scotland, interdicts)

1.1.1 G The *FCA* has powers under the *Act* to seek *injunctions* for breaches of a relevant requirement or in cases of ~~*market abuse*~~ market abuse. It also has powers under the courts' inherent jurisdiction – for example, to apply for asset freezing *injunctions*. The broad test the *FCA* will apply when it decides whether to seek an *injunction* is whether the application would be the most effective way to deal with the *FCA*'s concerns.

…

App 1.8 Restitution orders

1.8.1 G The *FCA* has power to apply to the court for a restitution order under section 382 of the *Act* and (in the case of ~~*market abuse*~~ market abuse) under section 383 of the *Act*. It also has an administrative power to require restitution under section 384 of the *Act*.

…

App 2 Non-FSMA powers

App 2.1 Statements of policy

App 2.1.1 G This appendix identifies legislation other than the *Act* which gives the *FCA* investigation and enforcement powers. This is set out in two tables at App 2.1 and App 2.2.

The table at App 2.1 identifies legislation which requires the *FCA* to make a statement of policy. Where a statement of policy is required, it sets out that statement of policy.

The table at App 2.2. identifies other legislation which gives the *FCA* investigation and enforcement powers other than the *Act*.

The table below identifies the statements of policy which the *FCA* is required to make under legislation other than the *Act*.

In each case, references in *DEPP* to the Act and *persons* regulated under or otherwise subject to the *Act* are to be read as references to that other legislation, equivalent or otherwise applicable provisions of that other legislation and *persons* regulated under or otherwise subject to that other legislation, as appropriate.

App 2.1.2 G The *FCA's* approach to the ~~exercise of the powers~~ legislation listed in the table below is consistent with the use of powers under the *Act* and the *FCA's* general policy outlined in this guide, unless stated otherwise. Where the legislation gives the *FCA* powers equivalent to those in the *Act* to cancel, vary or impose a requirement on a *person's* authorisation or registration, the FCA's approach is consistent with that outlined in *SUP* 6B.

Legislation	Description	Statement of Policy
…		
The Payment Services Regulations 2017 (www.legislation.gov.uk/uksi/2017/752/contents)	The *FCA* has investigation and sanctioning powers in relation to both criminal and civil breaches of the	**Penalty policy** *DEPP* 6.2 and *DEPP* 6.4 (relevant factors) and *DEPP* 6.5 to *DEPP* 6.5D (regarding

	Payment Services Regulations. ~~[**Note**: *ENFG* App 2.2 sets out the *FCA's* general approach to the exercise of powers under the *Payment Services Regulations*.]~~	level of a financial penalty). The *RDC* is the *FCA's* decision maker for some of the decisions under the *Payment Services Regulations* as set out in *DEPP* 2 Annex 1G. **Conduct of interviews in response to overseas requests** Procedures in *DEPP* 7 (as required by section 169 of the *Act* for the purposes of the *Payment Services Regulations*).
…		

App 2.2 Other general policy

App 2.2.1 G The table below sets out the *FCA's* general policy on the exercise of powers under the legislation listed.

App 2.2.2 G The *FCA's* approach to the ~~exercise of the powers~~ legislation listed in the table below is consistent with the use of powers under the *Act* and the *FCA's* general policy outlined in this guide, unless stated otherwise. Where the legislation gives the *FCA* powers equivalent to those in the *Act* to cancel, vary or impose a restriction on a *person's permission*, the *FCA's* approach is consistent with that outlined in *SUP* 6B.

Legislation	Description	Policy
…		
Enterprise Act 2002 (www.legislation.gov.uk/ukpga/2002/40/contents)	The *FCA* has powers under Part 8 of the Enterprise Act to enforce breaches of consumer protection law. The Enterprise Act identifies 2 types of breach which trigger the Part 8 enforcement	Where a suspected breach has been committed, the *FCA* will liaise with other authorities, particularly the Competition and Markets Authority (CMA), to determine which authority is best

	powers. These are referred to as: • 'domestic infringements', which are breaches of particular *UK* enactments or of contractual or tortious duties, in each case if they occur in the course of a business and in relation to goods or services supplied or sought to be supplied: ◦ to or for a person in the *UK*; or ◦ by a person with a place of business in the *UK*; and • 'Schedule 13 infringements', which are breaches of the legislation listed in Schedule 13 to the Enterprise Act. In both cases the breach must, to trigger those powers, harm the collective interests of *consumers*. The *FCA* has powers under Part 8 of the Enterprise Act both as a 'designated enforcer' in relation to domestic and Schedule 13 infringements and as a 'Schedule 13 enforcer' which gives the *FCA* additional powers in relation to Schedule 13 infringements under the *CRA*. The *FCA's* investigative powers in support of its Enterprise Act enforcement powers	placed to take enforcement action. The *FCA* would generally expect to be the most appropriate authority to deal with breaches by authorised firms in relation to *regulated activities*. The *FCA* anticipates that its powers under the *Act* will be adequate to address the majority of breaches which it would also be able to enforce under the Enterprise Act and that there will therefore be limited cases in which it would seek to use its powers as an Enterprise Act enforcer. Where the *FCA* does use its powers under the Enterprise Act, it will have regard to the enforcement guidelines which are published on the CMA's website: www.gov.uk/government/organisations/competition-and-markets-authority.

	are set out in Schedule 5 to the *CRA*.	
…		
~~The Payment Services Regulations 2017 (www.legislation.gov.uk/uksi/2017/752/contents)~~	~~The *FCA* has investigation and sanctioning powers in relation to both criminal and civil breaches of the *Payment Services Regulations*.~~ ~~The regulatory powers which the *Payment Services Regulations* provide to the *FCA* include:~~ ~~• the power to require information;~~ ~~• powers of entry and inspection;~~ ~~• power of public censure;~~ ~~• the power to impose financial penalties;~~ ~~• the power to prosecute or fine unauthorised providers; and~~ ~~• the power to vary an authorisation on its own initiative.~~ ~~[**Note:** *ENFG* App 2.1 identifies the *FCA's* statements of policy in relation to financial penalties, and conduct of interviews in response to *overseas regulators'* requests, which the *FCA* is required to make under the *Payment Services Regulations*.]~~	~~The *FCA's* approach to the exercise of these powers is consistent with the use of powers under the *Act* and the *FCA's* general policy as explained in *ENFG*.~~ ~~The *Payment Service Regulations* do not require the *FCA* to have published procedures to launch criminal prosecutions. However, in these situations, the *FCA* expects that it will normally follow its decision-making procedures for the equivalent decisions under the *Act*.~~
Digital Markets,	Since April 2025, the	Where a suspected

Competition and Consumers Act 2024 (https://www.legislation.gov.uk/ukpga/2024/13/contents)	DMCCA establishes a reformed *consumer* protection enforcement regime. Under Part 3, the *FCA* is a 'public designated enforcer' of consumer protection legislation. The *FCA* may take court-based enforcement action in respect of a 'relevant infringement' under Part 3 and under Part 4, Chapter 1. The *FCA* may apply for enforcement orders, interim orders, seek enhanced *consumer* measures, or may accept undertakings directly from *firms*. The DMCCA also gives the *FCA* enhanced information-gathering powers, including court-enforceable information notices which could result in court-ordered monetary penalties for non-compliance. These powers support the *FCA*'s ability to investigate suspected infringements. The investigative powers in support of its DMCCA enforcement powers are set out in Schedule 5 to the *CRA*.	breach has been committed, the *FCA* will notify and coordinate with the Competition and Markets Authority (CMA) before taking court action under the DMCCA. The CMA may elect to take over proceedings. The *FCA* would generally expect to be the most appropriate authority to deal with suspected consumer protection breaches by authorised *firms* in relation to *regulated activities*. The *FCA* anticipates that its powers under the *Act* will be adequate to address the majority of breaches which it would also be able to enforce under the DMCCA. Where the *FCA* does use its DMCCA powers, it will have regard to the enforcement guidelines which are published on the CMA's website: (https://assets.publishing.service.gov.uk/media/6808ca0d8c1316be7978e74b/CMA_200_Direct_consumer_enforcement_guidance.pdf).

ENFORCEMENT (DIGITAL MARKETS, COMPETITION AND CONSUMERS ACT 2024) (SUPPLEMENTARY AMENDMENTS) INSTRUMENT 2026

Powers exercised

A. The Financial Conduct Authority ("the FCA") makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 ("the Act"):

(1) section 137A (The FCA's general rules);
(2) section 137T (General supplementary powers); and
(3) section 139A (Power of the FCA to give guidance).

B. The rule-making provisions listed above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.

Commencement

C. This instrument comes into force on [*date*].

Amendments to the Handbook

D. The modules of the FCA's Handbook of rules and guidance listed in column (1) below are amended in accordance with the Annexes to this instrument listed in column (2).

(1)	(2)
Glossary of definitions	Annex A
Insurance: Conduct of Business sourcebook (ICOBS)	Annex B
Consumer Credit sourcebook (CONC)	Annex C

Amendments to material outside the Handbook

E. The Unfair Contract Terms and Consumer Notices Regulatory Guide (UNFCOG) is amended in accordance with Annex D to this instrument.

Citation

F. This instrument may be cited as the Enforcement (Digital Markets, Competition and Consumers Act 2024) (Supplementary Amendments) Instrument 2026.

By order of the Board
[*date*]

Annex A

Amendments to the Glossary of definitions

Insert the following new definition in the appropriate alphabetical position. The text is not underlined.

DMCCA	the Digital Markets, Competition and Consumers Act 2024.

Annex B

Amendments to the Insurance: Conduct of Business sourcebook (ICOBS)

In this Annex, underlining indicates new text and striking through indicates deleted text.

2 General matters

…

2.2 Communications to clients and financial promotions

…

Pricing claims: guidance on the clear, fair and not misleading rule

2.2.4 G …

(2) Such a *financial promotion* should:

…

(c) comply with other relevant legislative requirements, including the ~~Consumer Protection from Unfair Trading Regulations 2008~~ *DMCCA* and the Business Protection from Misleading Marketing Regulations 2008.

…

Annex C

Amendments to the Consumer Credit sourcebook (CONC)

In this Annex, underlining indicates new text and striking through indicates deleted text.

2 Conduct of business standards: general

…

2.2 General principles for credit-related regulated activities

…

Effect on other rules and legislation

2.2.5 R Any specific rule or piece of guidance in *CONC* is without prejudice to the application of *PRIN*, any other rules in the *Handbooks*~~s~~, the *CCA* and secondary legislation made and things done under it, the ~~Consumer Protection from Unfair Trading Regulations 2008~~ *DMCCA*, the Consumer Rights Act 2015~~, Part 8 of the Enterprise Act 2002~~ and any other applicable consumer protection legislation.

…

4 Pre-contractual requirements

…

4.2 Pre-contract disclosure and adequate explanations

…

Other disclosure requirements

4.2.3 G …

(3) Other relevant disclosure requirements are found in *CONC* 2.7 (distance marketing) and *CONC* 2.8 (electronic commerce), the Financial Services (Distance Marketing) Regulations 2004 (SI 2004/2095), the Electronic Commerce (EC Directive) Regulations 2002 (SI 2002/2013) ~~and~~, the ~~Consumer Protection from Unfair Trading Regulations 2008 (SI 2008/ 1277)~~ *DMCCA* and the Cancellation of Contracts made in the Consumer's home etc Regulations 2008 (SI 2008/1816).

…

8 Debt advice

…

8.9 Lead generators: including firm responsibility in dealing with lead generators

…

8.9.2 R A *firm* must take reasonable steps before entering into an agreement to accept sales leads from a *lead generator* for *debt counselling* or *debt adjusting* or *providing credit information services* to ensure:

(1) that any of the *lead generator's* advice, any content of its website and advertising and any of its commercial practices comply with applicable legal requirements, including the ~~Consumer Protection from Unfair Trading Regulations 2008~~ *DMCCA*;

…

…

8.9.4 R A *firm* must take reasonable steps, where it has agreed to accept sales leads from a *lead generator* for *debt counselling* or *debt adjusting* or *providing credit information services*, to ensure that the lead generator:

…

(4) complies with applicable legal requirements, including the ~~Consumer Protection from Unfair Trading Regulations 2008~~ *DMCCA*, in relation to any of its advice, any content of its website, any of its advertising and any of its commercial practices;

[**Note**: paragraph 3.9a *DMG*]

…

…

Annex D

Amendments to the Unfair Contract Terms and Consumer Notices Regulatory Guide (UNFCOG)

In this Annex, underlining indicates new text and striking through indicates deleted text.

1 The Unfair Contract Terms and Consumer Notices Regulatory Guide

1.1 Application and purpose

…

1.1.2 G We have agreed with the Competition and Markets Authority ("CMA") that the *FCA* will consider the fairness and/or transparency (within the meaning of the *CRA*) of those financial services contracts and consumer notices specified in the Memorandum of Understanding between the CMA and the *FCA* on the use of concurrent powers under consumer protection legislation (http://www.fca.org.uk/fca-cma-consumer-protection-mou).

…

1.2 Introduction

1.2.1 G This Guide explains the *FCA's* formal powers under the *CRA* in relation to unfair and/or insufficiently transparent terms and consumer notices. It does not contain comprehensive *guidance* on the *CRA* itself, and you should refer to the *CRA* for further details.

…

1.3 The CRA

Terms and notices to which the CRA applies

1.3.1 G …

(3) Terms which are transparent and prominent (as defined in section 64 of the *CRA*) cannot be reviewed for fairness within the meaning of the *CRA* to the extent that:

- they specify the main subject matter of the contract; or
- the assessment is of the appropriateness of the price payable under the contract by comparison with the goods, digital content or services supplied under it.

However, we can fully review terms concerning these matters for fairness within the meaning of the *CRA* if they are not sufficiently transparent and prominent.

(4) ~~But, the~~ The exemption regarding the subject matter and contract price ~~exemption in (3) only~~ applies ~~to terms~~ only where the conditions in (3) are satisfied. It does not apply to a term of a contract listed in Part 1 of Schedule 2 to the *CRA*.

…

1.3.2 G ~~Terms~~ Under section 62(4) of the *CRA*, terms or notices are unfair if, contrary to the requirement of good faith, they cause a significant imbalance in the parties' rights and obligations to the detriment of the *consumer*.

…

1.3.4 G (1) Unless the case is urgent, we will generally first write to a firm to express our concern about the potential unfairness of a term or terms (within the meaning of the *CRA*) and will invite the firm to comment on those concerns. If we still believe that the term is unfair and/or is insufficiently transparent, we will normally ask the firm to stop using or proposing or recommending the use of that term in a consumer contract. If the firm continues to rely on that term or declines to give an undertaking, or gives an undertaking but fails to follow it, the *FCA* will consider the need to apply to the courts for an injunction under paragraph 3 of Schedule 3.

(2) In deciding whether to ask a firm to undertake to stop using or proposing or recommending the use of a term in a consumer contract, we will consider the full circumstances of each case. Several factors may be relevant for this purpose and the following list is not exhaustive, but will give some indication of the sorts of things we consider:

(a) whether we are satisfied that the contract term may properly be regarded as unfair and/or insufficiently transparent within the meaning of the *CRA*;

…

(c) whether the firm has fully cooperated with the *FCA* in resolving our concerns about the fairness and/or transparency of the particular contract term.

1.3.4A G (1) In relation to a consumer notice, where we are concerned about the potential unfairness and/or lack of transparency of the notice, we will generally contact a firm to ask the firm to amend or withdraw the notice.

…

…

1.4 The CRA: the FCA's role and policy

1.4.1 G The *FCA* may consider the fairness and/or transparency of a term or notice within the meaning of the *CRA* following a complaint from a *consumer* or other person or on its own initiative if the term or notice is within its scope.

…

1.4.4 G If, following either a complaint or an own-initiative review, we consider that a term or notice is unfair and/or insufficiently transparent, we may challenge firms about their use of that term or notice.

Interaction with the FCA's powers under the Act

1.4.5 G …

(2) In some cases, it might be appropriate for us to use other powers to deal with issues identified under the *CRA*. The powers available to the *FCA* under the *Act* may vary depending on the *regulated activities* which the firm carries out. For example, the use of an unfair term might involve a breach of a *Principle* or a *rule* in *BCOBS*, *COBS*, *CONC*, *MCOB* or *ICOBS* and the use of an unfair notice might involve a breach of the *financial promotions rules*. If ~~so~~ the same level of consumer protection can be achieved in relation to a contract term we have concerns about, the *FCA* ~~might~~ may ~~also~~ address the issue as a ~~*rule*~~ breach of its *rules*, *Principles* or both, rather than taking action under the *CRA*.

…

…

1.6 Redress

1.6.1 G (1) Under the *CRA*, the *FCA* (as a regulator and an unfair contract terms enforcer) does not have the power to grant redress to *consumers* who have suffered loss because ~~of an unfair~~ a term or notice is unfair and/or insufficiently transparent. *Consumers* may choose to complain to the firm and to seek redress from it. If the firm does not satisfy the *consumer's* complaint, the *consumer* may choose to refer the complaint to the *Financial Ombudsman Service*, if appropriate.

(2) If the use of an unfair and/or insufficiently transparent term also amounts to a *rule* breach, and that breach causes loss to *consumers*, the *FCA* can apply to court for restitution or require restitution. The *FCA* will consider whether to use these powers in accordance with the policy in *ENFG* App 1.8.

(3) …

(4) The *FCA* is a designated public enforcer under Part 3 of the *DMCCA*. This allows us to act, for example through seeking court orders which may include redress, in respect of breaches of

consumer protection legislation, including the *CRA*. For further information please see *ENFG* App 2.2.2G.

Appendix 9

Minor changes to UK Listing Rules

UK LISTING RULES (AMENDMENT) INSTRUMENT 2026

Powers exercised

A. The Financial Conduct Authority ("the FCA") makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 ("the Act"):

(1) section 73A (Part 6 Rules);
(2) section 96 (Obligations of issuers of listed securities);
(3) section 137A (The FCA's general rules); and
(4) section 137T (General supplementary powers).

B. The rule-making powers listed above are specified for the purpose of section 138G(2) (Rule-making instruments) of the Act.

Commencement

C. This instrument comes into force on [*date*].

Amendments to the Handbook

D. The UK Listing Rules sourcebook (UKLR) is amended in accordance with the Annex to this instrument.

Citation

E. This instrument may be cited as the UK Listing Rules (Amendment) Instrument 2026.

By order of the Board
[*date*]

Annex

Amendments to the UK Listing Rules sourcebook (UKLR)

In this Annex, underlining indicates new text and striking through indicates deleted text.

6 Equity shares (commercial companies): continuing obligations

…

6.4 Notifications

…

Notifications relating to capital

6.4.4 R A *listed company* must notify a ~~RIS~~ *RIS* as soon as possible (unless otherwise indicated in this ~~rule~~ *rule* of the following information relating to its capital:

…

(2) any redemption of *listed shares*, including details of the number of *shares* redeemed and the number of *shares* of that *class* outstanding following the redemption; and

(3) any extension of time granted for the currency of temporary documents of title~~; and~~.

(4) ~~the results of any new issue of *equity securities* or a public offering of existing *equity securities*.~~ [deleted]

6.4.5 R ~~Where the *securities* are subject to an underwriting agreement, a *listed company* may, at its discretion and subject to the obligations in article 17 of the *Market Abuse Regulation*, delay notifying a *RIS* as required by *UKLR* 6.4.4R(4) for up to 2 *business days* until the obligation by the underwriter to take or procure others to take *securities* is finally determined or lapses. In the case of an issue or offer of *securities* which is not underwritten, notification of the result must be made as soon as it is known.~~ [deleted]

…

13 Equity shares (shell companies): requirements for listing and continuing obligations

…

13.3 Continuing obligations

…

Notifications relating to capital

13.3.20 R A *listed shell company* must notify a *RIS* as soon as possible (unless otherwise indicated in this *rule*) of the following information relating to its capital:

…

(2) any redemption of *listed shares*, including details of the number of *shares* redeemed and the number of *shares* of that *class* outstanding following the redemption; and

(3) any extension of time granted for the currency of temporary documents of title~~; and~~.

(4) ~~the results of any new issue of *listed equity securities* or of a public offering of existing *shares* or other *equity securities*.~~ [deleted]

13.3.21 R ~~Where the *shares* are subject to an underwriting agreement, a *listed shell company* may, at its discretion and subject to the *disclosure requirements* and contents of *DTR* 2, delay notifying a *RIS* as required by *UKLR* 13.3.20R(4) for up to 2 *business days* until the obligation by the underwriter to take or procure others to take *shares* is finally determined or lapses. In the case of an issue or offer of *shares* which is not underwritten, notification of the result must be made as soon as it is known.~~ [deleted]

…

14 Equity shares (international commercial companies secondary listing): requirements for listing and continuing obligations

…

14.3 Requirements with continuing application

…

Notifications relating to capital

14.3.17 R A *listed company* must notify a *RIS* as soon as possible (unless otherwise indicated in this *rule*) of the following information relating to its capital:

…

(2) any redemption of *listed shares*, including details of the number of *shares* redeemed and the number of *shares* of that *class* outstanding following the redemption; and

(3) any extension of time granted for the currency of temporary documents of title~~; and~~.

(4) ~~the results of any new issue of *listed equity securities* or of a public offering of existing *shares* or other *equity securities*.~~ [deleted]

14.3.18 R ~~Where the *shares* are subject to an underwriting agreement, a *listed company* may, at its discretion and subject to the *disclosure requirements* and contents of *DTR* 2, delay notifying a *RIS* as required by *UKLR* 14.3.17R(4) for up to 2 *business days* until the obligation by the underwriter to take or procure others to take *shares* is finally determined or lapses. In the case of an issue or offer of *shares* which is not underwritten, notification of the result must be made as soon as it is known.~~ [deleted]

…

16 Non-equity shares and non-voting equity shares: requirements for listing and continuing obligations

…

16.3 Continuing obligations

…

Notifications relating to capital

16.3.16 R A *listed company* must notify a *RIS* as soon as possible (unless otherwise indicated in this *rule*) of the following information relating to its capital:

…

(2) any redemption of *listed shares*, including details of the number of *shares* redeemed and the number of *shares* of that *class* outstanding following the redemption; and

(3) any extension of time granted for the currency of temporary documents of title~~; and~~.

(4) ~~the results of any new issue of *listed equity securities* or of a public offering of existing *shares* or other *equity securities*.~~ [deleted]

16.3.17 R ~~Where the *shares* are subject to an underwriting agreement, a *listed company* may, at its discretion and subject to the *disclosure requirements* and contents of *DTR* 2, delay notifying a *RIS* as required by *UKLR* 16.3.16R(4) for up to 2 *business days* until the obligation by the underwriter to take or procure others to take *shares* is finally determined or lapses. In the case of an issue or offer of *shares* which is not underwritten, notification of the result must be made as soon as it is known.~~ [deleted]

…

22 Equity shares (transition): continuing obligations

…

22.2 Continuing obligations

…

Notifications relating to capital

22.2.17 R A *listed company* must notify a *RIS* as soon as possible (unless otherwise indicated in this *rule*) of the following information relating to its capital:

…

(2) any redemption of *listed shares*, including details of the number of *shares* redeemed and the number of *shares* of that *class* outstanding following the redemption; and

(3) any extension of time granted for the currency of temporary documents of title~~; and~~.

(4) ~~the results of any new issue of *listed equity securities* or of a public offering of existing *shares* or other *equity securities*.~~ [deleted]

22.2.18 R ~~Where the *shares* are subject to an underwriting agreement, a *listed company* may, at its discretion and subject to the *disclosure requirements* and contents of *DTR* 2, delay notifying a *RIS* as required by *UKLR* 22.2.17(4) for up to 2 *business days* until the obligation by the underwriter to take or procure others to take *shares* is finally determined or lapses. In the case of an issue or offer of *shares* which is not underwritten, notification of the result must be made as soon as it is known.~~ [deleted]

…

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