FINANCIAL CONDUCT AUTHORITY

Handbook Notice No 143

July 2026

Contents

1 Overview

Legislative changes

1.1 On 25 June 2026, the Board of the Financial Conduct Authority (FCA) made the relevant changes to the Handbook as set out in the instruments listed below.

CP	Title of instrument	Instrument No	Changes effective
CP26/11	Periodic Fees (2026/2027) and Other Fees	FCA 2026/34	02/07/2026
CP25/14 CP25/15 CP25/16 CP25/25 CP25/40 CP25/41 CP25/42 CP26/4 CP26/8 CP26/13	Glossary (Cryptoassets) Instrument 2026	FCA 2026/35	25/10/2027
	Cryptoassets (Stablecoins) Instrument 2026	FCA 2026/36	
	Cryptoassets (Admission of Qualifying Cryptoassets to Trading and Offers of Qualifying Cryptoassets to the Public) Instrument 2026	FCA 2026/37	
	Cryptoassets (Market Abuse) Instrument 2026	FCA 2026/38	
	Cryptoassets (Intermediaries) Instrument 2026	FCA 2026/39	
	Cryptoassets (Trading Platforms, Transparency and Records) Instrument 2026	FCA 2026/40	
	Cryptoassets (Lending, Borrowing and Staking) Instrument 2026	FCA 2026/41	
	Cryptoassets (Safeguarding) Instrument 2026	FCA 2026/42	
	Cryptoassets (Client Assets Consequentials) Instrument 2026	FCA 2026/43	
	Cryptoassets (Conduct and Firm Standards) Instrument 2026	FCA 2026/44	
	Cryptoassets (COREPRU and CRYPTOPRU) Instrument 2026	FCA 2026/45	

1.2 On 30 July 2026, the Board of the Financial Conduct Authority (FCA) made the relevant changes to the Handbook as set out in the instruments listed below.

CP	Title of instrument	Instrument No	Changes effective
CP26/8	Definition of Capital for Investment Firms Instrument 2026	FCA 2026/46	31/07/2026
CP26/8	Enforcement (Digital Markets, Competition and Consumers Act 2024) (Supplementary Amendments) Instrument 2026	FCA 2026/47	31/07/2026
CP26/8	Enforcement Guide (Amendment) Instrument 2026	FCA 2026/48	31/07/2026
CP26/8	Prospectus Rules: Admission to Trading on a Regulated Market (Clarificatory Amendments) Instrument 2026	FCA 2026/49	31/07/2026
CP25/31	Data Reporting Services (Amendment) Instrument 2026	FCA 2026/50	31/07/2026
CP25/31	Technical Standards (Data Reporting Services) Instrument 2026	FCA 2026/51	31/07/2026

Summary of changes

1.3 The legislative changes referred to above are listed and briefly described in Chapter 2 of this notice.

Feedback on responses to consultations

1.4 Consultation feedback is published in Chapter 3 of this notice or in a separate policy statement.

FCA Board dates for 2026

1.5 The table below lists forthcoming FCA Board meetings. These dates are subject to change without prior notice.

FCA board meetings		
September	24	2026
October	22	2026
November	19	2026
December	10	2026

2 Summary of changes

2.1 This Handbook Notice describes the changes to the FCA Handbook and other material made by the FCA Board under their legislative and other statutory powers on 25 June 2026 and 30 July 2026. Where relevant, it also refers to the development stages of that material, enabling readers to look back at developmental documents if they wish. For information on changes made by the Prudential Regulation Authority (PRA) please see www.bankofengland.co.uk/news/publications.

Periodic Fees (2026/2027) and Other Fees

2.2 Following consultation in CP26/11, the FCA Board has made changes to the Handbook sections listed below:

FEES 2.1, 3 Annex 1A, 3 Annex 12, 4 Annex 2A, 4 Annex 4, 4 Annex 5, 4 Annex 11, 4 Annex 14, 4 Annex 15, 4 Annex 16, 4A Annex 1, 4A Annex 2, 5 Annex 1, 7A Annex 1, 7A Annex 2, 7A Annex 3, 7B Annex 1, 7B Annex 1, 7C Annex 1, 7C Annex 2, 7C Annex 3, 7D Annex 1, 13.2, 13 Annex 1, 13A Annex 1, App Annex 2, App 3.1, App 4 Annex 2

2.3 In summary, this instrument sets out the 2026/27 regulatory fees and levies for:

- the Financial Conduct Authority (FCA)
- the Financial Ombudsman Service (Financial Ombudsman)

2.4 It also covers the rules that enable us to collect certain levies on behalf of government departments.

2.5 This instrument came into force on 2 July 2026. Feedback is published in a separate policy statement.

Glossary (Cryptoassets) Instrument 2026

Cryptoassets (Stablecoins) Instrument 2026

Cryptoassets (Admission of Qualifying Cryptoassets to Trading and Offers of Qualifying Cryptoassets to the Public) Instrument 2026

Cryptoassets (Market Abuse) Instrument 2026

Cryptoassets (Intermediaries) Instrument 2026

Cryptoassets (Trading Platforms, Transparency and Records) Instrument 2026

Cryptoassets (Lending, Borrowing and Staking) Instrument 2026

Cryptoassets (Safeguarding) Instrument 2026

Cryptoassets (Client Assets Consequentials) Instrument 2026

Cryptoassets (Conduct and Firm Standards) Instrument 2026

Cryptoassets (COREPRU and CRYPTOPRU) Instrument 2026

2.6 Following consultations in CP25/14, CP25/15, CP25/16, CP25/25, CP25/40, CP25/41, CP25/42, CP26/4, CP26/8 and CP26/13, the FCA Board has made changes to the Handbook sections listed below:

Glossary of defintions
PRIN 3.1, 3.2
SYSC 1 Annex 1, 15A.1, 23 Annex 1, 27.8
TC App 1.1
GEN 2.2
MIFIDPRU 3.1A, 4.5, 4.14
MIPRU 4.2, 4.4
IPRU-INV 1.2
COBS 1 Annex 1, 1 Annex 2, 2.2, 3.6, 4.1, 4.6, 4.7, 4.9, 4.12A, 4 Annex 1, 4 Annex 5, 5.1, 6.1, 8.1, 10.1, 10.2, 10 Annex 4, 11.1, 15 Annex 1, 16.1, 16.4
CASS 1.2, 6.1, 7.10, 7.11, 7.13, 7.14, 7.16, 8.1, 8.2, Sch 1, Sch 2, Sch 5
SUP 3.1, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.10, 3 Annex 1, 15.15, 16.1, 16.3, 16.7A, 16.23, 16.33
DISP 1.1, 1.6, 1.10, 2.3, 2.5, 2.6, 2.7, 2 Annex 1, 4.2

2.7 The FCA Board inserted the following new sourcebooks:

Core Prudential sourcebook (COREPRU)
Prudential sourcebook for CRYPTOPRU Firms (CRYPTOPRU)
Cryptoassets sourcebook (CRYPTO)

2.8 The FCA Board inserted the following new chapters:

CASS 16, 17

2.9 The FCA Board inserted the following new sections:

COBS 10.2A
SUP 16.35

2.10 The FCA Board inserted the following new annexes:

COBS 10 Annex 6

SUP 16 Annex 61

2.11 The FCA Board inserted the following new transitional provision:

SYSC TP 14.2

2.12 In summary, this regime sets clear, predictable rules for firms across the full range of regulated cryptoasset activities. It sets standards, strengthens consumer protections, and positions the UK as a trusted, competitive home for responsible cryptoasset innovation.

2.13 The regime is underpinned by the Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026 (the Cryptoassets Regulations), which were passed by Parliament on 4 February 2026. These Cryptoassets Regulations brought a broad range of cryptoasset activities within the FCA's regulatory perimeter for the first time, moving well beyond the anti-money laundering and financial promotions standards that previously defined our role in this market. The full scope of regulated activities under the regime will expand from 25 October 2027. This gives firms time to prepare and adapt.

2.14 These instruments come into force on 25 October 2027. Feedback is published in separate policy statements.

Definition of Capital for Investment Firms Instrument 2026

2.15 Following consultation in CP26/8, the FCA Board has made changes to the Handbook sections listed below:

MIFIDPRU 3.6A, 3 Annex 5

2.16 In summary, this instrument makes a minor technical amendment to MIFIDPRU 3.6A.1R to correct an unintended consequence of the PS25/14, ensuring that the prohibition on non-cash distributions on own funds instruments operates as originally intended.

2.17 This instrument came into force on 31 July 2026. Feedback is published in Chapter 3 of this notice.

Enforcement (Digital Markets, Competition and Consumers Act 2024) (Supplementary Amendments) Instrument 2026

Enforcement Guide (Amendment) Instrument 2026

2.18 Following consultation in CP26/8, the FCA Board has made changes to the Handbook sections listed below:

Glossary of definitions
ICOBS 2.2
CONC 2.2, 4.2, 8.9
ENFG 2.3, 2.6, 2.8, 3.6, 6.3, App 1.1, App 1.8, App 2.1,

App 2.2
UNFCOG 1.1, 1.2, 1.3, 1.4, 1.6

2.19 In summary, these instruments reflect changes in consumer protection legislation, describe our general approach to use of powers under DMCCA, and make clarificatory changes to how we describe our general approach to use of non-FSMA powers and FSMA powers in the context of market abuse.

2.20 These instruments came into force on 31 July 2026. Feedback is published in Chapter 3 of this notice.

Prospectus Rules: Admission to Trading on a Regulated Market (Clarificatory Amendments) Instrument 2026

2.21 Following consultation in CP26/8, the FCA Board has made changes to the Handbook sections listed below:

PRM 1.4, 2.3, 8.2, 9.2, 9.4, 9.5, 10.1

2.22 In summary, this instrument makes changes to give proper effect to aspects of the Public Offers & Admissions to Trading regime, which came into force on 19 January 2026.

2.23 This instrument came into force on 31 July 2026. Feedback is published in Chapter 3 of this notice.

Data Reporting Services (Amendment) Instrument 2026

Technical Standards (Data Reporting Services) Instrument 2026

2.24 Following consultation in CP25/31, the FCA Board has made changes to the Handbook sections listed below:

Glossary of definitions
MAR 9.2A, 9.2B, 9 Annex 1, 9 Annex 11
DEPP Sch 4
ENFG App 2.1

2.25 The FCA Board inserted the following new annex:

MAR 9 Annex 11

2.26 The FCA Board has made changes to the following technical standards:

Commission Delegated Regulation (EU) 2017/577 of 13 June 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on the volume cap mechanism and the provision of information for the purposes of transparency and other calculations

2.27 In summary, this instrument makes changes to establish the main regulatory obligations of the equity CTP and main regulatory requirements for the operation of the CT. It also establishes obligations for trading venues and Approved Publication Arrangements (APAs) to provide information to the CTP.

2.28 These instruments came into force on 31 July 2026. Feedback is published in a separate policy statement.

3 Consultation feedback

3.1 This chapter provides feedback on consultations that will not have a separate policy statement published by the FCA.

Definition of Capital for Investment Firms Instrument 2026

Background

3.2 In Policy Statement (PS) PS25/14, we published final rules creating a standalone framework for the definition of regulatory capital (or 'own funds') for FCA investment firms. The purpose of PS25/14 was to simplify the own funds requirements by removing cross-references to the UK Capital Requirements Regulation (UK CRR) from Chapter 3 of the Prudential sourcebook for MiFID Investment Firms (MIFIDPRU 3), whilst avoiding any changes to firms' capital arrangements.

3.3 As part of that work, we carried 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). These rules came into force on 1 April 2026.

3.4 After we published PS25/14, we received feedback that the simplified prohibition would make some investment firms' capital instruments ineligible under the equivalent provision in Article 73 of the UK CRR (the current prohibition).

3.5 The current prohibition focuses on when a firm may actually pay a non-cash distribution where it lets a firm hold instruments whose terms contemplate non-cash distributions, provided the firm can only pay them in certain specified circumstances. The simplified prohibition instead focuses on the terms of the instrument where it makes an instrument ineligible if its terms contemplate a non-cash distribution, even if the firm would never pay one. This was not our intention.

3.6 No respondent raised this issue in the 11 responses to Consultation Paper (CP) CP25/10. To address it, we consulted on a targeted amendment in CP26/8, and this instrument gives effect to that change.

Summary of proposals

3.7 In Chapter 8 of CP26/8, we proposed to align the simplified prohibition with the current prohibition, so that all capital instruments that comply with the current prohibition continue to qualify as own funds. Rather than prohibiting instruments whose terms allow for non-cash distributions, we proposed to prohibit the payment of non-cash distributions in certain specified circumstances. The set of instruments that qualify as own funds is therefore the same under the amended prohibition as under Article 73 of the UK CRR.

3.8 The amended rule, MIFIDPRU 3.6A.1R, prohibits a firm from paying 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.

3.9 This instrument also makes a minor amendment to MIFIDPRU 3 Annex 5R, the notification form for intended reductions in own funds instruments, to reflect the changes made to MIFIDPRU 3.6A.1R by this instrument.

3.10 We have seen no evidence of market demand for more complex distribution mechanisms. A firm that wishes to pay distributions in another form can still apply for a waiver, provided it can show that doing so would not undermine the outcome of our own funds rules. The amendment also reduces the cost of that route, because firms no longer need to amend their constitutional documentation to achieve compliance.

3.11 In CP26/8, we explained that firms did not need to amend the terms of their capital instruments because of the change from the current to the simplified prohibition, and that they should continue to treat the relevant own funds instruments as eligible. That position applied from 1 April 2026 and this instrument comes into force on 31 July 2026.

How this links to our objectives

3.12 We are satisfied that this amendment is compatible with our objectives and regulatory principles, as we explained in CP26/8. It supports our strategic objective of ensuring that relevant markets function well, and our operational objective to protect and enhance the integrity of the UK financial system, by keeping the own funds framework working as intended where capital instruments that are eligible under the established rules continue to qualify as own funds.

3.13 It is also compatible with our secondary international competitiveness and growth objective (SICGO). By maintaining the eligibility of firms' existing capital arrangements and avoiding an unintended increase in regulatory burden, the amendment supports regulatory stability and avoids putting UK investment firms at a disadvantage to firms in other jurisdictions.

Feedback

3.14 We consulted on the amendment in CP26/8, asking a single question (Question 8.1) on whether respondents agreed with our proposal to align the simplified prohibition with the current prohibition in Article 73 of the UK CRR. We received one response.

3.15 The respondent agreed that PS25/14 had an unintended consequence, but did not accept that the amendment was simply a technical fix. They argued that changes to the prohibition on distributions go directly to whether existing capital instruments qualify as own funds, and so raise a fundamental prudential question. They also asked for more detailed guidance on how the amended prohibition interacts with the Investment Firm Prudential Regime (IFPR) guidance and supervisory expectations, particularly for complex capital structures such as AT1-style instruments, partnership capital and intra-group funding.

3.16 The respondent also raised implementation timing and transitional arrangements. They asked whether the simplified prohibition would affect instruments issued between the publication of PS25/14 and this amendment, and whether any transitional arrangements would be available for existing instruments.

Our response

On the characterisation of the amendment

3.17 We do not agree that this amendment is more than a technical amendment. It responds to a point that we received only after we made PS25/14. In PS25/14, we set out to simplify how the prohibition reads without changing its substance, and we are satisfied that we did so. The feedback concerned capital instruments whose terms contemplate the possibility of non-cash distributions, a point that no respondent raised during the CP25/10 consultation. The amendment addresses that point without changing any substantive eligibility criterion. As noted above, the set of instruments that qualify as own funds is the same under the amended prohibition as under UK CRR Article 73.

On the need for further guidance on the interaction with Article 73 and IFPR expectations

3.18 We explained the detailed interaction between the simplified prohibition and Article 73 in CP26/8 and PS25/14, and we do not need to add to that analysis here. Aligning with Article 73 is itself the assurance the respondent is seeking as any instrument that qualifies as own funds under Article 73 will also qualify under the amended prohibition, because the amended prohibition applies the same test. This includes AT1-style instruments, partnership capital and intra-group funding. This amendment does not affect IFPR guidance or supervisory expectations, which continue to apply on their own terms.

On implementation timing and transitional arrangements

3.19 Firms do not need additional transitional arrangements. As we explained in CP26/8, firms did not need to amend their instrument terms because of the change and should have continued to treat the relevant own funds instruments as eligible from 1 April 2026 until this instrument comes into force. The amendment does not create a new eligibility test. It restores the position that applied before PS25/14, so no transitional arrangements are required. Firms can continue to rely on their existing compliance with Article 73.

3.20 None of these points changes our view, and we are making the rules as consulted.

Cost benefit analysis

3.21 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 unless, in accordance with section 138L(3) of FSMA, we believe that there will be no increase in costs or that the increase will be of minimal significance. In CP26/8, we explained our view that no CBA was required for our proposals because the amendments would not lead to an increase in costs or the increase would be of minimal significance. Our position remains unchanged.

Equality and diversity statement

3.22 We continue to believe that the rules we have made will not have a negative impact on any of the groups with protected characteristics under the Equality Act 2010 and no concerns were raised during consultation.

Rule Review Framework

3.23 We have taken into account our duties under the Rule Review Framework and consider that these changes do not require ongoing monitoring.

CP26/8: Enforcement (Digital Markets, Competition and Consumers Act 2024) (Supplementary Amendments) Instrument 2026

CP26/8: Enforcement Guide (Amendment) Instrument 2026

Background

3.24 The Digital Markets, Competition and Consumers Act 2024 (DMCCA) enhances consumer protection and UK competition regulation.

3.25 Since April 2025, we have investigative and enforcement consumer protection powers under the DMCCA to take court based action against breaches of consumer protection law. This means we can ask the court to make orders. We can also refer suspected breaches to the Competition and Markets Authority (CMA) who have direct enforcement powers.

3.26 These powers replace and enhance those we had previously through other consumer protection legislation.

3.27 The DMCCA is not specific to financial services. The tools it gives us are additional and complementary to those we have under the Financial Services and Markets Act 2000 (FSMA) and other legislation.

3.28 In Consultation Paper (CP) CP26/8, we consulted on several changes to our Handbook and regulatory guides to reflect these new powers and other consumer protection law. At the same time, we consulted on other clarificatory changes to our Enforcement Guide (ENFG).

Summary of proposals

1. Consumer protection legislation

3.29 Our changes set out our general approach to the use of our powers under the DMCCA and update legislative references in our sourcebooks. They also make changes relating to the Consumer Rights Act.

Enforcement Guide (ENFG)

3.30 Our ENFG sets out key aspects of our enforcement policy where it is not provided elsewhere. ENFG Appendix 2 (App 2), contains a non-exhaustive list of legislation outside of FSMA that gives us intervention or enforcement-related powers (non-FSMA powers) and describes our approach to exercising those powers.

3.31 We have updated App 2 to describe our general approach to the use of our powers under the DMCCA.

Unfair Contract Terms and Consumer Notices Regulatory Guide (UNFCOG)

3.32 The Unfair Contract Terms and Consumer Notices Regulatory Guide (UNFCOG) explains the FCA’s policy on how it will use its powers under the Consumer Rights Act (CRA) in relation to unfair terms and consumer notices. We have updated the redress section to reflect our powers under the DMCCA. We have also made changes to fully reflect the requirements of the CRA and better explain our supervisory approach to issues involving unfair or unclear terms.

Glossary of definitions, Insurance: Conduct of Business sourcebook (ICOBS) and Consumer Credit sourcebook (CONC)

3.33 In the Insurance: Conduct of Business sourcebook (ICOBS) and Consumer Credit sourcebook (CONC), we have substituted references to previous legislation so that they now refer to the DMCCA. We have removed the reference to Part 8 of the Enterprise Act 2002 in CONC 2.2.5R as this has been repealed by the DMCCA. We have also included the DMCCA in our Glossary of definitions.

2. Clarificatory changes to ENFG

General approach to non-FSMA powers

3.34 We have made clarificatory changes to ENFG App 2 on our general approach to the use of non-FSMA powers. This includes cross-referencing content in our Supervision manual (SUP) where the powers include cancellation and other intervention powers.

Removal of hyperlinks to Glossary definitions of market abuse

3.35 We have removed some hyperlinks to the Glossary definitions of 'market abuse' and 'insider dealing' to better reflect that our enforcement approach to cryptoasset market abuse is the same as to market abuse in areas of traditional finance.

How this links to our objectives

3.36 We have a wide range of regulatory tools and powers to intervene (take action) where we identify areas of potential consumer harm. Our approach prioritises achieving good outcomes for consumers and markets, using the right tool for each situation to act swiftly and proportionately.

3.37 Being clear about our consumer protection powers and ensuring generally that our Regulatory Guides and Handbook are up to date, consistent and transparent, supports our consumer protection objective and our objectives more broadly.

Feedback and our response

3.38 We received feedback from 1 respondent on these proposals.

Feedback

3.39 The respondent suggested that ENFG App 2 should make it clear that our powers under the Enterprise Act only relate to suspected breaches to the extent that they took place before 6 April 2025.

Response

3.40 We have now included that detail in ENFG App 2.

Feedback

3.41 The respondent also suggested that we should specifically mention in ENFG App 2 that one of the powers the FCA now has under the DMCCA is to seek an online interface order from the Court, for example, to require content to be removed or modified from a website where it breaches consumer protection law.

Response

3.42 ENFG App 2 non-exhaustively lists legislation outside FSMA where the FCA has certain powers and provides a brief summary of that legislation. Whether or not we list the legislation or our relevant powers in ENFG does not affect our ability to use these powers.

3.43 In relation to consumer protection legislation, we have chosen to provide more detailed information in the summary table about our powers. As this may be helpful, we have now referenced the FCA's power to apply to the Court for online interface orders.

Feedback

3.44 We proposed to say in ENFG App 2 that for breaches by authorised firms in relation to regulated activities, we anticipate our powers under FSMA will be adequate to address the majority of breaches which we would also be able to enforce under the DMCCA. The respondent asked if this indicated that we were not intending to make significant use of our DMCCA powers. The respondent considers that the use of these powers will increase transparency and the deterrence of our enforcement action.

Response

3.45 Our approach is to consider the circumstances of each situation and use appropriate powers to respond swiftly and proportionately. We have strong powers under FSMA for addressing misconduct by authorised firms and it was the intention of our original wording to explain that. However, the FCA uses whatever is the most appropriate power in all the circumstances, and the DMCCA also allows the FCA to take action against unauthorised firms in certain circumstances. We therefore consider the relevant sentence to be unnecessary and have not included it in our final changes to ENFG App 2.

3.46 Whether we act through formal use of powers under FSMA or the DMCCA, or through our wider supervisory and policy work, our work has a deterrent effect.

3.47 Much of our supervisory work is to ensure that firms do the right thing in the first place and remedy breaches without the need for formal action. This is the same for breaches relating to the DMCCA. All this work improves standards and outcomes for consumers and, through our active supervision, firms are aware of our focus and this deters misconduct.

3.48 In some cases, we will take formal action to impose a penalty or intervene to stop or remedy harm. These actions are publicised and explained on our website, whether we are exercising FSMA or other powers. We also publish examples of good and poor practice in sectors where we can.

Feedback

3.49 We proposed amendments to UNFCOG 1.4.5G(2), to which the respondent noted they preferred the previous wording and queried how the FCA will assess whether the same level of consumer protection can be achieved when comparing the available supervisory tools and its powers under the Consumer Rights Act 2015.

Response

3.50 We have amended the wording in UNFCOG 1.4.5G(2) as consulted on to reflect that we have a wide variety of regulatory tools and powers to require firms to take corrective action to resolve breaches of the unfair terms' legislation. As such, and in line with our supervisory approach, we use the most appropriate powers to address issues with unfair or unclear terms in consumer contracts, which may include using our FSMA powers instead of our powers under the CRA where they will achieve the same level of consumer protection. As with all of our work, we will use our judgement and consideration of the available evidence to assess the most suitable course of action on a case-by-case basis.

Other

3.51 We received no feedback to our other changes to ENFG or to changes to legislative references in ICOBS and CONC. We have clarified the opening sentences of ENFG App 2.1.2 and ENFG 2.2.2, and otherwise made these changes as proposed.

Cost benefit analysis

3.52 Section 138I(2)(a) of FSMA requires us to publish a cost benefit analysis (CBA) when proposing draft rules unless, in accordance with section 138L(3) of FSMA, we believe that there will be no increase in costs or that the increase will be of minimal significance. The majority of the proposed amendments are to general guidance. Where our amendments relate to rules or guidance on rules, these are to update references to legislation and will not lead to an increase in costs, or the increase will be of minimal significance.

Equality and diversity statement

3.53 We continue to believe that the changes we have made will not have a negative impact on any of the groups with protected characteristics under the Equality Act 2010 and no concerns were raised during consultation.

Rule Review Framework

3.54 We have taken into account our duties under the Rule Review Framework and consider that these changes do not require ongoing monitoring.

CP26/8: Prospectus Rules: Admission to Trading on a Regulated Market (Clarificatory Amendments) Instrument 2026

Background

3.55 The Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (PRM) came into force on 19 January 2026.

3.56 The PRM sourcebook was finalised in July 2025 and published in Policy Statement (PS) PS25/9. Since then, we have identified some PRM rules that do not achieve our policy objectives. As a result, in Chapter 5 of Consultation Paper (CP) CP26/8, we consulted on changes to amend certain rules to give proper effect to the policy proposals consulted on in CP24/12 and CP25/2 which were finalised in PS25/9.

Summary of proposals

3.57 The amendments relate to different aspects of the PRM sourcebook. The changes produce a variety of outcomes depending on the purpose of the rule and the specific reason for the change. A summary of the rationale and intended outcome for each specific rule change is set out below.

Exemption for securities offered/allotted to directors or employees

3.58 The change to PRM 1.4.12R ensures that the exemption from the prospectus requirement for securities offered, allotted, or to be allotted to existing or former directors or employees will only be used for legitimate incentive and employee share schemes.

3.59 With the original drafting, issuers could use this exemption to raise funds from third parties, which was contrary to the policy intent. The amendment to PRM 1.4.12R means the exemption is not available where the purpose of the offer or allotment is to subsequently transfer the securities 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.

3.60 An issuer is not prevented from relying on the exemption in PRM 1.4.12R if an offer or allotment results in deductions and sales of shares (either directly or via a third party such as an employee benefit trust) which follow share awards vesting (and arising due to the vesting) to enable discharging tax, social security and equivalent liabilities of the award holder, or to pay the option exercise price. We consider that any benefits for the issuer or affiliated undertaking that arise from these transactions and payments are merely a consequence of an incentive or employee share scheme and are not the purpose of the offer or allotment.

Publishing final terms

3.61 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. The original drafting of this rule included an unnecessary cross-reference to PRM 9.5.3R. The change to PRM 2.3.9R(1) has replaced this cross-reference with a cross-reference to PRM 9.5.4R, which relates to the method of publishing.

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

3.62 The original drafting of PRM 8.2.3R required the content-specific accompanying statement for PFLS to appear immediately next to the PFLS to which it relates.

3.63 In response to PS25/9, we were informed that issuers may wish to have numerous PFLS disclosures alongside non-PFLS content. We were also told that issuers may want to include repeated instances of the same PFLS disclosure in their prospectuses.

3.64 With this approach to PFLS, the original drafting of PRM 8.2.3R could have undermined the readability of a prospectus by requiring numerous disclaimer-like statements to be included in one place, or repeated over and over, which could interrupt the flow of the text.

3.65 The change to PRM 8.2.3R gives issuers greater flexibility in deciding how to present PFLS in a prospectus whilst ensuring that readers of a prospectus can still easily find the content-specific accompanying statement for a particular PFLS disclosure.

Prospectus submission and approval requirements

3.66 When the first draft of a prospectus is submitted to the FCA, issuers may be required by PRM 9.4.3R to submit a cross-reference list, which identifies the page numbers where certain disclosures can be found. This list assists the FCA with its review.

3.67 The change we have made to PRM 9.4.3R will mean that issuers must provide a cross-reference list, where applicable, identifying the pages on which the statements required by PRM 8 can be found in the prospectus.

3.68 The amendment to PRM 9.2.16R will mean that issuers no longer need to confirm that there have been no changes to previously submitted cross-reference lists.

Publication of an IPO prospectus

3.69 PRM 9.5.2R requires an IPO prospectus to be published at least 3 working days before the offer closes. This so-called '3-day rule' is intended to benefit retail investors. As originally drafted, however, this requirement applied to all IPOs, whether or not there was retail participation.

3.70 The change to PRM 9.5.2R clarifies that the 3-day rule applies only to IPOs where there is retail participation and where the offer does not rely on the exceptions from the public offer prohibition that are referred to in the rule.

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

3.71 PRM 10.1.9R specifies when a supplementary prospectus may be used to change the terms and conditions and/or form of final terms for securities issued under a base prospectus.

3.72 The original drafting of PRM 10.1.9R(1) applied where the change made by the supplementary prospectus resulted in securities that were '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 previous market practice, which allowed for securities that are 'manifestly the same'.

3.73 In response to PS25/9, we were advised that any change to terms and conditions will result in securities that are not fungible, even though they might be manifestly the same.

3.74 The changes to PRM 10.1.9R replace the word 'fungible' with the words 'manifestly the same', which restores the intended policy outcome.

Informing investors about the possibility of supplementary prospectuses and withdrawal rights

3.75 PRM 10.1.14R, 10.1.16R, and 10.1.17R relate to the circumstances where there may be a supplementary prospectus and withdrawal rights. The original scope of PRM 10.1.16R and 10.1.17R was broader than the scope of PRM 10.1.14R. The latter is the rule which specifies when withdrawal rights are available.

3.76 The changes to PRM 10.1.16R and 10.1.17R ensure that they apply in the same circumstances as those specified in PRM 10.1.14R.

How this links to our objectives

3.77 The changes will give proper effect to the prospectus reforms that were consulted on in CP24/12 and CP25/2, which were finalised in PS25/9. Therefore, the changes 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 are compatible with our strategic objective 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.

3.78 The changes will act towards our market integrity objective 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. We are satisfied that any burdens or restrictions are proportionate to the expected benefits. We are also satisfied that the amendments are compatible with the FCA’s secondary international competitiveness and growth objective, as there will be no effect on growth from these rule changes.

Feedback

3.79 We received 4 responses to our consultation in CP26/8. Three respondents expressed support for our proposed changes. One respondent asked for us to provide greater clarity (eg, in guidance) regarding the scope of the change to PRM 1.4.12R.

3.80 Specifically, the respondent asked us to clarify that deductions and sales of shares (either directly or via a third party such as an employee benefit trust) which follow share awards vesting (and arising due to the vesting) to enable discharging tax, social security and equivalent liabilities of the award holder, or to pay the option exercise price, would not prevent an issuer from relying on the exemption in PRM 1.4.12R.

3.81 The same respondent also noted that our proposed drafting would narrow the application of PRM 1.4.12R to exiting or former directors and employees of the issuer, which would preclude securities offered, allotted, or to be allotted to existing or former directors and employees of entities within the issuer’s group.

Our response

3.82 The change to PRM 1.4.12R will prevent the exemption from being used where the purpose of the offer/allotment is to subsequently transfer the securities 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.

3.83 We consider that any benefits for the issuer or affiliated undertaking that arise from the transactions and payments referred to in the respondent’s feedback are merely a consequence of an incentive or employee share scheme and are not the purpose of the offer or allotment. Therefore, an incentive or employee share scheme with these features can still use the exemption in PRM 1.4.12R.

3.84 We do not consider it necessary to create new guidance on this point.

3.85 We agree with the respondent's concerns about the narrowing of the application of PRM 1.4.12R in CP26/8, which was inadvertent. The drafting of the final rule ensures that securities offered, allotted, or to be allotted to existing or former directors and employees of entities within the issuer's group are within scope.

Cost benefit analysis

3.86 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 unless, in accordance with section 138L(3) of FSMA, we believe that there will be no increase in costs or that the increase will be of minimal significance. In CP26/8, we explained our view that no CBA was required for our proposals because it was unlikely that our amendments would result in cost increases and, to the extent that they do, any increases will be of minimal significance. Our position remains unchanged.

Equality and diversity statement

3.87 We continue to believe that the rules we have made will not have a negative impact on any of the groups with protected characteristics under the Equality Act 2010 and no concerns were raised during consultation.

Rule Review Framework

3.88 We have taken into account our duties under the Rule Review Framework and consider that these changes do not require ongoing monitoring.

4 Additional information

Making corrections

4.1 The FCA reserves the right to make correctional or clarificatory amendments to the instruments made at the Board meeting without further consultation should this prove necessary or desirable.

Publication of Handbook material

4.2 This notice is published on the FCA website and is available in hardcopy.

4.3 The formal legal instruments (which contain details of the changes) can be found on the FCA's website listed by date, reference number or module at www.handbook.fca.org.uk/instrument. The definitive version of the Handbook at any time is the version contained in the legal instruments.

4.4 The changes to the Handbook are incorporated in the consolidated Handbook text on the website as soon as practicable after the legal instruments are published.

4.5 The consolidated text of the Handbook can be found on the FCA's website at www.handbook.fca.org.uk/. A print version of the Handbook is available at https://finreg-e.com/fca-handbook-print-and-subscription-service/.

4.6 Copies of the FCA's consultation papers referred to in this notice are available on the FCA's website.

Obligation to publish feedback

4.7 This notice fulfils for the relevant text made by the Board the obligations in sections 138I(4) and (5) and similar sections of the Financial Services and Markets Act 2000 ('the Act'). These obligations are: to publish an account of representations received in response to consultation and the FCA's response to them; and to publish (where applicable) details of any significant differences between the provisions consulted on and the provisions made by the Board, with a cost benefit analysis and a statement under section 138K(4) of the Act if a proposed altered rule applies to authorised persons which include mutual societies.

Comments

4.8 We always welcome feedback on the way we present information in the Handbook Notice. If you have any suggestions, they should be sent to handbook.feedback@fca.org.uk (or see contact details at the end of this notice).

Annex

List of non-confidential respondents

We are required by section 138I(4A) of the Act to include a list of the names of respondents to rules consultations where the respondent has consented to the publication of their name. This annex lists the names of consenting respondents for consultations where those names are not otherwise listed in a separate consultation response document.

CP26/8: Definition of Capital for Investment Firms Instrument 2026

Fractyl Consulting

CP26/8: Enforcement (Digital Markets, Competition and Consumers Act 2024) (Supplementary Amendments) Instrument 2026

CP26/8: Enforcement Guide (Amendment) Instrument 2026

Which?

CP26/8: Prospectus Rules: Admission to Trading on a Regulated Market (Clarificatory Amendments) Instrument 2026

A&O Shearman

Association of Investment Companies

International Capital Market Association

Share Plan Lawyers Group

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This Handbook Notice describes the changes to the Handbook and other material made by the Financial Conduct Authority (FCA) Board under their legislative and other statutory powers on 25 June 2026 and 30 July 2026.

It also may contain information about other publications relating to the Handbook and, if appropriate, lists minor corrections made to previous instruments made by the Board.

Contact names for the module is listed in the relevant consultation paper referred to in this notice.

General comments and queries on the Handbook can be addressed to:

Lisa Ocero
Tel: 020 7066 0198
Email: Lisa.Ocero@fca.org.uk

However, queries on specific requirements in the Handbook should be addressed first to your normal supervisory contact in the FCA. For most firms this will be the FCA's Supervision Hub:

Tel: 0300 500 0597
Email: firm.queries@fca.org.uk
Post: Supervision Hub
Financial Conduct Authority
12 Endeavour Square
London E20 1JN

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