

UK Crypto Regulation Moves Forward: Admissions & Disclosures and Market Abuse for Cryptoassets – Key Takeaways from FCA CP25/41

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The close of 2025 highlighted the continuing momentum for the digital asset industry, with regulatory developments accelerating rather than slowing. In December, the UK Government and the Financial Conduct Authority (FCA) released a series of draft instruments and consultation papers that are poised to play a significant role in shaping the sector's future. On 15 December 2025, HM Treasury (HMT) published a revised draft of [The Financial Services and Markets Act 2000 \(Cryptoassets\) Order 2025](#). This was followed on 16 December 2025 by the FCA's publication of three consultation papers addressing core elements of the forthcoming cryptoasset regulatory framework: (1) [CP25/40 Regulating Cryptoasset Activities](#) (CP25/40), (2) [CP25/41 Regulating Cryptoassets: Admissions & Disclosures and Market Abuse Regime for Cryptoassets](#), (CP25/41) and (3) [CP25/42 A Prudential Regime for Cryptoasset Firms](#) (CP25/42). Momentum continued into the new year. On 8 January 2026, the FCA provided further detail on its proposed "gateway" the application process through which firms will seek authorisation to carry on newly regulated cryptoasset activities under the UK's forthcoming regime.

Together, these developments underscore that the UK is not retreating from digital asset regulation but instead progressing steadily toward the establishment of a comprehensive and structured framework. Earlier this month, we offered a high-level overview of the regulatory timeline and anticipated changes arising from these late-2025 and early-2026 announcements in our Client Alert, [UK's Digital Assets Regulatory Framework Takes Shape](#). Following our most recent Client Alert on CP25/40 which focused on [Cryptoasset Trading Platforms \(CATPs\) & Cryptoasset Intermediaries](#), in this piece we provide a detailed analysis of CP25/41, the FCA's proposals relating to admissions & disclosures (A&D), and the market abuse regime for cryptoassets (MARC).

CP25/41 REGULATING CRYPTOASSETS: ADMISSIONS & DISCLOSURES AND MARKET ABUSE REGIME FOR CRYPTOASSETS KEY PROPOSALS

Admissions & Disclosures Regime

The proposed A&D regime will apply to:

- the admission to trading of qualifying cryptoassets on UK qualifying CATPs that permit retail participation; and
- public offers of qualifying cryptoassets to retail investors, where those offers are made under the exception in paragraph 6 of Schedule 1 of the Financial Services and Markets Act 2000 (Cryptoassets) Order 2025.

The regime is designed to operate primarily as a point-of-admission gateway, focusing on the quality of information available to investors and the robustness of CATPs' admission processes, rather than imposing ongoing disclosure obligations post-admission (which are instead addressed under the MARC). Through CATP rulebooks required under the rules proposed by CP25/41, the A&D regime will also apply to persons seeking admission to trading.

A central feature of the A&D regime is the role of CATPs as regulatory gatekeepers. Under CP25/41, CATPs will be required to:

- establish and publish risk-based, objective admission criteria, approved by their governing body;
- conduct due diligence on qualifying cryptoassets before admission, including assessment of the cryptoasset's characteristics, governance, associated persons, and potential for retail investor detriment; and
- reject admission where, based on their criteria and due diligence, admitting the cryptoasset would be likely to be detrimental to the interests of retail investors.

The admission assessment is not a technical listing exercise; it is an outcomes-based judgement about whether admission is likely to cause retail investor detriment. In assessing a cryptoasset for admission to trading, CATPs will be required to consider the non-exhaustive list of factors included in the FCA's Cryptoassets Sourcebook. These factors include the credibility of the persons and disclosures associated with the cryptoasset, the accountability of responsible parties, the robustness of its governance and technology, and the extent to which material information can be reliably verified. CATPs must also manage conflicts through clear separation of commercial and admission functions and keep records of due diligence and admission decisions.

The A&D regime introduces a requirement for a Qualifying Cryptoasset Disclosure Document (QCDD) to be prepared and published before a qualifying cryptoasset is admitted to trading on a CATP (subject to limited exceptions).

Key features of the QCDD framework include:

- QCDDs must contain material information necessary for a prospective investor to make an informed decision, covering matters such as the cryptoasset's features, risks, governance arrangements, underlying technology or assets, and tokenomics.
- CATPs must review QCDDs and may not admit a cryptoasset unless they are reasonably satisfied that the QCDD is complete and not misleading.
- Where certain information cannot be fully verified, this must be clearly disclosed, and CATPs must assess whether such limitations affect the suitability of admission.
- Where a significant new factor, material mistake or inaccuracy arises *before admission*, a Supplementary Disclosure Document (SDD) must be published, triggering potential investor withdrawal rights.

The information in the QCDD may vary for a given cryptoasset depending on the nature and circumstances of the person responsible for the offer, the type of cryptoasset, and whether the cryptoasset has already been admitted to trading on a different CATP. QCDDs and SDDs must be published on CATP websites and filed with an FCA-owned central repository, such as the National Storage Mechanism. Additionally, CP25/41 imposes a statutory civil liability scheme establishing accountability for misleading or incomplete disclosure in QCDDs or SDDs.

CP25/41 also introduces a protected forward-looking statements framework, under which certain forward-looking disclosures in QCDDs benefit from a higher liability threshold. Where the prescribed conditions are met, liability for such statements arises only in cases of dishonesty or recklessness.

CP25/41 also proposes a statutory withdrawal right for retail investors who agree to buy or subscribe for qualifying cryptoassets in connection with a public offer. Under the proposed A&D framework, an investor may withdraw their acceptance where:

- the agreement was entered into after publication of a QCDD;
- a SDD is subsequently published to address a significant new factor, material mistake or inaccuracy; and

- the circumstances giving rise to the SDD occurred or were identified prior to admission to trading.

In such cases, investors must be given at least two working days from publication of the SDD to exercise withdrawal rights, with the SDD required to include a prominent explanation of how and by when withdrawal may occur. Where cryptoassets are offered through intermediaries, the intermediaries must notify investors of the SDD on the day of publication and assist with the exercise of withdrawal rights. These withdrawal rights do not apply to UK-issued qualifying stablecoins. Instead, CP25/41 sets out a tailored withdrawal right for UK qualifying stablecoins, allowing investors to withdraw from conditional purchase agreements where a stablecoin-specific disclosure document is updated for inaccuracy prior to admission to trading, subject to a two working day exercise period.

Under CP25/41, UK-issued qualifying stablecoins are subject to a bespoke A&D framework that reflects their treatment as money-like instruments and avoids duplication with the wider A&D regime. UK Issuers authorised to issue qualifying stablecoins must produce a stablecoin-specific QCDD and maintain aligned website disclosures covering the stablecoin's backing assets, redemption arrangements, technology, and risks, with information kept up to date on a prescribed schedule. CATPs may rely on these disclosures when admitting UK-issued qualifying stablecoins to trading and may not reject admission on the basis of the quality or accuracy of the disclosure document, though they retain the ability to conduct additional due diligence and to refuse admission on other lawful grounds.

Market Abuse Regime for Cryptoassets

CP25/41 also introduces the MARC, which establishes a tailored framework prohibiting insider dealing, unlawful disclosure of inside information, and market manipulation in cryptoasset markets, and imposes proportionate disclosure, monitoring, and control obligations on issuers, offerors, CATPs, and intermediaries to enhance market integrity. The MARC introduces express prohibitions on core forms of market abuse adapted from traditional securities markets. The FCA has emphasised that while the regime draws on the UK's Market Abuse Regulation (MAR), it is tailored to address features specific to cryptoassets.

Under the MARC, issuers, offerors, and CATPs will be responsible for identifying and publicly disclosing inside information that directly concerns them as soon as possible. Disclosure is expected to be made via the firm's website, supported by active dissemination through channels commonly used by market participants, with subsequent storage on an FCA-owned central repository. Limited delayed-disclosure exemptions are available where immediate disclosure would prejudice legitimate interests, provided confidentiality is maintained and records are kept. For these purposes, inside information includes non-public, price-sensitive information relating to a relevant person's own actions, circumstances, or decisions, such as changes to governance, operational or technological arrangements, legal or regulatory issues, or decisions affecting admission to or trading of a cryptoasset, and is considered to "concern" a relevant person where it arises from, or is within that person's control or responsibility.

CATPs and intermediaries will be required to maintain proportionate systems and controls to prevent, detect, and disrupt market abuse. These include surveillance of orders and transactions, internal controls, training, and recordkeeping. The FCA's approach places primary responsibility for market abuse monitoring and intervention on platforms and intermediaries rather than establishing a centralised reporting model akin to suspicious transaction reporting.

The MARC requires issuers, offerors, and CATPs to maintain insider lists identifying individuals with access to inside information, adapted to the cryptoasset context. Additionally, the MARC designates coin burning and crypto-stabilisation as legitimate market practices and provides an insider-dealing safe harbour for market making when it is conducted in pursuit of legitimate a business.

TIMING AND NEXT STEPS

The consultation period for CP25/41 is open for comments and feedback until 12 February 2026, with final rules expected to be issued in policy statements in 2026.

FOR MORE INFORMATION

If you have any questions regarding this subject or related subjects, or if you need assistance, please contact Yulia Makarova (Partner), Rebecca Jack (Partner), or your Winston & Strawn relationship attorney. You can also visit our

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