12 February 2026
SUBMITTED VIA EMAIL TO: cp25-41@fca.org.uk

To whom it may concern,

Re: FCA on CP25/41: Regulating cryptoassets: Admissions & disclosures and market abuse regime for cryptoassets

About Global Digital Finance (GDF) and Crypto Council for Innovation

GDF and CCI are the two leading global members' associations representing firms delivering crypto and digital assets solutions. Our members span the digital asset ecosystem and include the leading global crypto exchanges, stablecoin issuers, digital asset Financial Market Infrastructure providers, innovators, and investors operating in the global financial services sector.

Together, our members share the goal of encouraging the responsible global regulation of crypto and digital assets to unlock economic potential, improve lives, foster financial inclusion, protect security, and disrupt illicit activity.

We believe that achieving these goals requires informed, evidence-based policy decisions realised through collaborative engagement between regulators and industry. It also requires recognition of the transformative potential of crypto and digital assets, as well as new technologies, in improving and empowering the lives of global consumers.

We support and encourage a comprehensive UK digital asset regulatory approach which is robust, proportionate, and pro innovation. Appropriate regulatory guardrails are crucial to ensure the continued growth of the UK ecosystem, to further attract the predominantly global industry, and to realising the goal of making the UK a digital finance hub.

The input to this response has been curated through a series of member discussions, industry engagement, and roundtables, and both GDF and CCI are grateful to their members who have taken part.

As always, we remain at your disposal for any further questions or clarifications you may have, and we would welcome a meeting with you to further discuss these matters in more detail with our members.

Yours faithfully,

Elise Soucie Watts – Executive Director – GDF

Laura Navaratnam – UK Policy Lead – CCI

Response to the Public Consultations: Executive Summary

GDF and CCI broadly support the FCA's objective of establishing a robust, disclosure-led admissions and market abuse regime for cryptoassets that promotes market integrity, consumer protection and confidence in UK-authorised cryptoasset trading platforms (CATPs). We welcome the FCA's progress since DP24/4, particularly the shift towards outcomes-based requirements, greater recognition of decentralised and issuer-less market structures, and the increased emphasis on proportionality and feasibility.

A central theme of our response is that admissions to trading of cryptoassets should be framed consistently with the UK's Public Offers and Admissions to Trading (POAT) framework. Under POAT, admission rules are designed to support orderly markets, transparency and integrity, while responsibility for investor protection is delivered primarily through disclosure, distribution and conduct requirements at the point of sale. Trading venues are not required to make merit-based judgements about the suitability of an instrument for retail investors, nor to assume issuer-like responsibility where no issuer exists. We consider this role clarity essential to the effective functioning of UK cryptoasset markets.

Applying this logic to cryptoasset admissions, CATP admission decisions should focus on market integrity risks, such as fraud, manipulation, disorderly trading and operational resilience, rather than forward-looking judgements about asset suitability or consumer harm. Retail investor protection is more effectively delivered through proportionate disclosures (including QCDDs), risk warnings and intermediary conduct obligations. Without clearer boundaries, there is a risk that CATPs are pushed towards de facto product-merit or suitability assessments, which would represent a material departure from established UK market practice.

Across the proposals on due diligence, disclosure, and liability allocation, we repeatedly emphasise the need for alignment between responsibility, access to information and ability to exercise control. In decentralised or issuer-less contexts, CATPs cannot reasonably verify or stand behind all information relevant to a cryptoasset. The framework should therefore be anchored in a clearly articulated "commercially reasonable efforts" and reasonable reliance standard, consistent with POAT principles, to avoid exposing CATPs to disproportionate liability for matters outside their control.

We remain particularly concerned about structural incentives created by the current liability framework, including the "first preparer" problem for QCDDs where no issuer exists. Concentrating responsibility and liability on the first CATP to prepare a disclosure risks discouraging admission activity, delaying market access and reducing competition, especially for widely traded decentralised assets. Without further refinement, these dynamics could incentivise defensive delisting or overly conservative admissions decisions that fragment liquidity and undermine the UK's competitiveness as a trading venue.

We support the FCA's direction of travel on outcomes-based disclosure, industry-led standardisation, and the recognition of legitimate crypto-native practices within the market abuse regime. We also welcome the more targeted and proportionate approach to on-chain monitoring and cross-platform information sharing, particularly the decision to limit mandatory requirements to larger CATPs. However,

revenue-only thresholds are unlikely to be a reliable proxy for market-abuse risk, and we encourage the FCA to consider more risk-sensitive indicators such as trading volume, asset mix and retail exposure.

Overall, we believe the proposals provide a strong foundation for a credible UK cryptoasset admissions and market abuse regime. With further clarification on role boundaries, liability alignment, reliance standards and proportionality, particularly for decentralised and issuer-less assets, the framework can support high standards of market integrity and consumer protection while preserving competition, liquidity and international alignment. We would welcome continued engagement with the FCA to refine these areas and support effective implementation.

Response to consultation questions

A&D and MARC:

Question 1: Do you agree with our proposal to require CATPs to establish and publish admission criteria, and to take into account the non-exhaustive factors listed in CRYPTO 3.2? If not, which elements do you think should be changed? Please provide detailed rationale.

We broadly agree with the proposal to require CATPs to establish and publish transparent admission criteria, and with the objective of promoting structured, consistent and risk-based admissions decisions. Publicly articulated criteria can support market integrity, improve confidence in UK-authorised CATPs, and contribute to well-functioning markets.

We also consider it important that admissions criteria are calibrated in line with the FCA's statutory objectives, including proportionality and the secondary competitiveness and growth objective, to ensure the regime does not introduce unnecessary barriers to market access or listing.

We also welcome the FCA's acknowledgement that the factors listed in CRYPTO 3.2 are non-exhaustive and should be applied proportionately, rather than as a prescriptive checklist. This flexibility is essential given the diversity of cryptoassets, market structures and CATP business models. That said, we have several important observations on how these proposals should be framed and applied in practice:

- **CATP admissions should not be driven by retail suitability considerations** - While we recognise that many CATPs service a mix of retail and professional investors, we do not consider that retail suitability considerations should influence admission decisions. This proposed approach is currently inconsistent with the UK's Public Offers and Admissions to Trading (POAT) framework, under which trading venues are required to apply objective admission criteria focused on orderly markets and market integrity, while retail investor protection is delivered primarily through disclosure, distribution and conduct requirements at the point of sale. POAT explicitly recognises that different venues and market segments serve different investor audiences, without requiring venue-level merit assessments based on retail suitability. This clarification would not diminish retail protection; rather, it ensures that consumer safeguards operate where they are most effective, through disclosures, distribution conduct rules, and risk warnings, consistent with the design of the UK market framework.

  In traditional financial markets, regulated trading venues are required to apply objective admissions criteria focused on orderly trading, market integrity and operational robustness. They are not required to assess whether the admission of a financial instrument is suitable for, or could cause harm to, retail investors as such. Retail protection is instead achieved through issuer disclosure regimes, intermediary conduct obligations, and suitability or appropriateness assessments at the point of distribution.

  Some of the factors listed in CRYPTO 3.2 - particularly those framed around whether admission "could expose retail investors to material harm" - risk shifting CATPs towards a product merit or suitability role that goes beyond established venue responsibilities. This creates uncertainty as to

the scope of CATP obligations and risks blurring the boundary between admissions diligence and consumer protection. We therefore recommend that the FCA clarify that CATP admission criteria should focus on market integrity risks, including fraud, manipulation, disorderly trading and operational or technical deficiencies, rather than forward-looking judgements about the appropriateness of a cryptoasset for retail investors. Without clearer boundaries, there is a risk of supervisory expectations evolving into de facto product-merit assessments at venue level, which would represent a material departure from established UK regulatory practice. Providing explicit guidance that CATPs are not expected to perform suitability-style assessments would give greater legal certainty and support consistent supervisory outcomes.

- **Distinguishing fraud and manipulation risk from inherent asset risk** - We support CATPs taking into account credible evidence of fraud, market manipulation, or misconduct associated with a cryptoasset, including where governance or technical arrangements materially increase the risk of abusive behaviour. However, it is important to distinguish these risks from inherent market characteristics, such as price volatility, early-stage development, or novel use cases. These features are common to many legitimate cryptoassets and should not, in themselves, be treated as grounds for restricting admission. Poorly calibrated admissions expectations may also incentivise defensive de-listing or deter admission of legitimate assets, which could reduce liquidity, fragment markets, and weaken the UK's competitive position relative to comparable international frameworks such as MiCA.

  Absent this distinction, there is a risk that volatility or novelty is conflated with consumer harm, leading to overly conservative or inconsistent admissions outcomes. Such an approach would be better addressed through disclosures, risk warnings and intermediary conduct obligations, rather than at the point of venue admission.

- **Proportionality and feasibility in global and decentralised markets** - Many cryptoassets are globally traded, decentralised, or issuerless. In these cases, CATPs will often have limited ability to verify or influence governance arrangements, development roadmaps or token distribution. We therefore support the application of a "commercially reasonable efforts" standard but encourage the FCA to provide further clarity on its practical application. In particular, CATPs should not be expected to:
  - Replicate issuer-level due diligence where no issuer exists.
  - Police activity occurring entirely outside their platform.
  - Meet standards that are not realistically achievable given the global and decentralised nature of cryptoasset markets.

Codifying a "commercially reasonable efforts" standard would therefore provide an appropriate supervisory benchmark and avoid holding CATPs responsible for information asymmetries inherent to decentralised or issuer-less cryptoasset markets. Clear calibration is essential to avoid defensive de-listing and unnecessary market fragmentation, which would undermine liquidity and the FCA's secondary objective to facilitate competitiveness and growth.

Question 2: Do you agree with our proposal to require CATPs to conduct due diligence before admitting a qualifying cryptoasset to trading? If not, which elements should be amended, and why?

GDF and CCI support the FCA's objective of requiring CATPs to conduct due diligence prior to admitting qualifying cryptoassets to trading, recognising the importance of robust admission standards in supporting market integrity and consumer protection. We agree that CATPs are well placed to act as gatekeepers and to apply admission criteria that reflect risks to users and the orderly functioning of markets. This approach is consistent with the UK's Public Offers and Admissions to Trading (POAT) framework, under which trading venues are responsible for applying objective admission standards focused on orderly markets and market integrity, while responsibility and liability for the accuracy and completeness of disclosures rests with issuers or offerors where they exist. POAT does not require venues to undertake issuer-level verification or to assume regulatory responsibility for the merits or long-term viability of admitted instruments. In implementing these requirements, it will be important that due diligence expectations are calibrated to the FCA's statutory objectives, including proportionality and the secondary competitiveness and growth objective, to avoid creating unnecessary barriers to market access or inhibiting innovation.

However, we continue to emphasise, as set out in our response to DP24/4 that due diligence obligations must be proportionate, risk-based, and operationally feasible, and should not result in CATPs being expected to perform issuer-level verification or assume quasi-regulatory roles that are misaligned with their position in the market. We also encourage the FCA to recognise that many cryptoassets are admitted to trading across multiple global venues. CATPs cannot validate issuer information, governance developments or technical changes occurring outside their platform, and due diligence expectations should reflect this multi-venue reality.

Clear limits on what constitutes "reasonable" due diligence

A clear supervisory benchmark is required to avoid uncertainty in how these obligations are interpreted in practice. In our view, due diligence should be assessed against a "commercially reasonable efforts" standard that reflects the CATP's role, access to information, and practical ability to influence underlying arrangements.

As with admissions to trading under the POAT regime, due diligence expectations should be calibrated to the role, access to information, and practical capabilities of the trading venue. Even in traditional financial markets, venues are not expected to verify issuer intent, governance quality, or off-venue conduct beyond what is reasonably observable and relevant to orderly trading.

We recommend that the FCA provide clearer boundaries around what is expected of CATPs, particularly where:

- There is no identifiable issuer or controlling entity; and/or
- The cryptoasset is decentralised, permissionless, or globally distributed.

In such cases, due diligence should be limited to:

- Assessment of publicly available information;
- Evaluation of technical, governance, and operational risks that are reasonably observable; and
- Consideration of whether the asset presents clear risks of consumer detriment or market disorder.

This calibration is essential to ensure that CATPs are not required to validate assertions or forward-looking representations that cannot be objectively verified at the point of admission.

CATPs should not be expected to verify matters that are inherently unverifiable (e.g., ultimate developer intent, off-chain governance dynamics, or informal community structures).

Liability and accountability should align with role and access to information

We remain concerned that the proposed framework, if not carefully calibrated, could expose CATPs to disproportionate liability for matters outside their control, particularly where CATPs are required to prepare disclosure documents in the absence of an issuer. In traditional markets, the recent POAT reforms make clear that liability for disclosures and underlying asset characteristics should align with the party best placed to control and verify the relevant information. Extending issuer-style liability to CATPs, particularly in cases where no issuer exists, would represent a significant departure from this principle and risk undermining legal certainty and venue participation.

There is also a risk that, absent clearer boundaries, CATPs become the default bearer of issuer-like obligations in cases where no issuer exists. This outcome would be inconsistent with POAT and other UK disclosure regimes, where liability is aligned with the party best placed to control or verify the underlying information. Ensuring consistency across regimes is important for legal certainty and to avoid unintended disincentives for participation in UK markets.

We therefore encourage the FCA to:

- Clarify that CATP due diligence obligations are assessed against a "commercially reasonable efforts" standard;
- Explicitly permit reliance on third-party audits, attestations, and recognised data providers; and
- Confirm that CATPs are not expected to duplicate issuer-level diligence or assume responsibility for the underlying design or long-term viability of a cryptoasset.

Need for greater differentiation by cryptoasset type and market context

While we welcome the FCA's risk-based framing, we encourage further explicit differentiation in how due diligence expectations apply across:

- Decentralised vs centrally issued cryptoassets;
- Large-cap, widely traded assets vs novel or high-risk tokens; and
- Retail-accessible venues vs venues restricted to qualified or professional investors.

We also encourage the FCA to continue considering international interoperability, including alignment with MiCA and other emerging disclosure standards, to reduce duplication for globally active firms and support cross-border consistency in admissions processes.

We also note that cryptoassets are not financial instruments, and the regulatory framework appropriately reflects this distinction. Due diligence expectations should therefore not default to the standards applied to financial instruments such as securities or derivatives but instead be calibrated to the specific risks posed by different categories of cryptoassets and market contexts. Absent clearer differentiation, there is a risk that a uniform due diligence standard could unintentionally create barriers to admission, reduce asset availability, or incentivise overly conservative listing decisions that limit competition and consumer choice.

Avoiding unintended consequences for market access and competition

We note that overly burdensome or uncertain due diligence expectations may:

- Encourage CATPs to de-list or avoid admitting otherwise legitimate assets;
- Consolidate activity among a small number of large venues with greater compliance resources; and
- Reduce the UK's attractiveness as a venue for cryptoasset trading relative to other jurisdictions.

A clearly defined, proportionate due diligence framework is therefore essential to ensure that UK-authorised CATPs remain competitive with international venues. Excessive or ambiguous requirements could unintentionally reduce liquidity and fragment the market, contrary to the FCA's aim of supporting efficient, competitive, and well-functioning markets.

As the POAT reforms in traditional markets recognise, disproportionate admission burdens at venue level risk reducing market access and liquidity without commensurate consumer protection benefits. We therefore encourage the FCA to ensure that admission due diligence supports, rather than undermines, competitive and innovative markets, consistent with the FCA's secondary competitiveness and growth objective.

Guidance, templates, and transition will be critical

Finally, we strongly encourage the FCA to accompany any final rules with:

- Clear guidance and illustrative examples of proportionate CATP due diligence in different scenarios;
- Consideration of standardised admission checklists or best-practice frameworks developed in partnership with industry; and
- Adequate transitional arrangements for assets already admitted to trading, to avoid unnecessary disruption.

This is particularly important for widely traded decentralised assets already available in the UK, where disproportionate transition requirements could lead to consumer disruption unrelated to risk.

Question 3: Do you agree with our proposal to require CATPs to keep records of their due diligence processes and the rationale for admission or rejection decisions for at least 5 years (or at least 7 years where requested by the FCA)? If not, what alternative approach to record retention would be more appropriate?

We broadly agree with the proposal to require cryptoasset trading platforms (CATPs) to retain records of their admissions due diligence processes and the rationale for admission or rejection decisions. Maintaining an auditable record of admissions decisions is consistent with established regulatory practice for trading venues and supports effective supervision, accountability, and confidence in the admissions framework. In particular, such records can enable the FCA to assess whether CATPs are applying their published admission criteria in a consistent and risk-based manner (also preserving public confidence in the admissions process), and to review decision-making where concerns arise. To avoid uncertainty in implementation, we consider it important for the FCA to clarify that record-keeping requirements pertain

to documenting the CATP's decision-making process, rather than necessitating the retention of all underlying materials or third-party datasets consulted during the assessment.

We consider the proposed five-year baseline retention period to be broadly appropriate and aligned with existing record-keeping expectations across financial services. Allowing the FCA to request longer retention in specific cases is also reasonable, provided this is applied proportionately and on a targeted basis. That said, we encourage the FCA to clarify and refine the proposal in the following respects.

1. *Proportionality and scope of records*

We also encourage the FCA to confirm that record-keeping obligations will be assessed against a "commercially reasonable efforts" standard, reflecting what information a CATP could reasonably obtain, verify and document at the time of the admission decision.

The nature and depth of admissions due diligence will necessarily vary depending on:

- The characteristics of the cryptoasset.
- Whether the asset is issuer-led or decentralised.
- The availability of reliable public information.
- The CATP's business model and target market.

Record-keeping expectations should therefore be proportionate to the level of diligence reasonably undertaken, rather than implying a uniform or exhaustive evidentiary standard. In particular, CATPs should not be expected to retain information that they could not reasonably obtain or verify at the time of the decision. For avoidance of doubt, many relevant data sources, such as public blockchain explorers, open-source repositories or dynamic market-data feeds, are inherently ephemeral and cannot be preserved in static form.

2. *Clarity on purpose and use of records*

We recommend that the FCA clarifies that the purpose of these records is to evidence the process and rationale applied at the point of decision-making, and to support supervisory review where concerns arise, rather than to facilitate retrospective re-assessment of admissions decisions against information that emerged after the event.

We therefore encourage the FCA to make clear that supervisory assessments will be based on the information reasonably available to the CATP at the time of the decision, rather than on subsequent market developments or newly emerged information.

Without this clarity, there is a risk of defensive behaviour by CATPs, including overly conservative admissions or unnecessary documentation burdens, which could undermine effective competition and innovation.

3. *Interaction with global and decentralised markets*

Given the global and dynamic nature of cryptoasset markets, CATPs may rely on external data sources, third-party analytics, or publicly available information that may not remain static over time. We encourage the FCA to confirm that CATPs are not expected to preserve or snapshot all underlying external data indefinitely, provided the decision-making rationale and key inputs are appropriately documented.

Providing clarity that expectations do not vary unpredictably across centralised and decentralised assets would further support consistent application and reduce the risk of inadvertent divergence in supervisory outcomes.

Question 4: Do you agree with our proposed approach for cases where CATPs cannot fully verify certain information during due diligence? If not, what alternative approach would you suggest?

GDF and CCI welcome the FCA's revised approach recognising that, in certain cases, CATPs will be unable to fully verify all information during the due diligence process, particularly for decentralised or issuer-less cryptoassets. This is a constructive evolution from the Discussion Paper, and reflects a similar recognition in the UK's revised POAT framework, which accepts that trading venues must often make admission decisions on the basis of incomplete or evolving information, provided that reasonable diligence is undertaken and material uncertainties are appropriately disclosed, However, we still have concerns as to how this approach will operate in practice.

To ensure that this approach operates proportionately in practice, we consider it important that expectations on verification are aligned with the FCA's statutory objectives, including proportionality and the secondary competitiveness and growth objective. Clear constraints on what CATPs can reasonably verify will help avoid unnecessary barriers to admission and ensure that UK markets remain internationally attractive.

In particular, permitting admission where information gaps are disclosed does not, on its own, provide sufficient clarity or comfort around CATP liability. As set out in our response to DP24/4, CATPs frequently lack access to issuers, developers, or governance bodies, and cannot reasonably validate off-chain representations or future development intentions. As with admissions under the POAT regime, CATPs should not be exposed to ex post liability or supervisory challenge for information that was inherently unverifiable at the time of admission, where they have acted in good faith and in accordance with published criteria and reasonable diligence standards. Without clearer standards or safe-harbour protections, CATPs may remain exposed to ex post scrutiny for matters that were inherently unverifiable at the point of admission, notwithstanding good-faith and reasonable efforts.

It would also be helpful for the FCA to distinguish between information that is capable of objective verification at the time of admission, and information that is inherently forward-looking, contingent, or unverifiable (for example, future governance decisions, roadmap intentions, or decentralised community actions). CATPs should only be accountable for validating information in the former category.

We therefore encourage the FCA to more explicitly articulate the evidential and reliance standards that will apply in such circumstances. Consistent with the approach taken under POAT, this should include clear confirmation that CATPs may rely on appropriate third-party sources and market-standard assurances, without being required to independently verify matters beyond their reasonable access or control, including publicly available information, independent audits, open-source code reviews, and reputable third-party data providers, and that compliance will be assessed against a "commercially reasonable efforts" or "reasonable reliance" standard. Absent this clarity, CATPs may, as set out above, be incentivised to adopt overly conservative listing practices, reducing market access without delivering commensurate consumer protection benefits.

We also encourage the FCA to ensure that evidential and reliance standards are applied consistently across different types of cryptoassets. A fragmented or asset-specific supervisory approach risks creating uncertainty for firms and may incentivise defensive admissions practices.

Finally, we remain concerned that the proposed approach risks blurring the boundary between CATP and issuer responsibilities, particularly where CATPs are required to prepare disclosure documentation in the absence of an identifiable issuer. The POAT reforms underscore the importance of aligning responsibility and liability with the party best placed to control and verify the relevant information. Requiring CATPs to assume issuer-like responsibility in issuer-absent contexts would represent a material departure from this principle and risk undermining legal certainty and venue participation. We reiterate that CATPs should not be placed in a de facto issuer-like role for representations about token design, governance intent, or long-term viability. Clear role-based boundaries and further illustrative guidance would materially improve consistency of application and support the FCA's objective of a proportionate, risk-based admissions regime. Providing explicit guidance on the point at which a CATP will be deemed to have satisfied its verification duty, based on reasonable access to information, documented diligence, and disclosure of residual uncertainties, would materially improve legal certainty and enable firms to apply the regime confidently and consistently.

Question 5: Do you agree with our proposal that CATPs should only admit a qualifying cryptoasset where a QCDD has been prepared and published, subject to the exceptions we set out? If not, please provide detailed alternative suggestions.

GDF and CCI understand and support the FCA's underlying objective in proposing that a qualifying cryptoasset should only be admitted to trading where a Qualifying Cryptoasset Disclosure Document (QCDD) has been prepared and published. We recognise the importance of ensuring that investors have access to clear, accurate and decision-useful information, and we agree that disclosure plays a central role in promoting market integrity and consumer protection within the UK cryptoasset regime.

We also welcome the FCA's evolution since DP24/4 in recognising that, in certain cases, no identifiable issuer may exist and that CATPs may prepare a QCDD in those circumstances. This reflects a balanced understanding of cryptoasset market structures. However, while we support the policy objective, we remain concerned that the proposal, as currently framed, may present material challenges in implementation that risk undermining proportionality and operability in practice. We therefore consider it important that the QCDD framework is calibrated in line with the FCA's statutory objectives, including

proportionality and the secondary competitiveness and growth objective, to ensure the regime does not impose disclosure obligations that exceed what is reasonably deliverable for certain cryptoassets.

In particular, there remains a risk that the QCDD regime functions, in effect, as a prospectus-style requirement, especially where admission is made conditional on the existence of a QCDD regardless of asset type or market context. As set out in our response to DP24/4, cryptoassets do not follow a uniform issuance model, and imposing issuer-style disclosure expectations through CATP-authored QCDDs may be misaligned with decentralised or legacy cryptoassets (such as Bitcoin as noted in 2.72 of the CP) that lack a natural disclosure author. This could discourage admission of otherwise legitimate and widely traded assets due to uncertainty around the sufficiency or defensibility of disclosures, rather than risk-based concerns. It would be helpful for the FCA to clearly distinguish between preparing a disclosure document and validating the underlying information contained within it. CATPs can reasonably collate and present information, but they cannot meaningfully attest to its accuracy where no issuer exists or where information is derived from decentralised, community-driven sources.

We also remain concerned that requiring CATPs to prepare QCDDs as a condition of admission risks blurring the boundary between CATP and issuer responsibilities. Even where uncertainty is disclosed, CATPs are not well placed to make or stand behind representations relating to token design, governance intent, or future development. Without clearer constraints on scope and liability, the requirement may unintentionally place CATPs in a de facto issuer-like role, inconsistent with their access to information and position in the market. To support predictable supervision, we encourage the FCA to confirm that CATP obligations relating to CATP-authored QCDDs will be assessed against a "commercially reasonable efforts" standard, reflecting the information a CATP could reasonably obtain and document at the time of admission.

Further, while the FCA has acknowledged the importance of cross-border alignment, the current proposal still risks duplication and fragmentation in the absence of a clearly operationalised pathway for recognising robust overseas disclosures (for example, MiCA-compliant whitepapers) with a UK-specific addendum. Requiring a standalone QCDD as a condition of admission, without formal reuse mechanisms, may increase costs without delivering commensurate improvements in investor understanding. To operationalise this, we suggest the FCA consider a formal mechanism, such as a recognition, certification or safe-harbour pathway, through which CATPs may rely on overseas disclosure documents that meet equivalent standards, supplemented only by UK-specific information where genuinely required.

Finally, we note the potential impact on legacy cryptoassets already admitted to trading. If admission is contingent on the preparation of a QCDD without adequate transitional arrangements or flexibility for established assets, CATPs may be forced to suspend or withdraw access for reasons unrelated to consumer detriment or market integrity. This would be disruptive for users and inconsistent with a proportionate transition to the new regime. It would also be helpful for the FCA to confirm that CATPs will not be expected to reconstruct historical disclosures or recreate information that has never existed, particularly for legacy decentralised assets.

In light of the above, while we support the FCA's objective of strengthening disclosure standards, we encourage further refinement of the QCDD framework to ensure it is proportionate, differentiated by asset type and market context, and operable in practice. Clarifying the scope and liability associated with CATP-authored QCDDs, enabling structured reuse of overseas disclosures, and providing pragmatic

transitional arrangements would materially improve the effectiveness and credibility of the regime. Finally, providing illustrative guidance on what constitutes a "sufficient" QCDD for different asset archetypes, particularly where information is inherently limited, would materially enhance legal certainty and support consistent implementation across CATPs.

Question 6: Do you agree with our proposal relating to SDDs? If not, please explain what changes you would suggest and why.

GDF and CCI support the FCA's proposals for QCDDs being point-in-time disclosures at the point of admission to trading and only requiring Subsequent Disclosure Documents (SDDs) to be prepared if a material new factor, mistake or inaccuracy arises or is noted between publication of a QCDD and admission to trading. We agree with the proposed approach of addressing ongoing disclosures post-admission via requirements for the disclosure of inside information under MARC, rather than requiring further updates to disclosure documents which would be costly and disproportionate.

However, we would reiterate our points in the responses above relating to the proportionate calibration of CATP due diligence and verification requirements relating to QCDDs, which apply equally in relation to SDDs.

Similarly, like for QCDDs, it would be helpful for the FCA to ensure that the A&D regime adequately takes account of the practical challenges around access to information and preparation of disclosure documents where the CATP is responsible for this, particularly in relation to decentralised, issuer-less or legacy cryptoassets. In this regard, it would be helpful for the FCA to clarify that CATPs should be permitted to rely on publicly available disclosures, third-party statements, or issuer communications, and to clearly flag uncertainty or information gaps where relevant. We also encourage the FCA to confirm that CATPs are not expected to verify or interpret complex technical assertions, such as protocol upgrades, consensus changes, or smart contract modifications, beyond the extent to which such information is presented in accessible and credible sources.

Finally, we encourage the FCA to provide further guidance and illustrative examples on how SDD obligations are expected to operate in practice across different cryptoasset types, including decentralised networks and legacy assets. Clear parameters around reliance, timing, and evidential standards would materially reduce uncertainty and support consistent application across the market.

In summary, while we support the objective of keeping consumers informed of material developments between publication of a QCDD and admission to trading, we consider that further clarification is needed to ensure the SDD regime is operable in practice, proportionate to CATPs' role, and does not inadvertently place liability on firms for information they cannot reasonably access or verify.

Question 7: Do you agree with our proposal to introduce high-level, outcomes-based disclosure rules and guidance for what we expect CATPs to require in their rules for QCDDs, while allowing CATPs flexibility to determine additional disclosures where appropriate? If not, how should this approach be amended?

GDF and CCI support the FCA's proposal to adopt high-level, outcomes-based disclosure rules and guidance for Qualifying Cryptoasset Disclosure Documents (QCDDs). We agree that an outcomes-focused approach is well suited to cryptoasset markets and provides the flexibility needed to accommodate evolving technologies, business models and risk profiles. We also recognise that this approach can facilitate alignment with international disclosure standards, which we strongly support.

However, we consider that further clarity is needed on how the FCA intends to assess whether the intended outcomes have been met in practice, particularly where CATPs are reliant on third-party or publicly available information. Clear supervisory expectations will be critical to ensuring that outcomes-based rules deliver consistency and proportionality, without encouraging overly defensive disclosure practices or retrospective judgements based on information that was not reasonably accessible at the time of admission. In particular, outcomes should be framed in a way that reflects what a CATP can reasonably achieve given its access to information, especially for decentralised or issuer-less cryptoassets.

In this context, we encourage the FCA to articulate more clearly the assessment framework it will apply when reviewing QCDDs, including how it will evaluate materiality, completeness and reasonableness in light of the cryptoasset's characteristics and the CATP's access to information. Explicit recognition that compliance will be assessed against a "commercially reasonable efforts" standard, taking into account the nature of the cryptoasset and market structure, would materially support operability. It would also be helpful for the FCA to provide indicative thresholds or illustrative examples of what will be considered sufficient to meet each outcome, to promote consistency of interpretation and avoid firms adopting unnecessarily defensive disclosure practices.

Additionally, we encourage the FCA to use the outcomes-based structure to ensure that the UK regime itself is closely aligned with global disclosure norms and developments, including recognised international standards and major overseas frameworks. A disclosure regime that supports reuse of robust overseas disclosures, with limited UK-specific additions where necessary, would better promote reciprocity, reduce duplication, and support the UK's competitiveness as a venue for cryptoasset activity. In practical terms, this could include a formal recognition or certification mechanism for robust overseas disclosure documents, supported by a clear list of jurisdictions or standards that the FCA considers broadly equivalent.

In summary, we support the FCA's outcomes-based approach and see it as a strong foundation for a future-proof disclosure regime. To maximise its effectiveness, we encourage further clarity on supervisory assessment and a continued focus on FCA-level international alignment, rather than reliance on CATP-specific disclosure layering.

Finally, we encourage the FCA to clarify that any CATP-specific disclosure enhancements should be justified by demonstrable, asset-specific risk rather than emerging as an implicit expectation across the market, to avoid uneven or duplicative disclosure burdens.

Question 8: Do you agree with our proposal to require a short summary of key information to be included in each QCDD? If not, please explain your reasons.

We agree with the proposal to require a short summary of key information within each QCDD, which should support more accessible and standardised consumer disclosures. We encourage the FCA to ensure that the summary requirement remains proportionate and high-level, reflecting the information reasonably available to CATPs rather than implying a need to validate or recreate technical details that may not be accessible, particularly for decentralised assets.

In relation to the requirement to include the name of the qualifying cryptoasset, alongside any digital token identifier, we encourage the FCA to consider how naming conventions can be applied consistently in practice. Aligning the disclosed asset name with established reference conventions - such as the Digital Token Identifier (DTI) long name (e.g. “Bitcoin”) and/or DTI short name or ticker (e.g. “BTC” or “XBT”) - could support consumer clarity while improving comparability of disclosures across firms and platforms.

Question 9: Do you consider that industry-led initiatives could play a useful role in developing standardised disclosure templates for QCDDs? If not, what alternative approaches should be considered to facilitate the creation of industry led solutions?

GDF and CCI strongly agree that industry-led initiatives could play a useful and constructive role in developing standardised disclosure templates for Qualifying Cryptoasset Disclosure Documents (QCDDs), and we welcome the FCA’s evolved position recognising the value of such initiatives.

We also support the FCA’s approach of anchoring the regime in a clear, FCA-defined minimum disclosure baseline, while enabling industry collaboration to develop standardised templates that support consistency, comparability and operational efficiency across the market. In our view, this combination appropriately balances regulatory certainty with the flexibility needed to accommodate diverse cryptoasset structures and evolving market practices.

Consistent with our previous response, we continue to support a two-layer disclosure model:

(i) A mandatory minimum disclosure list set by the FCA; and

(ii) Industry-developed templates for more detailed disclosures, structured in a way that can be adapted to different cryptoasset typologies and risk profiles.

It will be important that any industry-developed templates are structured to accommodate decentralised or issuer-less cryptoassets, and do not assume the existence of information that may not reasonably be obtainable. Templates should therefore focus on outcomes and decision-usefulness, rather than replicating issuer-style disclosure formats. This approach aligns with the FCA’s stated objective of outcomes-based disclosure while avoiding unnecessary prescription at the venue level.

We agree with the FCA that industry-led templates should not displace regulatory responsibility or supervisory oversight. Rather, their value lies in promoting consistent implementation of regulatory outcomes, reducing fragmentation between CATPs, and supporting reuse of disclosures across platforms and jurisdictions. Industry templates developed through open, collaborative processes can also help

ensure that disclosures remain decision-useful for consumers, rather than expanding in scope through incremental, venue-specific requirements. We also encourage the FCA to signal that industry templates should be treated as the default mechanism for meeting disclosure expectations, to avoid unnecessary divergence between CATPs and to prevent the emergence of fragmented, venue-specific disclosure regimes.

To maximise the effectiveness of this approach, we consider it important that industry-led initiatives are supported by:

- Clearly articulated FCA expectations for minimum disclosures and desired outcomes;
- Ongoing FCA engagement and feedback to ensure alignment with supervisory intent;
- Flexibility to update templates as markets and international standards evolve; and
- A commitment to avoid unnecessary duplication where robust overseas disclosures already exist.

Consideration could also be given to a light-touch FCA acknowledgement or endorsement mechanism for industry templates, providing firms with confidence that reliance on these templates will be treated as consistent with regulatory expectations.

With respect to the minimum disclosure baseline, we reiterate our strong support for including a clear identifier code for distinguishing the cryptoasset and continue to support the use of the Digital Token Identifier (DTI) for this purpose. The use of a standardised identifier would enhance comparability across CATPs, improve data quality, and enable consumers to reference consistent information about the same cryptoasset across different venues.

Finally, we note the FCA's recognition that cryptoassets may have different uses depending on context, including both trading and non-trading functions. We encourage the FCA to ensure that both the baseline requirements and any industry-developed templates apply by reference to trading activity, rather than assuming a fixed categorisation of the token in all circumstances.

In summary, we strongly support the FCA's direction of travel in encouraging industry-led standardisation within a clear regulatory framework. Properly structured, this approach can enhance consistency, support international alignment, and contribute to a proportionate and future-proof disclosure regime.

Question 10: Do you agree with our proposal to require CATPs to disclose conflicts of interest in QCDDs, retain evidence of equivalent due diligence undertaken and implement enhanced governance measures? If not, what alternative measures would you suggest to address conflicts of interest in the admission process? Please provide details.

GDF and CCI broadly support the FCA's proposal to require CATPs to disclose conflicts of interest in QCDDs, retain evidence of equivalent due diligence undertaken, and implement enhanced governance measures in relation to cryptoasset admissions. We agree that clear identification and management of conflicts is an important component of a credible and trusted admission framework, and that CATPs should be expected to maintain robust internal controls in this area.

That said, we encourage the FCA to ensure that the proposed requirements are proportionate, clearly scoped, and aligned with existing conflicts frameworks, to avoid unnecessary duplication or operational complexity without corresponding consumer benefit.

First, we recommend greater clarity on the scope and materiality threshold for conflicts that must be disclosed in QCDDs. CATPs typically already operate under established conflicts of interest policies and governance arrangements. Requiring disclosure of immaterial or remote conflicts risks diluting the usefulness of disclosures for consumers and may encourage over-disclosure. We therefore suggest that QCDD disclosures focus on material conflicts directly relevant to the admission and trading of the specific cryptoasset, rather than broader, entity-level conflicts already addressed through internal governance frameworks. We also note that including highly technical or immaterial conflicts in consumer-facing disclosures may risk confusing or misleading users, given that such information may not meaningfully inform investment decisions. A clear materiality threshold would therefore improve decision-usefulness and support the FCA's outcome-focused approach.

Secondly, while we support the requirement to retain evidence of due diligence, it would be helpful for the FCA to clarify how this requirement interacts with existing record-keeping obligations and supervisory expectations. In particular, CATPs should not be required to duplicate documentation or maintain parallel evidentiary trails where equivalent due diligence has already been undertaken in line with existing regulatory or internal processes. Clear guidance on what constitutes "equivalent" due diligence would support consistency and reduce unnecessary burden. For operational efficiency, we suggest that CATPs should be able to rely on existing internal controls, governance audits, and compliance records as evidence of equivalent due diligence, rather than being expected to create standalone documentation solely for admissions purposes.

Thirdly, we encourage the FCA to calibrate enhanced governance measures in a risk- and scale-sensitive manner. Smaller or less complex CATPs may not require the same governance structures as large, vertically integrated platforms. Applying enhanced governance expectations proportionately, taking into account business model, asset types admitted, and retail exposure, would also align with the FCA's outcomes-based approach. Governance expectations should also take into account the structural characteristics of the cryptoassets being admitted. For decentralised or issuer-less assets, certain conflict scenarios may simply not be applicable, and CATPs should not be expected to implement governance measures that assume the presence of a centralised issuer or controlling entity.

Finally, we note that conflicts in cryptoasset markets may arise in novel ways, including through vertical integration, proprietary trading, or token-related interests. We encourage the FCA to support the regime with illustrative guidance or examples of common crypto-specific conflict scenarios and appropriate mitigants, rather than relying solely on high-level principles.

We also encourage the FCA to clarify the point at which a CATP will be deemed to have satisfied its conflicts-related obligations, based on documented policies, reasonable identification processes, and proportionate disclosures, to ensure predictable supervisory outcomes and reduce the risk of retrospective assessments.

In summary, while we support the FCA's proposed approach to conflicts of interest in the admission process, further clarification on materiality, evidential expectations, and proportionality would strengthen implementation and ensure that disclosures remain meaningful for consumers.

Question 11: Do you agree with our proposal to require CATPs to file approved QCDDs (and SDDs, if any) with an FCA-owned centralised repository before trading starts, and to publish them on their websites alongside an up-to-date list of QCDDs and any SDDs for admitted qualifying cryptoassets? If not, how should these requirements be amended?

GDF and CCI recognise and welcome the FCA's evolution in its approach to these requirements. In particular, we acknowledge that the FCA has considered earlier feedback on the challenges associated with applying traditional NSM-style models to cryptoasset markets and has sought to adapt the approach accordingly. We also consider that any centralised repository model should be calibrated in line with the FCA's proportionality and secondary competitiveness and growth objectives, ensuring that operational requirements do not introduce unnecessary burdens or barriers to admission.

We agree in principle that a centralised repository could support improved transparency, accessibility and comparability of disclosures. However, based on our previous feedback, we continue to believe that further adjustments are required to ensure the proposed model is operationally workable and proportionate in the context of cryptoasset markets.

First, we remain concerned about the timing and sequencing of filing requirements. Requiring QCDDs (and any SDDs) to be filed with the FCA-owned repository before trading starts, or immediately upon updates, may be challenging in practice, particularly for SDDs, where CATPs may not have direct or real-time access to updated information. We therefore encourage the FCA to provide explicit flexibility or grace periods that reflect reasonable operational constraints and reliance on third-party or publicly available sources. It would also be helpful for the FCA to clarify whether the repository will support efficient technological interfaces, such as APIs or automated submission channels, to ensure that filing requirements can be met reliably and without manual duplication across venues.

Secondly, while we support publication of disclosures to improve consumer access, we note ongoing practical challenges around duplication, version control, and consistency. Cryptoassets are typically traded across multiple venues and jurisdictions, often relying on a common set of disclosures. Requiring each CATP to file and maintain parallel records risks fragmentation and inconsistency, particularly where updates occur asynchronously across venues.

To mitigate these risks, we encourage the FCA to consider mechanisms that support:

- Reuse of a single authoritative disclosure record where appropriate;
- Clear versioning and update controls to avoid conflicting or outdated disclosures; and
- Alignment with overseas disclosure regimes and repositories, where feasible.

In addition, the FCA could consider a recognition or interoperability framework for overseas repositories where equivalent disclosure standards apply. This would avoid duplicative filings for globally traded assets and support smoother cross-border operations.

Finally, we reiterate the importance of proportionate transitional arrangements, particularly for cryptoassets already admitted to trading. Without sufficient transition periods, CATPs may be forced to suspend or withdraw assets for documentation-related reasons rather than risk-based considerations, which would be disruptive for users and inconsistent with a proportionate implementation of the regime. We also encourage the FCA to clarify that CATPs will not be expected to recreate historical disclosure records for legacy assets where such documentation has never existed or is no longer reasonably recoverable.

We therefore encourage the FCA to ensure that the centralised repository is supported by clear operational service standards, including availability, resilience, and update timeliness, to give CATPs confidence that compliance dependencies are reliably supported.

In summary, while we support the FCA's objective and recognise the progress made since earlier proposals, we consider that further refinement is needed to ensure the centralised repository framework is fit for purpose, supports efficient implementation, and reflects the realities of cryptoasset markets.

Question 12: Do you agree with our proposed approach to allocating responsibility and liability for QCDDs and SDDs (if any)? If not, how should this framework be amended?

GDF and CCI recognise that the FCA has sought to clarify the allocation of responsibility and liability for QCDDs and SDDs since the Discussion Paper, and we welcome the intention to align accountability with the party preparing the disclosure. We agree with the principle that responsibility should sit with those best placed to control and validate the relevant information. This principle is also reflected in the UK's revised POAT framework, which explicitly seeks to align disclosure liability with control over, and access to, the relevant information. In our view, the current proposals do not yet achieve that alignment for decentralised or issuer-less cryptoassets. In our view, any liability framework must also be calibrated in line with the FCA's proportionality and secondary competitiveness and growth objectives, to avoid disincentivising admission activity or creating barriers that disproportionately impact UK-authorised CATPs.

We therefore consider that significant structural issues remain in the proposed framework, particularly in its application to decentralised or issuer-less cryptoassets, and in the incentives it creates for CATPs in practice.

First, the framework continues to assume that responsibility and liability can be cleanly allocated in a manner analogous to traditional issuer-led markets. As we set out in our response to DP24/4, this assumption does not hold for many cryptoassets, particularly decentralised networks where there is no identifiable issuer, no controlling entity, and no party with privileged or comprehensive access to information. In such cases, assigning full responsibility and liability to the CATP that prepares a QCDD risks misaligning accountability with access to information and ability to exercise control. Under POAT, where no issuer or offeror exists, liability is not simply reassigned to trading venues by default. Extending issuer-style liability to CATPs in issuer-absent cryptoasset contexts therefore represents a material departure from established UK regulatory principles.

Secondly, we remain concerned about the "first preparer" problem inherent in the proposed approach. Where no issuer exists and a CATP prepares the initial QCDD as set out in 2.125 of the CP, that CATP would bear primary responsibility and liability for the disclosure, even though subsequent CATPs may rely on the same information to admit the asset to trading. This outcome is directly at odds with the POAT framework's emphasis on avoiding structural disincentives to admission and ensuring that liability does not arbitrarily attach to the first market participant to act in the absence of an issuer. It creates a strong disincentive for any CATP to be the first to admit or document a cryptoasset, potentially leading to a chilling effect on listings, delayed market access, and reduced competition. This risk is particularly acute for widely traded decentralised assets, where no single venue should reasonably be expected to assume outsized liability simply by acting first. To mitigate this risk, the FCA could consider enabling a shared or common disclosure record for issuer-less assets, so that responsibility does not attach solely to the first CATP to prepare a QCDD where all subsequent CATPs rely on the same publicly available information. Such an approach would better reflect the decentralised nature of these assets and avoid creating arbitrary liability concentrations.

Thirdly, while the FCA envisages reliance on third-party information, audits, or publicly available sources, the liability framework does not yet provide sufficient comfort that CATPs will not be held responsible for inaccuracies or omissions originating from those third parties. In contrast, POAT explicitly permits reliance on third-party information and market infrastructure where reasonable, without transferring substantive liability for the accuracy of that information to trading venues acting in good faith. As emphasised in our previous response, CATPs should be permitted to rely on third-party statements, open-source documentation, and independent audits without assuming liability for their substantive correctness, provided they have acted in good faith and with commercially reasonable care. We therefore encourage the FCA to provide explicit safe-harbour language confirming that where CATPs rely on reputable third-party sources, and clearly disclose the basis for that reliance, they will not be held responsible for inaccuracies not reasonably detectable at the time of preparation. This would align the framework with POAT's 'reasonable reliance' principles.

Fourthly, similar concerns arise in relation to SDDs. CATPs may not have timely or direct access to information triggering an SDD, particularly where changes arise from decentralised governance processes or external events. Imposing liability for delayed or incomplete updates in such circumstances risks holding CATPs accountable for information asymmetries that are inherent to the market structure. We also note that in decentralised networks, material developments may not be discoverable until they are widely recognised by the market or reflected in publicly observable network activity. Liability expectations should therefore reflect not only the CATP's ability to access information but also the inherent discoverability of that information at the time.

Taken together, these issues suggest that, despite improvements, the current liability framework may still encourage overly conservative behaviour by CATPs, including reluctance to admit new assets, defensive over-disclosure, or withdrawal of existing assets for liability-driven rather than risk-based reasons.

To address these concerns, we encourage the FCA to consider further refinements, including:

- Clearer differentiation in liability allocation for decentralised and issuer-less cryptoassets;
- Explicit safe-harbour protections for CATPs acting as first preparers of QCDDs, where disclosures are based on publicly available or third-party information;

- Confirmation that reasonable reliance on third-party sources does not, in itself, give rise to liability for their accuracy; and
- Alignment of liability for SDDs with CATPs' actual access to, and control over, updated information.

While we support the FCA's objective of ensuring clear accountability for disclosures, further calibration is needed to ensure that responsibility and liability are proportionate, aligned with market realities, and do not inadvertently discourage participation or innovation in UK cryptoasset markets.

Finally, we encourage the FCA to provide clarity on the point at which a CATP will be deemed to have satisfied its disclosure-related responsibilities, based on reasonable access to information, documented diligence, and transparent disclosure of uncertainties, to ensure predictable supervisory outcomes and reduce the risk of retrospective liability.

Question 13: Do you agree with our proposal to introduce a voluntary regime for PFLS in QCDDs or SDDs (if any), subject to the criteria we set out? If not, please explain what changes you would suggest and why?

GDF and CCI support the FCA's proposal to introduce a voluntary regime for forward-looking statements (PFLS) in QCDDs and SDDs, subject to the criteria set out. We welcome the FCA's recognition that forward-looking statements should not be mandatory, and that, where included, they must be fair, clear and not misleading. This reflects the concerns raised in our previous response.

We agree that PFLS should be clearly identified as such, accompanied by appropriate contextual disclosures, including the basis and source of any projections, and subject to clear language standards to avoid unwarranted promises or speculative claims. We also support the application of existing principles to ensure that PFLS do not create misleading expectations for consumers. It would also be helpful for the FCA to clarify that CATPs are not expected to validate, endorse or independently assess the accuracy of forward-looking statements that originate from issuers, developers or decentralised communities, provided that the basis of such statements is appropriately disclosed.

At the same time, we consider it important that the regime continues to strike an appropriate balance. While forward-looking statements should not be required, we support allowing evidenced and well-substantiated statements about future project development, token use cases, or innovation where these can be reasonably supported. This can provide meaningful context for consumers without encouraging vague or speculative disclosures and we believe it is in line with what the FCA has currently proposed.

Finally, we encourage the FCA to continue considering how the PFLS framework applies in practice to decentralised and DeFi-based projects, where traditional forward-looking representations may be less appropriate or attributable.

Overall, we support the FCA's direction of travel and consider the proposed voluntary PFLS regime, with appropriate safeguards, to be a proportionate and workable approach.

Question 14: Do you agree with our proposed rules for the circumstances and manner in which withdrawal rights may be exercised? If not, how should this safeguard be amended?

GDF and CCI support the FCA's aim of introducing withdrawal rights as a proportionate safeguard where disclosures are corrected. Withdrawal rights can enhance consumer confidence, provided they are calibrated for the realities of cryptoasset markets.

We consider that further refinement is needed in three areas:

1. Clearer triggers and materiality thresholds: Withdrawal rights should arise only where a correction is material and would have reasonably influenced the consumer's original decision. Routine or incremental updates should not reopen withdrawal windows. For clarity, the withdrawal right should only apply prior to acquisition and should not operate as an ongoing redemption or put option, which could introduce run risks.
2. Alignment with operational realities and information constraints: Cryptoassets trade continuously and updates may emerge through decentralised channels. CATPs should not be held liable for delays where they act with commercially reasonable efforts and rely on public or third-party information. The regime should distinguish between information CATPs can control and information they cannot.
3. Proportionate and workable implementation: The FCA should provide clearer guidance on timing expectations, grace periods, and alternative remedies where full withdrawal rights are operationally impractical but consumer protection can still be achieved.

In summary, we support the intent but recommend further clarity on triggers, materiality, timing, and CATP reliance standards to ensure withdrawal rights operate proportionately and do not inadvertently disrupt trading or discourage asset admission.

Question 15: Do you agree with our view that disapplying the Consumer Duty and consumer understanding provisions within bespoke A&D rules, reflecting Consumer Duty style outcomes, is the most appropriate way to deliver consumer protection for activities within the A&D regime? If not, what alternative approach would you suggest and why?

We agree with the FCA's view that disapplying the Consumer Duty and consumer understanding provisions and instead delivering Consumer Duty-style outcomes through bespoke A&D rules, is the most appropriate approach for activities within the A&D regime. This approach is well aligned with the structure and underlying principles of the UK's revised POAT framework. Under POAT, consumer protection in the context of admissions to trading is achieved through tailored disclosure, liability and governance regimes, while the Consumer Duty applies at the point of distribution and within direct customer relationships, rather than to market infrastructure or admission activities. Adopting a similar model for cryptoassets supports regulatory coherence and avoids extending conduct-of-business obligations beyond their natural scope.

We consider this distinction particularly important in the cryptoasset context. A&D activities relate to market-level disclosure and admission standards, not to personalised interactions with consumers. Applying the Consumer Duty directly to these activities would risk blurring the boundary between the

responsibilities of issuers, trading venues and intermediaries, and could inadvertently push CATPs into quasi-distributor or product-merit assessment roles that are inconsistent with established market practice. Embedding Consumer Duty-style outcomes within bespoke A&D rules - such as requirements for clear, accessible and non-misleading disclosures, proportionate admissions criteria, and controls to prevent market abuse - provides a more targeted and proportionate means of delivering consumer protection. At the same time, consumer protection at the point of sale is appropriately addressed through the existing regulatory stack, including disclosure requirements, financial promotions rules, intermediary conduct obligations and, where applicable, the Consumer Duty itself.

We therefore support the FCA's proposed approach, provided that the final rules and guidance continue to clearly delineate roles and responsibilities across the regime, avoid duplication with distribution-level obligations, and ensure that CATPs and disclosure preparers are not expected to perform suitability or appropriateness assessments that are properly the responsibility of intermediaries. We encourage the FCA to provide clear guidance to ensure that Consumer Duty-style outcomes embedded in the A&D regime are interpreted consistently and do not expand over time in ways that blur the boundary between admissions standards and distribution-level consumer protections.

Question 16: Do you agree that a UK-issued qualifying stablecoin disclosure document should be made available to prospective holders before the UK-issued qualifying stablecoin can be sold or subscribed to? If not, please explain why.

GDF and CCI agree that a UK-issued qualifying stablecoin disclosure document should be made available to prospective holders before the stablecoin is sold or subscribed to, either directly, via a CATP or via an intermediary, and we support the FCA's objective of ensuring that consumers have access to clear, reliable information before acquiring a stablecoin.

We consider this approach to be consistent with the role of stablecoins as money-like instruments that are used for payment and settlement purposes, and where confidence in their stability is dependent upon transparency around key features such as backing assets, redemption rights, governance, and risk management arrangements. Upfront disclosure by the stablecoin issuer is therefore an appropriate and proportionate mechanism for supporting consumer understanding and trust.

However, we consider it important that the framework clearly establishes that issuer-level disclosures are sufficient, and that no additional, venue-specific disclosure obligations are imposed on CATPs or intermediaries beyond making the issuer's disclosure document available to prospective holders. UK-issued qualifying stablecoins are, by definition, issued by identifiable, regulated entities subject to ongoing supervisory oversight. In this context, requiring CATPs or other distributors to prepare supplementary disclosures would duplicate issuer obligations, blur accountability for the accuracy of information, and risk inconsistent or fragmented disclosures across venues. In addition, CATPs are not positioned to validate or verify the accuracy of disclosures produced by regulated issuers, nor should they be expected to reinterpret issuer-level information for consumers. Clear delineation of responsibility is therefore essential to avoid confusion, duplication, or misaligned accountability.

We therefore encourage the FCA to confirm that, for UK-issued qualifying stablecoins:

- Responsibility for the content, accuracy, and updating of the disclosure document rests solely with the issuer.
- Such disclosures will be made exclusively via the two mechanisms proposed by the FCA in CP25/41 (and do not require republication or duplication on any CATP website or other channel) namely (from p35):
    - *Disclosures in the form of information on the issuer's website, available to holders, prospective holders and the general public- as addressed in CP25/14.*
    - *A UK-issued qualifying stablecoin QCDD, available on the issuer's website and on an FCA-owned centralised repository, such as the NSM.*
- CATPs and intermediaries are not expected to perform further issuer-like diligence or produce venue-specific disclosure materials, beyond ensuring that the stablecoin issuer's disclosure is available to prospective holders in a timely and accessible manner.

Similarly, CATPs should not be expected to monitor issuer-level operational changes or reserve management activities beyond what is publicly disclosed or communicated through the FCA's supervisory channels.

In addition, we have concerns regarding the proposed level of granularity in certain disclosure requirements, particularly where these would require the public identification of specific counterparties (for example, naming individual banks holding reserve accounts).

While we fully support robust transparency around reserve composition, asset quality, and safeguarding arrangements, we believe that mandatory public disclosure of named counterparties could give rise to unintended transmission and financial stability risks. Publicly associating specific institutions with stablecoin reserve arrangements may increase the risk of market misinterpretation or contagion in periods of stress and could also expose otherwise well-managed institutions to reputational or liquidity pressures unrelated to their underlying risk profile.

We therefore encourage the FCA to distinguish clearly between information that should be disclosed publicly at an aggregate or categorical level, and information that may be more appropriately provided to the regulator on a confidential basis. In particular, we support public disclosures that describe reserve assets in aggregate (e.g. asset types, maturity profiles, concentration metrics, and safeguarding structures), while allowing counterparty-level details, such as the identity of specific banking or custody providers, to be supplied directly to the FCA as part of supervisory reporting and ongoing oversight.

We believe this approach would preserve the FCA's consumer protection and transparency objectives, while avoiding unnecessary financial stability risks and ensuring that disclosure requirements remain proportionate and aligned with the systemic characteristics of stablecoin arrangements.

Finally, we encourage the FCA to continue aligning UK disclosure expectations with emerging international stablecoin frameworks, to support cross-border operability, reduce duplication for globally active issuers, and ensure that UK-issued stablecoins remain competitive and trusted in global markets.

Question 17: Do you agree with our proposed rules for withdrawal rights of prospective holders of UK-issued qualifying stablecoins?

GDF and CCI support the FCA's objective of ensuring that prospective holders are not disadvantaged where material information changes before they legally acquire a UK-issued qualifying stablecoin. We agree that a targeted, pre-acquisition withdrawal right is an appropriate safeguard, provided it is implemented in a proportionate and operationally workable way.

We also agree with the FCA's underlying rationale: if a prospective holder commits to subscribe to a stablecoin based on a published QCDD, and the issuer subsequently updates that disclosure to reflect a material change (for example, reserve composition, safeguarding arrangements or governance), the consumer should be able to reconsider their decision. This aligns with the FCA's broader disclosure-based approach to maintaining confidence in money-like instruments.

That said, we encourage the FCA to provide further clarity in three areas to ensure that the mechanism is both workable and correctly bounded:

Withdrawal rights must be strictly limited to the *pre-acquisition* phase : The FCA should confirm that withdrawal rights do not operate as an ongoing redemption right or quasi-put option after a consumer becomes the legal holder. This distinction is essential to maintaining stability and avoiding unintended liquidity or run dynamics.

The trigger for withdrawal should rest solely with the issuer : Issuers, not CATPs or intermediaries, are responsible for identifying material changes and updating the QCDD and website disclosures. CATPs should not be required to assess materiality, adjudicate disclosure adequacy, or interpret issuer-level developments. Their role should be limited to facilitating the issuer-triggered withdrawal process.

Practicalities of the withdrawal window require further guidance : To ensure consistent implementation, the FCA should clarify:

- Reasonable notification timelines;
- The minimum duration of the withdrawal window;
- How consumers must be informed; and
- How partial or staged subscriptions (if any) should be treated.

Clear parameters will help avoid defensive over-implementation and ensure proportionality across issuers and distributors.

Overall, we support the FCA's intent and believe a narrowly framed, issuer-triggered, pre-acquisition withdrawal right strikes the correct balance between consumer protection and operational feasibility. Additional clarity on scope, roles and timing would materially improve certainty for firms while upholding strong disclosure-based protections for prospective stablecoin holders.

Question 18: Do you agree third parties should be able to request admission to trading on a CATP, using the UK- issued qualifying stablecoin disclosure document prepared by the UK stablecoin issuer? If not, please explain why.

Yes, GDF and CCI agree that third parties should be able to request admission to trading of a UK-issued qualifying stablecoin on a CATP using the disclosure document prepared by the stablecoin issuer.

We consider it important that the issuer-prepared disclosure document remains the authoritative source of information for all venues, and that CATPs are not required to replicate, supplement or validate issuer disclosures when third parties initiate an admission request.

This approach is consistent with POAT-style principles, under which responsibility for the accuracy of disclosures sits with the issuer, and trading venues rely on those disclosures without assuming issuer-level obligations.

Allowing reliance on the issuer's disclosure document also supports cross-platform consistency, reduces duplication, and helps avoid fragmentation of disclosures across CATPs, which aligns with international best practice and supports UK market competitiveness.

Question 19: Do you agree with our approach that the information required in website disclosures and UK- issued qualifying stablecoin disclosure documents is the same?

GDF and CCI agree with the FCA's approach that the information required in website disclosures and UK-issued qualifying stablecoin disclosure documents should be the same.

We consider this alignment to be sensible and proportionate, as it promotes consistency of information, reduces the risk of conflicting disclosures, and supports consumer understanding by ensuring that prospective holders can access the same core information regardless of the channel through which it is presented. A single, coherent disclosure set also reinforces clear accountability, with responsibility for content and accuracy resting with the stablecoin issuer.

We would, however, encourage the FCA to clarify that website disclosures are intended to be an additional means and channel for making the issuer's disclosure information accessible, rather than a separate or additional disclosure obligation. CATPs and other distributors should not be expected to create or maintain parallel disclosure content beyond hosting or linking to the issuer's disclosure materials.

To avoid creating parallel or duplicative regulatory obligations, we encourage the FCA to make clear that website disclosures do not alter or expand the issuer's liability framework, and that the stablecoin issuer's primary disclosure document remains the authoritative source for supervisory and consumer purposes. In practice, it will also be important that CATPs and intermediaries are not expected to monitor or reconcile multiple disclosure formats for consistency. Reliance on a single issuer-maintained disclosure set, made accessible through websites or repositories, should be expressly confirmed as sufficient.

In addition, we note a gap in the current drafting regarding the identification of UK-issued qualifying stablecoins that could create ambiguity. The current text notes a stablecoin may be identified by a name or other digital token identifier that clearly identifies the product. We encourage the FCA to set at a minimum the Digital Token Identifier (DTI), alongside a name, ensure unambiguous identification. The FCA may also consider use of the Equivalent Digital Token Group (EDTG) DTI as an asset-level grouping identifier to link multiple fungible implementations of the same stablecoin, improving clarity for consumers and comparability across platforms and supervisory oversight.

Aligning the disclosure information across formats also supports future cross-border interoperability, given that major overseas regimes similarly emphasise a single, issuer-maintained disclosure record. This approach will help minimise market fragmentation and support supervisory convergence as stablecoin markets scale.

Question 20: Do you agree that issuers of UK-issued qualifying stablecoins update the QCDD as frequently as they update their website disclosures?

GDF and CCI agree that issuers of UK-issued qualifying stablecoins should update their QCDD as frequently as they update their website disclosures.

Aligning update frequency across these disclosure channels promotes consistency, reduces the risk of outdated or conflicting information, and supports consumer confidence by ensuring that prospective and existing holders have access to the same, up-to-date information regardless of how they access the issuer's disclosures. This approach also reinforces clear issuer accountability for maintaining consistent, accurate and current disclosures.

Question 21: Do you agree with our proposals on inside information disclosure and delayed disclosure?

We welcome the FCA's proposals on inside information disclosure and delayed disclosure, and in particular the inclusion of a non-exhaustive list of factors in CRYPTO 4.3.2 to 4.3.8 that the FCA considers relevant when assessing whether information constitutes inside information. This provides a pragmatic and realistic framework that reflects the operational realities of cryptoasset markets and should help firms make more consistent and defensible judgements. We note however that where firms conclude that information does not meet the threshold for inside information, clearer supervisory expectations on record-keeping would be helpful. Guidance on documenting assessments, escalation decisions, and rationales for non-disclosure would support consistent compliance and reduce the risk of retrospective challenge.

We continue to support the principle that, where there is no identifiable issuer, responsibility for disclosure should sit with the person seeking admission to trading of the cryptoasset (referred to as "Person A" in the consultation paper). This approach appropriately anchors accountability without imposing artificial issuer-style obligations in contexts where no such issuer exists.

We also support the proposal that Person A should only be responsible for the disclosure of inside information that directly relates to Person A itself, and of which Person A is aware, or reasonably should be aware. That said, we would welcome further guidance on how firms should interpret what is "reasonably" expected to fall within Person A's knowledge or sphere of influence, particularly in more decentralised or multi-party ecosystems. Greater clarity here would help reduce uncertainty and support consistent application across firms. We encourage the FCA to confirm that "reasonably should be aware" refers to information that a diligent firm could access through ordinary-course monitoring of sources within its direct control or established communication channels, and does not require firms to track informal developer forums, diffuse community discussions or off-chain activities beyond their operational remit. This is particularly relevant in relation to network-level developments or third-party actions that fall outside its control or visibility. Liability should remain aligned with actual access to information.

In relation to UK-issued qualifying stablecoins, which are designed to maintain a stable price rather than reflect variable underlying value, there is a material risk that public disclosure of information framed as inside information could itself destabilise the peg and harm consumers. Given the extensive ongoing disclosure requirements already imposed on stablecoin issuers under CPs 25/14 and 25/15, we consider that potentially price-sensitive information relating to stablecoins should instead be managed as a regulatory matter between the issuer and the FCA, rather than through public inside information disclosure. Qualifying stablecoins should be excluded from the requirements on this basis.

Finally, additional clarity may be helpful on the criteria for determining when an "issuer" is considered to exist, and on how disclosure responsibilities should be identified and allocated in more decentralised structures. Clearer guidance in this area would reduce ambiguity and help ensure that disclosure obligations are applied proportionately and in a manner that supports market integrity without discouraging innovation.

Question 22: Do you agree with our list of non-exhaustive examples of inside information?

We welcome the FCA providing a clear, non-exhaustive list of examples of what may constitute inside information in the cryptoasset context. Given the structural differences between cryptoasset markets and traditional securities markets, this guidance is both necessary and proportionate and should help firms apply the regime more consistently in practice. As drafted, the definition of inside information in MAR is largely issuer-centric and presumes the existence of identifiable corporate actors, established disclosure channels, and predictable information asymmetries. In practice, this means the MAR definition is likely to be directly applicable only to a narrow subset of cryptoassets, most notably certain fiat-referenced stablecoins. In that context, a non-exhaustive list tailored to cryptoassets is an important step in reducing legal uncertainty and uneven supervisory outcomes.

We also support the FCA's decision to keep the list explicitly non-exhaustive. This is important given the pace of technological and market evolution and helps avoid the risk that firms treat the examples as a closed or "safe harbour" list.

That said, there are other residual risks that need to be mitigated.

There is a risk of defensive or excessive disclosure, particularly where firms err on the side of caution in the absence of clear boundaries. Over-disclosure could dilute the usefulness of disclosures, obscure genuinely price-sensitive information, and reduce overall market transparency. Additional guidance on materiality thresholds and proportionality would help mitigate this risk, especially in assessing when protocol-level or governance information becomes inside information.

In relation to examples concerning changes to key personnel, we note that for qualifying stablecoin issuers such changes are unlikely in most cases to have a material impact on backing assets, redeemability or peg stability. Moreover, as noted above, we consider that it is appropriate to exclude stablecoins from the inside information requirements.

In addition, ambiguity remains around information arising at the protocol or network level, such as software upgrades, validator incidents, or governance processes. Firms may have limited visibility or influence over such developments, and clearer expectations would help avoid firms being held responsible for information outside their reasonable awareness or control. To avoid disproportionate expectations, we encourage the FCA to confirm that firms are not required to monitor or interpret all network-level developments, and that inside information should be assessed only by reference to information that falls within a firm's reasonable sphere of knowledge, control or contractual relationships.

We also note that international regulatory frameworks are beginning to develop their own crypto-specific interpretations of inside information. Ensuring the UK's examples remain principles-based and interoperable will help minimise cross-border compliance fragmentation and support the UK's competitiveness as a venue for responsible cryptoasset activity.

Question 23: Do you agree with our revised proposals for the dissemination of qualifying cryptoasset inside information, specifying option 3 (website and active dissemination) as the most suitable approach for day one of the regime?

Yes. We agree that option 3, combining publication on a publicly accessible website with active dissemination, is the most appropriate approach for day one of the regime.

This option strikes a sensible balance between market integrity and operational practicality. Requiring firms to maintain a clear, accessible point of publication promotes transparency and allows market participants to locate information reliably, while active dissemination helps ensure timely and broad awareness across a diverse and fragmented cryptoasset market. This is particularly important given the absence, in many cases, of a single issuer or a centralised disclosure channel.

From a day one standpoint, we agree that option 3 makes most sense as it will provide a workable baseline that firms can implement without undue complexity, while leaving room for the framework to evolve over time as market practices mature and more standardised dissemination mechanisms potentially emerge. In that context, option 1 could become viable in the longer term, once there is greater consistency in market structures, clearer points of accountability, and established, trusted channels for disclosure that can support a more centralised approach.

Question 24: Do you agree with our revised proposals on legitimate market practices under MARC?

We agree with the FCA's revised proposals on legitimate market practices under MARC, in particular the recognition that certain crypto-native mechanisms can constitute legitimate activity when conducted transparently and in accordance with clearly defined parameters. We encourage the FCA to clarify that recognition of legitimate crypto-native practices should be accompanied by proportionate evidential expectations. Firms should not be required to produce detailed issuer-style documentation for routine, pre-disclosed or protocol-driven behaviours that are already transparent to the market.

In particular, we strongly support the inclusion of programmatic token burning and crypto-asset stabilisation mechanisms within the scope of legitimate market practices. Token burns, where pre-disclosed and executed in line with published tokenomics, are a well-established supply-management mechanism in crypto markets and are often analogous to buy-backs or supply adjustments in traditional markets. Recognising these activities as potentially legitimate, rather than presumptively abusive, is essential to ensuring the regime reflects how crypto markets function in practice and avoids chilling responsible behaviour.

For stablecoin issuers specifically, token burning is a routine operational process linked to redemptions. It is necessary to ensure backing assets remain sufficient to cover 100% of issued stablecoins. Token burning for this purpose is materially distinct from burning undertaken to create scarcity or drive price appreciation. Stablecoin burning undertaken in accordance with disclosed issuance and redemption mechanics should therefore be explicitly recognised as a legitimate market practice under MARC.

We also welcome the FCA's clarification around "legitimate reasons" for certain behaviours that might otherwise fall within the scope of market abuse prohibitions. This is particularly important in crypto markets, where actions such as protocol upgrades, treasury management, liquidity provision, or governance-driven changes to supply or functionality may have observable market effects but are undertaken for bona fide operational or technical reasons. Clear acknowledgement of legitimate reasons, supported by guidance, will be critical to giving firms and projects the confidence to operate transparently without undue legal uncertainty. In decentralised ecosystems, responsibility for operational changes may be distributed across multiple actors, and no single party may have unilateral control or privileged access to material developments. We therefore encourage the FCA to ensure legitimate reasons take into account distributed governance structures and the limited ability of individual participants to predict or control market effects arising from protocol-level decisions.

However, we would urge caution in how the regime approaches Maximum Extractable Value (MEV). While MEV can, in some circumstances, be associated with harmful outcomes, it is not inherently abusive and, in many cases, is an unavoidable by-product of public blockchain design and transaction ordering mechanisms. Validators and miners may reorder or prioritise transactions according to protocol-level incentives, often in a manner that is transparent, permissionless, and governed by the rules of the network itself. Treating MEV as presumptively suspect risks conflating protocol-level mechanics with manipulative intent and could inadvertently capture activity that is structural rather than discretionary.

We therefore encourage the FCA to avoid a blanket characterisation of MEV as a market abuse concern and instead focus on outcomes and intent, distinguishing clearly between exploitative practices that cause demonstrable harm, and neutral or efficiency-enhancing behaviours that arise from the underlying

architecture of decentralised systems. Further guidance in this area, potentially developed in collaboration with industry, would help ensure that MARC is both proportionate and technologically informed.

Question 25: Do you agree with our proposals for qualifying cryptoasset market abuse systems and controls?

GDF and CCI broadly support the FCA's proposals for qualifying cryptoasset market abuse systems and controls, including the emphasis on outcomes-based, risk-proportionate requirements for CATPs and other in-scope firms. We agree that effective systems and controls are central to maintaining market integrity and confidence, and that CATPs are appropriately positioned as key gatekeepers for monitoring activity on their venues.

Consistent with our previous response, we emphasise that responsibility for market abuse should be assessed by reference to the adequacy and effectiveness of systems and controls, rather than by imposing de facto strict liability for the occurrence of abusive conduct. CATPs should be expected to design, implement and maintain proportionate surveillance, escalation and response frameworks, but should not be held responsible for individual instances of abuse where reasonable systems and controls are in place and operating effectively.

We support the FCA's recognition that market abuse in cryptoasset markets may involve both on-chain and off-chain activity, and that monitoring approaches must reflect this reality. However, we reiterate that requirements relating to on-chain monitoring should be risk-based and technically feasible and should not imply an expectation that CATPs monitor all on-chain activity in all circumstances. A scalable baseline approach, allowing firms to deploy different tools and techniques depending on the asset, trading activity and risk profile, would better align with market structure and technological capabilities. We further elaborate on this in the question below relating to on-chain monitoring.

We also reiterate the importance of standardisation and interoperability as enablers of effective market abuse controls. Where surveillance or information sharing is expected, the FCA should continue to support the development of common data standards, APIs and reporting formats, to reduce fragmentation and support consistent implementation across firms.

Additionally, as we noted previously, market abuse in cryptoasset markets is often cross-venue and cross-border. Systems and controls will therefore be most effective where CATPs are able to collaborate, subject to appropriate safeguards, and where there is regulatory clarity on data sharing, governance and competition considerations. FCA facilitation of industry coordination in this area would materially enhance the effectiveness of firm-level controls.

We further support the inclusion of strong internal governance measures, including controls around personal account dealing, monitoring of relevant communications, and clear escalation and record-keeping processes. These measures are most effective when paired with supervisory engagement and clear expectations around documentation and review, particularly where firms identify risks they cannot reasonably mitigate alone.

In relation to stablecoins, under the stablecoin business model and the strict FCA regulatory regime, there should be little or no price movement and therefore limited scope for issuer-driven market abuse. Market

abuse controls should be applied proportionately to stablecoin issuers to reflect this, avoiding unnecessary operational burden where the underlying risk profile does not support it.

Finally, we reiterate the importance of ensuring that market abuse systems and controls are calibrated in a way that does not unintentionally chill legitimate market activity. As set out in our previous response, surveillance frameworks should operate alongside clear recognition of legitimate practices, including liquidity provision and other bona fide activity, to avoid discouraging participation or impairing market functioning. We therefore encourage the FCA to supplement the regime with clear examples or guidance on how legitimate market practices should be distinguished from behaviours that warrant escalation, to avoid defensive reporting or unnecessary restrictions on benign trading activity.

In summary, we support the FCA's proposed direction on market abuse systems and controls and consider it broadly appropriate. Further emphasis on proportionality, feasibility, standardisation and clarity of supervisory expectations would strengthen the framework and support consistent, effective implementation across the market.

Question 26: Do you agree with the proposed requirements on on-chain monitoring?

We welcome the FCA's revised and more proportionate approach to on-chain monitoring, in particular the decision to limit mandatory on-chain monitoring requirements to Large CATPs and to calibrate expectations based on scale and activity. This represents a meaningful and constructive response to feedback received in DP24/4 and reflects a balanced approach to the operational realities of cryptoasset markets. We encourage the FCA to clarify that on-chain monitoring expectations must also take account of the cost, availability and quality of blockchain data, which vary significantly across networks. Some chains provide limited metadata or inconsistent state information, and firms should not be expected to perform analytics that are not technically feasible or commercially reasonable.

We also support the FCA's recognition that on-chain monitoring should complement, rather than replace, off-chain surveillance, and that a dual-layered approach is necessary to effectively detect and disrupt market abuse. On-chain monitoring provides CATPs with unique and critical insights that are not available through traditional off-chain tools alone, including transparent and immutable transaction records, direct visibility into on-chain manipulation (such as wash trading or coordinated schemes), and the ability to link on-chain activity with off-chain behaviour to support more effective investigation and intervention. Surveillance systems must therefore be calibrated to avoid over-reliance on heuristics or inferred linkages that may be incomplete or ambiguous, particularly in decentralised or privacy-enhanced environments.

Furthermore, we agree that it would be disproportionate to require CATPs or intermediaries to scan all on-chain activity relating to a cryptoasset in all circumstances. In this respect, we welcome the FCA's confirmation that smaller CATPs and intermediaries are not subject to mandatory on-chain monitoring requirements, and that intermediaries' responsibilities should remain limited to monitoring risks arising from their own activities.

Consistent with our previous response, we support an outcomes-based framework that allows firms to determine the most appropriate tools and methods for on-chain monitoring, taking into account their

business model, the cryptoassets they support, and their specific risk profile. Proportionality and scalability are critical to ensuring that requirements do not unduly burden smaller firms, while still supporting effective surveillance for higher-risk or systemically significant venues. We also agree that flexibility is essential to ensure the regime remains adaptable as blockchain technology and analytics capabilities continue to evolve.

Finally, we reiterate that the effectiveness of on-chain monitoring would be further strengthened through optional best-practice measures, including the development of standardised data formats and APIs to improve interoperability, and FCA guidance on data analytics and pattern recognition techniques. These measures would support consistent implementation across the market without introducing prescriptive or inflexible requirements. We also note that on-chain abuse often spans multiple venues and jurisdictions, so continued FCA engagement in developing interoperable international data standards would materially enhance the effectiveness of firm-level monitoring.

Overall, we support the FCA's proposed approach to on-chain monitoring and consider it a significant improvement on earlier proposals. With continued emphasis on proportionality, scalability and outcomes-based supervision, the framework can play an important role in supporting market integrity while remaining workable in practice.

Question 27: Do you agree with the proposed revenue threshold for applying on-chain monitoring requirements? If not, what alternative threshold or metric (for example, non-revenue-based measures) would you suggest, and why? Please provide details, including any supporting quantitative data where available.

GDF and CCI support the FCA's intention to target mandatory on-chain monitoring at larger and higher-risk CATPs. However, we do not believe that a revenue-only threshold of £10 million is a reliable way to identify such firms.

Revenue in crypto markets is highly volatile and often has little connection to actual market-abuse risk. For example:

- A CATP may generate low revenue but still host very large trading volumes, deep liquidity pools, or a high share of UK retail flow - which increases market-abuse risk even if revenue is below £10m.
- Conversely, a CATP may exceed £10m revenue while operating a simple, low-risk model (e.g., listing only BTC/ETH with limited pairs and low manipulation risk).

For these reasons, a revenue-only test may over-capture low-risk firms and miss higher-risk ones.

We therefore encourage the FCA to supplement or refine the threshold using simple and objective risk indicators, such as:

- Trading volume or market share - clearer measures of actual market activity.
- Number of supported assets or networks - especially where long-tail tokens create higher manipulation risk.

- Proportion of illiquid or high-volatility assets - better indicators of abuse vulnerability than revenue.

If the FCA retains a revenue-based test for day one, we recommend periodic review, transitional arrangements, and supervisory discretion to reclassify firms where their risk profile differs materially from their revenue level.

Overall, we support the FCA's direction, but a more risk-sensitive and intuitive threshold would better align the regime with genuine market-abuse risk.

Question 28: Do you agree with our proposals on insider lists?

Overall, we broadly support the FCA's proposal to require issuers, offerors and CATPs to maintain insider lists, and agree that accurate and well-maintained insider lists are a critical component of an effective market abuse prevention framework. We welcome the FCA's decision to closely align the detailed requirements with established precedents in traditional finance, including the use of standardised templates, as this provides greater clarity and consistency for firms.

Consistent with our previous response, we consider it important that the FCA provides clear and comprehensive guidance on the scope, content and maintenance of insider lists, including expectations around updating, retention and secure storage. We welcome the inclusion of proposed templates in CRYPTO 4.12, which should help support consistent implementation across firms and reduce unnecessary divergence in practice.

However, we reiterate the importance of ensuring that insider list obligations remain practical and proportionate, particularly for CATPs operating in decentralised or open-source environments. As we previously noted, CATPs cannot reasonably be expected to identify or monitor all potential sources of informal information dissemination, such as open social media channels, messaging platforms or public developer forums. Responsibility and liability for insider lists should therefore remain bounded by what firms can reasonably assess, document and control, based on actual access to inside information rather than hypothetical or speculative exposure.

We also encourage the FCA to provide further clarity on how insider list requirements should apply in decentralised or issuer-less contexts, where there may be no clear corporate perimeter and where access to information is widely distributed or publicly observable. In such cases, expectations should focus on individuals who genuinely have privileged access to non-public, price-sensitive information, rather than attempting to impose traditional insider concepts that may not map cleanly onto decentralised governance or development models. Without this distinction, firms risk over-identification of insiders in ways that do not reflect actual information asymmetries.

Finally, while we recognise the FCA's rationale for including cryptoasset wallet addresses where applicable, we encourage careful consideration of proportionality, data protection and operational feasibility. Guidance on when wallet address collection is appropriate, and how this information should be handled securely, would help firms implement this requirement in a consistent and compliant manner.

In summary, we support the FCA's proposed approach to insider lists and welcome the increased clarity provided by alignment with traditional market frameworks and standardised templates. Further guidance on proportionality, decentralised contexts, and the practical limits of CATP responsibility would help ensure the regime is effective, workable and appropriately targeted.

Question 29: Do you agree with our approach for cross-platform information sharing?

GDF and CCI broadly support the FCA's proposed approach to cross-platform information sharing for suspected market abuse and welcome the FCA's clear intent to implement this in a proportionate and industry-led way, including limiting the obligation to Large CATPs and avoiding prescription on frequency, mechanism, or fixed data fields. This direction of travel is consistent with our previous response, where we supported the development of a cross-platform information sharing mechanism to help prevent, detect, and disrupt abuse that often manifests across venues and jurisdictions.

Building on our prior feedback, we reiterate that effective implementation will depend on industry-led standardisation and governance. In practice, information sharing is only as effective as the quality and interoperability of the underlying data. We therefore continue to recommend that the FCA actively support (and, where helpful, convene) industry work to develop standardised data formats, reporting protocols and APIs, alongside robust governance arrangements (access controls, audit trails, and clear accountability) to prevent misuse and to ensure decisions are taken responsibly. We also reiterate the value of pilot programmes and iterative development to avoid "sunrise" issues, where regulatory requirements anticipate solutions that have not yet been built or tested at scale, and welcome the FCA's reference to sandboxes and innovation pathways as routes to support market-led solutions.

We encourage the FCA to confirm that information sharing should remain targeted, event-driven and risk-based, rather than implying continuous or bulk data transfers between CATPs. It would also be helpful for the FCA to provide high-level criteria or illustrative examples of when cross-platform sharing is expected, to avoid divergence in interpretation across firms. Clear parameters will help ensure that only relevant, proportionate and actionable information is shared.

We welcome the FCA's proposed use of its power to provide a safe harbour from breach of confidence and certain civil liability when information is shared in good faith, is necessary, and is relevant and proportionate, and is shared securely. This is an important enabler of meaningful participation. However, consistent with our previous feedback on legal and operational barriers, we encourage the FCA to accompany this with clear regulatory guidance on how firms can comply in practice, particularly around data protection, confidentiality, and competition considerations, given the sensitivity of customer information and the need for secure sharing arrangements.

Finally, we reiterate that cross-platform information sharing requirements should be supported by appropriate transitional provisions to allow standards and solutions to emerge and to ensure data privacy requirements can be met in practice, particularly given the costs and systems changes involved. Overall, we support the FCA's approach and believe that with these implementation-focused refinements, standardisation, governance, legal clarity, and phased rollout, the regime can be effective while remaining workable and proportionate

Given the global nature of crypto trading, we also encourage the FCA to continue engaging with overseas regulators to promote interoperability and avoid the development of UK-specific technical standards that could hinder cross-border collaboration. International alignment will be key to ensuring that information sharing is both effective and operationally sustainable.

Question 30: Do you agree with the proposed revenue threshold for applying cross-platform information sharing requirements? If not, what alternative threshold or metric (for example, non-revenue-based measures) would you suggest, and why? Please provide details, including any supporting quantitative data where available.

GDF and CCI support the FCA's intention to limit mandatory cross-platform information sharing to larger CATPs, consistent with the proportionality concerns we highlighted in Q27 (on-chain monitoring thresholds) and the implementation risks outlined in Q29 (cross-platform information sharing design).

However, we do not consider a revenue-only threshold of £10 million to be the most accurate way to identify CATPs with meaningful cross-venue market-abuse exposure.

Revenue is not a reliable proxy for market footprint. For example:

- A firm with low revenue but high trading volumes or significant UK retail activity may be more exposed to cross-venue manipulation than firms above the £10m threshold.
- Conversely, a firm exceeding £10m may run a simple BTC/ETH spot venue with limited cross-platform risk.

Reflecting Q27, we encourage the FCA to supplement or refine the threshold using risk-based metrics, such as:

- UK trading volume / market share;
- number and type of tokens listed;
- proportion of trading in higher-risk or illiquid assets.

If the FCA retains the £10m threshold for day one, we recommend a formal review point, together with transitional arrangements, in line with our Q29 comments on ensuring the regime is operable as standards and infrastructure evolve.

Overall, a blended or risk-sensitive threshold would better target the CATPs most relevant for cross-platform abuse patterns while avoiding unnecessary burden on low-risk firms.

Cost Benefit Analysis:

Question 1: Do you agree with our assumptions and findings as set out in this CBA on the relative costs and benefits of the proposals contained in this consultation paper? Please give your reasons.

No comment.

Question 2: Do you have any views on the cost benefit analysis, including our analysis of costs and benefits to consumers, firms and the market?

No comment.