This Statutory Instrument has been made in consequence of a defect in S.I. 2026/102 and is being issued free of charge to all known recipients of that Statutory Instrument.

Draft Regulations laid before Parliament under section 429(3) of, and paragraph 26(2)(a) of Schedule 2 to, the Financial Services and Markets Act 2000 (c. 8), for approval by resolution of each House of Parliament.

D R A F T S T A T U T O R Y I N S T R U M E N T S

2026 No. 000

FINANCIAL SERVICES

The Financial Services and Markets Act 2000 (Cryptoassets) (Miscellaneous Amendments) Regulations 2026

Made - - - - ***

Coming into force in accordance with regulation 1(2) and (3)

The Treasury make these Regulations in exercise of the powers conferred by sections 21(5), (6), (9), (10) and (15), 22(1) and (5), 71K, 71M, and 428(3) of, and paragraph 25 of Schedule 2 to, the Financial Services and Markets Act 2000 ("the Act")(**a**).

In the opinion of the Treasury, one of the effects of these Regulations is that an activity which is not a regulated activity (within the meaning given by section 22 of the Act) will become a regulated activity.

In accordance with section 429(3) of, and paragraph 26(2)(a) of Schedule 2 to, the Act, a draft of these Regulations has been laid before, and approved by a resolution of, each House of Parliament.

(**a**) 2000 c. 8. Sections 71K to 71S were inserted by section 8(2) of the Financial Services and Markets Act 2023 (c. 29). Section 428(3) was amended by section 66(3) of that Act. Paragraph 25 of Schedule 2 was amended by section 8 of the Financial Services Act 2012 (c. 21) and section 27 of the Financial Guidance and Claims Act 2018 (c. 10). There are other amendments not relevant to this instrument.

PART 1

General

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Financial Services and Markets Act 2000 (Cryptoassets) (Miscellaneous Amendments) Regulations 2026.

(2) Subject to paragraph (3), these Regulations come into force the day after the day on which they are made.

(3) Regulations 2 and 3 come into force on 25th October 2027.

(4) These Regulations extend to England and Wales, Scotland and Northern Ireland.

PART 2

Amendment of secondary legislation

Amendment of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001

2.—(1) The Financial Services and Markets Act 2000 (Regulated Activities) Order 2001(**a**) is amended as follows.

(2) After article 43 (activities not constituting administration) insert—

> **"Assets held in relation to a UK qualifying stablecoin**
>
> **43A.** There are excluded from article 40 (safeguarding and administering investments) arrangements—
>
> (a) made in relation to a UK qualifying stablecoin,
>
> (b) carried on by a person with a Part 4A permission to carry on the regulated activity specified by article 9M (issuing qualifying stablecoin) in relation to that UK qualifying stablecoin, and
>
> (c) relating to assets held for the purpose set out in article 88G(2)(b) (qualifying stablecoin).".

Amendment of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005

3.—(1) The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005(**b**) is amended as follows.

(2) In article 29 (communications required or authorised by enactments), after paragraph (4A) insert—

> "(4B) The financial promotion restriction does not apply to any communication which is required or authorised by or under Chapter 2 (market abuse in qualifying cryptoassets

(**a**) S.I. 2001/544, as amended by S.I. 2026/102. There are other amendments that are not relevant to this instrument.
(**b**) S.I. 2005/1529, as amended by S.I. 2026/102. There are other amendments that are not relevant to this instrument.

and related instruments) of Part 2 (markets in cryptoassets: designated activities) of the Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026(**a**).".

(3) In article 30 (overseas communicators: solicited real time communications), in paragraph (2), in the definition of "relevant investment activities", for "7" substitute "7C".

(4) In article 31 (overseas communicators: non-real time communications to previously overseas customers), in paragraph (3)—

(a) at the end of sub-paragraph (b) omit "or";

(b) at the end of sub-paragraph (c), for "done)." substitute "done); or";

(c) after sub-paragraph (c) insert—

"(d) provided, outside the United Kingdom, a service to the customer as described in any of paragraphs 7ZA to 7C of Schedule 1 (whether or not that paragraph was in force at the time the business was done).".

(5) After article 67 (promotions required or permitted by market rules) insert—

"Promotions required or permitted by market rules for qualifying cryptoassets

67A The financial promotion restriction does not apply to any communication which—

(a) is a non-real time communication or a solicited real time communication,

(b) relates to a qualifying cryptoasset, and

(c) is required or permitted to be communicated by—

(i) the rules of a qualifying cryptoasset trading platform operated by a person with a Part 4A permission for the activity specified in article 9S (operating a qualifying cryptoasset trading platform) in relation to that platform, or

(ii) the FCA.".

(6) Before article 73ZB (Berne Financial Services Agreement suppliers) insert—

"UK qualifying stablecoin and qualifying stablecoin transactions

73ZAA—(1) Subject to paragraphs (2) and (3), the financial promotion restriction does not apply to any communication—

(a) within the scope of a controlled activity specified by any of the following paragraphs of Part 1 of Schedule 1 (controlled activities)—

(i) paragraph 3 (dealing in securities, qualifying cryptoassets and contractually based investments),

(ii) paragraph 4 (arranging deals in investments),

(iii) paragraph 7 (advising on investments); and

(b) which relates to—

(i) the transfer of a UK qualifying stablecoin to another person, or

(ii) the exchange of a UK qualifying stablecoin for another asset, including money or another UK qualifying stablecoin.

(2) Paragraph (1) does not apply to communications related to the exchange of a UK qualifying stablecoin for a qualifying cryptoasset other than a UK qualifying stablecoin.

(**a**) S.I. 2026/102.

(3) Paragraph (1) does not apply to the transfer or disposal of a UK qualifying stablecoin which is subject to a right for the return of the qualifying stablecoin.

(4) Subject to paragraph (5), the financial promotion restriction does not apply to any communication—

(a) within the scope of a controlled activity specified by any of the following paragraphs of Part 1 of Schedule 1 (controlled activities)—

(i) paragraph 3 (dealing in securities, qualifying cryptoassets and contractually based investments),

(ii) paragraph 4 (arranging deals in investments),

(iii) paragraph 7 (advising on investments); and

(b) which relates to activity where—

(i) a person ("B") received the qualifying stablecoin from another person ("A") under a title transfer cryptoasset collateral arrangement applicable to that qualifying stablecoin, or

(ii) a person ("B") acquired the qualifying stablecoin from another person ("A") under an agreement, pursuant to which A contracted to buy back the qualifying stablecoin from B.

(5) Paragraph (4) does not apply where A is—

(a) a consumer, or

(b) specified, or of a description specified, in rules made by the FCA.

(6) In this article—

"consumer" has the meaning given by article 9N(5)(a) of the Regulated Activities Order (safeguarding of qualifying cryptoassets and relevant specified investment cryptoassets);

"qualifying cryptoasset" has the meaning given by article 88F of the Regulated Activities Order (qualifying cryptoassets);

"title transfer cryptoasset collateral arrangement" has the meaning given by paragraph (7) of article 9Z10A of the Regulated Activities Order (UK qualifying stablecoin transactions).".

(7) In Schedule 1—

(a) in Part 1 (controlled activities)—

(i) in paragraph 6 (safeguarding and administering investments), after sub-paragraph (4) insert—

"(4A) For the purposes of this article, there are excluded from sub-paragraph (1) arrangements—

(a) made in relation to a UK qualifying stablecoin,

(b) made by a person with a Part 4A permission to carry on the regulated activity specified by article 9M of the Regulated Activities Order (issuing qualifying stablecoin) in respect of that qualifying stablecoin, and

(c) relating to assets held for the purpose set out in article 88G(2)(b) of that Order (qualifying stablecoin).";

(ii) after paragraph 7 (advising on investments) insert—

"Issuing qualifying stablecoin

7ZA.—(1) Issuing a qualifying stablecoin is a controlled activity.

(2) A person ("A") "issues" a qualifying stablecoin if—

(a) A offers, or arranges for another to offer, a qualifying stablecoin for sale or subscription, or A has previously done so, whether before or on or after the coming into force of this article,

(b) the qualifying stablecoin was created by, or on behalf of, A or a member of A's group, and

(c) A carries on both the following activities from an establishment in the United Kingdom—

(i) undertaking, or arranging for another to undertake, to redeem the qualifying stablecoin;

(ii) holding, or arranging for another to hold, fiat currency or other assets for the purpose of maintaining the stable value of the qualifying stablecoin, as mentioned in article 88G(2)(a).

(3) The activity in sub-paragraph (2)(a) does not include the minting of a qualifying stablecoin, such that it first exists—

(a) as an identifiable asset on the blockchain, and

(b) in a transferable form.

(4) For the purposes of sub-paragraph (1)—

(a) A is to be considered as carrying on or having carried on the activity in sub-paragraph (2)(a) where A accepts an invitation from another person ("B") for B's purchase of a qualifying stablecoin;

(b) the activity of offering a qualifying stablecoin in sub-paragraph (2)(a) must be carried on from an establishment in the United Kingdom;

(c) A is to be considered as carrying on the activities in sub-paragraphs (2)(a) and (2)(c)(ii), and as having created the qualifying stablecoin for the purposes of sub-paragraph (2)(b), where A has assumed (by assignment, variation, operation of law or by any other similar mechanism) an undertaking to redeem the qualifying stablecoin;

(d) where all of the activities in sub-paragraph (2)(a) and (c)(i) and (ii) are carried on by another person ("B") under arrangements made by A, then only A is to be considered as carrying on the activity specified in sub-paragraph (1), not B.";

(b) in Part 2 (controlled investments), after paragraph 26F (qualifying cryptoasset)(**a**) insert—

"Qualifying stablecoin

26G. Qualifying stablecoin.".

(**a**) Paragraph 26F was substituted by S.I. 2026/102.

Amendment of the Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026

4.—(1) The Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026(**a**) are amended as follows.

(2) In regulation 1 (citation, commencement and extent)—

(a) in paragraph (2), for "paragraph (3)" substitute "paragraphs (2A) and (3)";

(b) after paragraph (2) insert—

"(2A) The following regulations come into force 21 days after the day on which the Financial Services and Markets Act 2000 (Cryptoassets) (Miscellaneous Amendments) Regulations 2026(**b**) come into force in accordance with regulation 1(2) of those Regulations—

(a) regulation 43 (amendment of the Financial Services and Markets Act 2000 (Collective Investment Schemes) Order 2001(**c**));

(b) regulation 46 (amendment of the Electronic Money Regulations 2011(**d**));

(c) regulation 47 (amendment of the Alternative Investment Fund Managers Regulations 2013(**e**)).".

(3) In regulation 17 (interpretation: market abuse in qualifying cryptoassets and related instruments), in paragraph (5), omit "for the purposes of the market abuse regulation".

(4) In regulation 24 (prohibition on the disclosure of inside information), after paragraph (4) insert—

"(5) For the purposes of this Chapter, it is immaterial where the activities specified by this regulation are carried out.".

(5) In regulation 40 (amendment of the Regulated Activities Order)—

(a) in paragraph (2)—

(i) in the opening words, after "article 3 (interpretation)" insert ", in paragraph (1)";

(ii) for the definition of "specified investment cryptoasset" substitute—

""specified investment cryptoasset" means a cryptoasset that—

(a) is a specified investment as a result of Part 3 (specified investments), excluding any investment of a kind specified by article 88F (qualifying cryptoassets) or by article 89 (rights to or interests in investments) so far as relevant to an investment falling within article 88F, and

(b) would be a qualifying cryptoasset if article 88F(4) was disregarded;";

(iii) after the definition of "specified investment cryptoasset" insert—

""UK qualifying stablecoin" means a qualifying stablecoin that is issued, within the terms and scope of article 9M (issuing qualifying stablecoin), by a person with a Part 4A permission for the regulated activity specified by that article;";

(b) in paragraph (5)—

(i) in new article 9M (issuing a qualifying stablecoin)—

(**a**) S.I. 2026/102.
(**b**) S.I. 2026/***.
(**c**) S.I. 2001/1062.
(**d**) S.I. 2011/99.
(**e**) S.I. 2013/1773.

(aa) for paragraph (2)(a) substitute—

"(a) A offers, or arranges for another to offer, a qualifying stablecoin for sale or subscription, or A has previously done so, whether before or on or after the coming into force of this article,";

(bb) after paragraph (4)(a) insert—

"(aa) the activity of offering a qualifying stablecoin in sub-paragraph (2)(a) must be carried on from an establishment in the United Kingdom;";

(ii) in new article 9N (safeguarding of qualifying cryptoassets and relevant specified investment cryptoassets), in paragraph (5)(c), for "the person who would otherwise be regarded as safeguarding the cryptoasset on behalf of another person ("A")" substitute "A";

(iii) for new article 9Q (article 9N exclusion: temporary settlement arrangements) substitute—

"Article 9N exclusion: temporary settlement arrangements

9Q—(1) There are excluded from article 9N(1) arrangements whereby a qualifying cryptoasset is safeguarded temporarily to facilitate the settlement of a transaction.

(2) For the purposes of paragraph (1), facilitating the settlement of a transaction means activity ancillary to—

(a) dealing or arranging a deal in a qualifying cryptoasset;

(b) activity specified by—

(i) article 9S (operating a qualifying cryptoasset trading platform);

(ii) article 9Z6 (qualifying cryptoasset staking).";

(iv) after new article 9Q insert—

"Article 9N exclusion: temporary UK qualifying stablecoin holding arrangement for payment transactions

9QA—(1) There are excluded from article 9N(1) arrangements whereby a UK qualifying stablecoin is held temporarily in connection with the execution of a payment transaction.

(2) For the purposes of paragraph (1), a "payment transaction" means an act initiated by a payer or payee, or on behalf of the payer, of placing, transferring or withdrawing funds (including UK qualifying stablecoin), irrespective of any underlying obligations between the payer and payee.

Article 9N exclusion: assets held in relation to a UK qualifying stablecoin

9QB. There are excluded from article 9N(1) arrangements—

(a) made in relation to a UK qualifying stablecoin,

(b) carried on by a person with a Part 4A permission to carry on the regulated activity specified by article 9M (issuing qualifying stablecoin) in relation to that qualifying stablecoin, and

(c) relating to assets held for the purpose set out in article 88G(2)(b) (qualifying stablecoin).";

(v) in new article 9R (article 9N exclusions: other exclusions), after paragraph (3) insert—

"(4) There is excluded from article 9N(1) any activity carried on by a person pursuant to arrangements in relation to a specified investment cryptoasset—

(a) which are operated by a recognised CSD or a third country CSD ("D")(**a**) in the course of operating a central securities depository, and

(b) under which D undertakes to the person on whose behalf the relevant specified investment cryptoasset is being safeguarded a responsibility in respect of that cryptoasset which is no less onerous than D would have undertaken if D were safeguarding the cryptoasset.";

(vi) after new article 9U (article 9T exclusions: absence of holding out etc.) insert—

"Article 9T exclusions: proprietary trading

9UA There is excluded from article 9T (dealing in qualifying cryptoassets as principal) activity which is carried on—

(a) otherwise than for the purpose of providing a service to another person, or

(b) as a market maker on a qualifying cryptoasset trading platform.";

(vii) in new article 9Y (arranging deals in qualifying cryptoassets), in paragraph (2) omit "for the";

(viii) after new article 9Z2 (Article 9Y exclusion: enabling parties to communicate) insert—

"Article 9Y exclusion: technical services exclusion

9Z2A—(1) Subject to paragraph (2), there are excluded from article 9Y arrangements under which a person ("A"), who is not an authorised person or a payment service provider, merely providing a technical service that allows another person ("C") to access services provided by a third person or a decentralised protocol ("V").

(2) Paragraph (1) only applies where one or both of the following apply—

(a) V is carrying on a regulated activity in relation to the services referred to in paragraph (1), and is an authorised person or an exempt person in relation to carrying on that activity;

(b) V is a decentralised protocol.

(3) For the purposes of paragraph (1), "payment service provider" has the meaning given by regulation 2(1) of the Payment Services Regulations 2017 (interpretation)(**b**).";

(ix) in new article 9Z4 (Article 9Y exclusion: trustees, nominees and personal representatives), in the heading to that article omit ", nominees";

(x) in new article 9Z10 (activities carried on for the sale of goods or supply of services), after paragraph (3) insert—

"(3A) This article does not apply where article 9Z10A applies.";

(xi) after new article 9Z10 (activities carried on for the sale of goods or supply of services) insert—

(**a**) "Recognised CSD" and "third country CSD" defined in section 285 of the Act (exemption for recognised bodies etc.).
(**b**) S.I. 2017/752.

"UK qualifying stablecoin and qualifying stablecoin transactions

9Z10A.—(1) Subject to paragraphs (2) and (3), there is excluded from the articles specified by paragraph (6) activity comprising or related to—

(a) the transfer of a UK qualifying stablecoin to another person;

(b) the exchange of a UK qualifying stablecoin for another asset, including money or another UK qualifying stablecoin;

(2) Paragraph (1) does not apply to the transfer or disposal of a UK qualifying stablecoin which is subject to a right for the return of the qualifying stablecoin.

(3) Paragraph (1) does not apply to activity comprising, or related to, the exchange of a UK qualifying stablecoin for a qualifying cryptoasset other than a UK qualifying stablecoin.

(4) Subject to paragraph (5), there is excluded from the articles specified by paragraph (6) activity where qualifying stablecoin is the cryptoasset in or the subject of the following arrangements—

(a) a person ("B") received the cryptoasset from another person ("A") under a title transfer cryptoasset collateral arrangement, or

(b) a person ("B") acquired the cryptoasset from another person ("A") A under an agreement, pursuant to which A contracted to buy back the cryptoasset from B.

(5) Paragraph (4) does not apply where A is—

(a) a consumer, as defined in article 9N(5)(a) (safeguarding of qualifying cryptoassets and relevant specified investment cryptoassets), or

(b) specified, or of a description specified, in rules made by the FCA.

(6) The articles specified for the purposes of paragraphs (1) and (4) are—

(a) article 9T (dealing in qualifying cryptoassets as principal);

(b) article 9W (dealing in qualifying cryptoassets as agent);

(c) article 9Y (arranging deals in qualifying cryptoassets).

(7) For the purposes of paragraph (4), a "title transfer cryptoasset collateral arrangement" means an agreement or arrangement between B and A, where—

(a) the purpose of the agreement or arrangement with A is to secure or otherwise guarantee financial obligations owed by A to B, and

(b) A transfers legal and beneficial ownership of the cryptoasset to B on terms that B must transfer legal and beneficial ownership of the cryptoasset or its equivalent to A when the financial obligations referred to in sub-paragraph (a) are discharged.";

(c) in paragraph (11), in new article 88F (qualifying cryptoassets), for paragraph (4)(a) substitute—

"(a) a specified investment cryptoasset, other than one specified by article 74A (electronic money);";

(6) In regulation 42 (amendment of the Financial Promotion Order)—

(a) in paragraph (2), in the text to be inserted, as the appropriate places, insert—

""qualifying cryptoasset trading platform" has the meaning given by article 3(1) of the Regulated Activities Order (interpretation);

"UK qualifying stablecoin" has the meaning given by article 3(1) of the Regulated Activities Order (interpretation);";

(b) in paragraph (5)(a)(iii), in new paragraph 7A (safeguarding of qualifying cryptoassets and relevant specified investment cryptoassets)—

(i) in sub-paragraph (10), for "article 9V(2)(c)" substitute "article 9V(1)(e)";

(ii) after sub-paragraph (10) insert—

"(10A) There is excluded from sub-paragraph (1) any activity carried on by a person pursuant to arrangements in relation to a specified investment cryptoasset—

(a) which are operated by a recognised CSD or a third country CSD ("D")(**a**) in the course of operating a central securities depository, and

(b) under which D undertakes to the person on whose behalf the relevant specified investment cryptoasset is being safeguarded a responsibility in respect of that cryptoasset which is no less onerous than D would have undertaken if D were safeguarding the cryptoasset.

(10B) There are excluded from sub-paragraph (1) arrangements—

(a) made in relation to a UK qualifying stablecoin,

(b) carried on by a person with a Part 4A permission to carry on the regulated activity specified by article 9M of the Regulated Activities Order (issuing qualifying stablecoin) in respect of that qualifying stablecoin, and

(c) relating to assets held for the purpose set out in article 88G(2)(b) of that Order (qualifying stablecoin).";

(iii) in sub-paragraph (11)(d), for "the person who would otherwise be regarded as safeguarding the cryptoasset on behalf of another person ("A")" substitute "A".

(7) In regulation 59 (variation and cancellation of an exemption under regulation 56)—

(a) in paragraph (2), omit "and (c)";

(b) in paragraph (6), for "(4)" substitute "(5)";

(c) in paragraph (8), for "(4)" substitute "(5)".

Name
Name
Two of the Lords Commissioners of His Majesty's Treasury

(**a**) "Recognised CSD" defined in section 285 of the Act (exemption for recognised bodies etc.).

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend and add to the regulatory regime for certain cryptoasset activities pursuant to powers conferred by the Financial Services and Markets Act 2000 (c. 8) ("the Act").

Part 1 of the Regulations sets out the citation, commencement, extent of the Regulations.

Part 2 of the Regulations amends other Regulations. Regulation 1 amends the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (S.I. 2001/544), regulation 2 amends the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (S.I. 2005/1529) and regulation 3 amends the Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026 (S.I. 2026/102).

These amendments amend both regulated activities and controlled activities, the latter in relation to financial promotions, relating to cryptoassets for the purposes of regulation under the Act.

The Regulations also provide for the early commencement of amendments to the following instruments made in the Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026—

- the Financial Services and Markets Act 2000 (Collective Investment Schemes) Order 2001;
- the Electronic Money Regulations 2011;
- the Alternative Investment Fund Managers Regulations 2013.

No impact assessment for these Regulations has been prepared, as no significant impacts on the costs of business, the voluntary sector and the public sector are envisaged beyond those already considered in the impact assessment for the Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026, which is available from HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ and was published alongside these Regulations at www.legislation.gov.uk.

© Crown Copyright 2026

Printed and published in the UK by The Stationery Office Limited under the authority and superintendence of Saul Nassé, Controller of His Majesty's Stationery Office and King's Printer of Acts of Parliament.

ISBN 978-0-34-828723-3

£8.90

http://www.legislation.gov.uk/id/ukdsi/2026/9780348287233