DECISION PROCEDURE AND PENALTIES MANUAL (CRYPTOASSETS) (AMENDMENT) INSTRUMENT 2026

Powers exercised

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

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

(a) section 124 (Statement of policy);
(b) section 137A (The FCA's general rules);
(c) section 137T (General supplementary powers);
(d) section 139A (Power of the FCA to give guidance); and
(e) section 395 (The FCA's and PRA's procedures); and

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

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

Commencement

C. Part 1 of Annex B comes into force on 30 September 2026.

D. Annex A and Part 2 of Annex B come into force on 25 October 2027, immediately after the Cryptoassets (COREPRU and CRYPTOPRU) Instrument 2026 (FCA 2026/45).

Amendments to the Handbook

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

F. The Decision Procedure and Penalties manual (DEPP) is amended in accordance with Annex B to this instrument.

Notes

G. In the Annexes to this instrument, the notes (indicated by "Note:") are included for the convenience of the reader but do not form part of the legislative text.

Citation

H. This instrument may be cited as the Decision Procedure and Penalties Manual (Cryptoassets) (Amendment) Instrument 2026.

By order of the Board
24 September 2026

Annex A

Amendments to the Glossary of definitions

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

Amend the following definitions as shown.

inside information	(1)	(except in *DEPP*) as described in article 7 of the *Market Abuse Regulation*.	
	(2)	(in *DEPP*) as described in article 7 of the *Market Abuse Regulation* or regulation 18 of the *Cryptoassets Regulations*.	
market abuse	(1)	(except in *DEPP*) behaviour prohibited by~~:~~	
		~~(a)~~	articles 14 and 15 of the *Market Abuse Regulation*~~; or~~
		~~(b)~~	~~[deleted]~~.
	(2)	(in *DEPP*) behaviour:	
		(a)	prohibited by articles 14 and 15 of the *Market Abuse Regulation*; or
		(b)	defined as *cryptoasset market abuse*.
public censure	…		
	(6)	a statement published under section 312Q (Power of censure) of the *Act*~~.~~; or	
	(7)	a statement published under regulation 63 of the *Cryptoassets Regulations*.	

Annex B

Amendments to the Decision Procedure and Penalties manual (DEPP)

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

Part 1: Comes into force on 30 September 2026

2 Statutory notices and the allocation of decision making

…

2.5 Provision for certain categories of decision

…

Notices under other enactments

…

2.5.18 G Some of the distinguishing features of notices given under enactments other than the *Act* are as follows:

…

(9) …

(10) The Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026 (SI 2026/102):

(a) Where the *FCA* exercises its power under regulation 55(3) (Application of the cryptoasset transitional provision) to direct that regulation 56 (Temporary exemption relating to pre-existing contracts) will apply to a *person* whose application for a relevant cryptoasset *permission* has been refused by the *FCA* but is open to review, the *FCA* must give a *decision notice* to the *person* in accordance with regulation 55(6). In these circumstances, the decision to exercise the power in regulation 55(3) will be taken by *FCA* staff under *executive procedures*.

(b) Where the *FCA* decides to exercise its power under regulation 55(3) to give a direction, a *person* to whom the direction is given may refer the decision to exercise the power to the *Tribunal* under regulation 55(7).

…

2 Annex 1 **Warning notices and decision notices under the Act and certain other enactments**

2 Annex 1 G Note: Third party rights and access to *FCA* material apply to the powers listed in this Annex where indicated by an asterisk * (see *DEPP* 2.4)

…

Short Selling Regulations 2025 (SI 2025/29)	**Description**	**Handbook reference**	**Decision maker**
…			
385(1)/386(1) of the Act as applied by Schedule 1 to the Regulations	…	…	…

Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026 (SI 2026/102)	**Description**	**Handbook reference**	**Decision maker**
Regulation 55(3)	when the *FCA* is exercising its power to give a direction		*Executive procedures*

Part 2: Comes into force on 25 October 2027

2 **Statutory notices and the allocation of decision making**

…

2.5 **Provision for certain categories of decision**

…

Notices under other enactments

…

2.5.18 G Some of the distinguishing features of notices given under enactments other than the *Act* are as follows:

…

(10) ~~The Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026 (SI 2026/102)~~ *Cryptoassets Regulations*:

…

(b) …

(c) The *FCA* must notify a *person* who is subject to an exemption under regulation 56 when it exercises its power under regulation 59(1) (Variation and cancellation of an exemption under regulation 56) to cancel the exemption, or part of the exemption, or impose such conditions relating to the exemption, or part of the exemption, as the *FCA* considers appropriate. In non-urgent cases, the *FCA* must notify the *person* by giving a *warning notice* when it proposes to exercise the power under regulation 59(1) and a *decision notice* when it decides to exercise the power. In urgent cases, the *FCA* must give the *person* a *decision notice* when it decides to exercise the power under regulation 59(1). In both urgent and non-urgent cases, the decision to exercise the power in regulation 59(1) will be taken by *FCA* staff under *executive procedures*.

(d) A *person* in respect of whom the power under regulation 59(1) is exercised may refer the decision to exercise the power to the *Tribunal*.

(e) Where the *FCA* proposes to exercise its power under regulation 63 (Public censure) to publish a *public censure*, the *FCA* must give the *person* mentioned in the statement a *warning notice* in accordance with regulation 63.

(f) On receipt of a *warning notice* given under regulation 63, the *person* may make representations to the *FCA* about its proposal to publish a *public censure*.

(g) Where the *FCA* decides to publish a *public censure*, having considered any representations made in response to the *warning notice*, the *FCA* must give the *person* a *decision notice* in accordance with regulation 63.

(h) The *person* who is subject to a *public censure* may refer the decision to exercise the power to the *Tribunal*.

(i) In accordance with regulation 55(9), Chapter 3 (Cryptoasset transitional provision) of Part 7 (Savings and transitional provision) of the *Cryptoassets Regulations* will cease to have effect at the end of a 2-year period beginning on the full commencement day as set out in regulation 1(2) (Citation, commencement and extent) of the *Cryptoassets Regulations*.

…

2 Annex 1 **Warning notices and decision notices under the Act and certain other enactments**

2 Annex 1 G Note: Third party rights and access to *FCA* material apply to the powers listed in this Annex where indicated by an asterisk * (see *DEPP* 2.4)

…

Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026	Description	Handbook reference	Decision maker
Regulation 55(3)	when the *FCA* is exercising its power to give a direction		*Executive procedures*
Regulation 59(1)(a)	when the *FCA* is proposing or deciding to cancel the exemption, or part of the exemption, under regulation 56		*Executive procedures*
Regulation 59(1)(b)	when the *FCA* is proposing or deciding to impose conditions relating to the exemption, or part of the exemption, under regulation 56		*Executive procedures*
Regulation 63(1)(a)	when the *FCA* is proposing or deciding to		*Executive procedures*

	publish a statement censuring a *person* to whom regulation 56 applies for acting contrary to the advancement of the *FCA*'s objectives under Part 1A of the *Act*		
Regulation 63(1)(b)	when the *FCA* is proposing or deciding to publish a statement censuring a *person* who has failed to comply with regulation 54 or regulation 57		*Executive procedures*

…

6 Penalties

…

6.5C The five steps for penalties imposed on individuals in market abuse cases

…

Step 2 - the seriousness of the market abuse

6.5C.2 G …

(11) Factors relating to the impact of the *market abuse* include:

…

(c) whether the *market abuse* had a significant impact on the price of *shares* or other *investments*, or of *relevant qualifying cryptoassets* and *related instruments*.

…

(13) Factors tending to show the *market abuse* was deliberate include:

…

(h) for *market abuse* falling within the prohibition in article 14(a) of the *Market Abuse Regulation* or article 22 of the *Cryptoassets Regulations*, the individual knew or recognised that the information on which the *dealing* was based was *inside information*.

…

…