

28 October 2026

Circular: Good practices for VASP's public disclosures

This circular is provided by VARA for the benefit of licensed Virtual Asset Service Providers ("VASPs") and is intended to illustrate characteristics of good practice in regards to VASPs public disclosure practices, drawing on observations VARA's supervisory thematic review of public disclosures.

Capitalised terms used in this circular have the meanings ascribed to them in the Regulations or the applicable Rulebooks, as amended from time to time.

1. Introduction

Clear, accurate and up-to-date public disclosures are an important component of an effective market conduct framework. They enable clients, prospective clients and other market participants to understand the identity and regulatory status of a VASP, the VA Activities it is authorised to conduct, any conditions applicable to its Licence, the nature and risks of its services and other information necessary to make informed decisions.

VARA's compulsory Rulebooks, including Part V of the Market Conduct Rulebook, requires all VASPs to provide specified information in an easily accessible location on their website, in a machine-readable format, and to keep that information accurate and up to date at all times. This includes the VASP's VARA Licence number, authorised VA Activities, applicable Licence restrictions and validity period, Responsible Individuals, a specified risk disclosure and the VASP's VA Standards.

In addition, all VASPs must provide any additional disclosures that are required in the relevant activity-specific Rulebook(s) for each VA Activity for which the VASP is Licensed. VA Activity-specific disclosures are cumulative, meaning that any VASP conducting multiple VA Activities must consider the requirements applicable to each VA Activity for which it is Licensed. Accordingly, the public disclosure obligations applicable to a particular VASP will depend on both the generally applicable requirements and the specific VA Activities that it carries out.

Public disclosure compliance should therefore be treated as an ongoing compliance obligation, rather than as a one-time exercise undertaken as part of the licensing process.

2. Public Disclosure thematic review

In June 2026, VARA commenced a thematic review of VASPs' compliance with the public disclosure requirements in VARA's Regulations and Rulebooks. The thematic review focused on a representative population of VASPs, and does not constitute an assessment of any individual VASP's compliance with these requirements.

The review considered both the compulsory public disclosure requirements applicable to all VASPs and VA Activity-specific requirements applicable depending on the VA Activities for which each VASP is Licenced.

The thematic review has identified examples of good practice among the VASPs selected for review, while also highlighting areas for improvement, including disclosures that were incomplete, insufficiently specific, difficult to locate, inconsistent with the VASP's operating model, or not updated to reflect changes to the VASP's business or operating arrangements.

A recurring observation was that some VASPs appeared to approach public disclosure compliance primarily as a licensing deliverable, rather than as a continuing regulatory obligation requiring governance, monitoring and periodic testing.

3. Purpose of this circular

This circular sets out good practice characteristics for public disclosures, drawing on VARA's observations from its thematic review of Licensed VASPs. It is intended to assist VASPs in strengthening the governance, completeness, accuracy and ongoing maintenance of their public disclosures and to provide a clearer picture of what good practice looks like.

This circular is illustrative only and does not replace or modify any Regulations, Rulebooks, Directives, Licence conditions or other requirements applicable to a VASP. VASPs remain responsible for identifying and complying with all requirements applicable to their particular business-model, VA Activities and circumstances.

As part of the licensing process, VARA's Licensing team may undertake a high-level and limited review of a VASP's website and other publicly available materials. Such review is undertaken in the context of the licensing assessment and should not be interpreted as a comprehensive assessment of compliance with every applicable public disclosure requirement.

4. Supervisory observations and good practice

4.1. Governance and ongoing compliance

Good practice treats public disclosure compliance as part of VASP's broader compliance management framework.

VASPs demonstrating good practice have clearly documented ownership and accountability for public disclosures. The process identifies which function is responsible for preparing and maintaining disclosures, which functions provide the underlying information, who reviews and approves changes, and how compliance independently monitors adherence to applicable requirements.

VASPs demonstrating good practice maintain a register or equivalent control document which maps each public disclosure obligation, including the applicable Rule each disclosure satisfies. The register identifies whether the requirement is a compulsory Rule or a VA Activity-specific Rule, the owner responsible, the location of the disclosure, its last review date and any relevant trigger for review.

The Compliance and Risk Management Rulebook requires the compliance management system to comprise a risk-based testing and monitoring programme designed to identify potential compliance violations and ensure compliance with applicable regulatory requirements, at all times. Public disclosures should also form part of a VASP's compliance monitoring and testing programme. Testing should assess not only whether a disclosure exists, but whether it remains complete, accurate, sufficiently specific, accessible and consistent with the VASP's actual operating model.

VASPs demonstrating good practice ensure that Material Changes to the VASP would trigger an assessment of whether disclosures require amendment. Relevant triggers may include changes to Licensed activities, products or the Virtual Assets offered, pricing methodology, liquidity sources or order-routing arrangements, third-party service providers, safeguarding arrangements, Group structure, Responsible Individuals or the design and content of the VASP's website.

Good practice example

A VASP maintains a central disclosure register mapping each compulsory and each VA Activity-specific disclosure requirement to the relevant webpage. Each requirement has an accountable business owner and compliance reviewer. The register records the source Rule, disclosure location, date last tested and relevant change triggers. Compliance performs periodic testing against the live website and records identified deficiencies through its compliance monitoring programme. Business changes that may affect a disclosure automatically trigger an out-of-cycle review. This provides a clear audit trail demonstrating that disclosure compliance is monitored.

4.2. Pricing methodology and VA price determination

Broker-Dealer Services Rulebook, Rule I.B.1.d requires VASPs to publish a description of how the VASP determines the prices of the Virtual Assets it quotes to clients. The thematic review identified instances where pricing disclosures were high-level or generic and did not provide sufficient information to understand how quoted prices were determined.

Statements that prices are based on “market conditions”, “market prices” or “liquidity providers”, without further explanation, may provide limited meaningful information regarding the VASP's pricing methodology.

VASPs demonstrating good practice provide sufficient information to enable clients to understand the methodology by which quoted prices are determined. Depending on the VASP's pricing model, this would clearly explain the source and methodology used to establish the underlying or reference price and how any spread, markup or other adjustment applied by the VASP is determined.

Good practice example

A Broker-Dealer VASP clearly explains the methodology it uses to determine the prices of VAs quoted to clients. The disclosure describes, at an appropriate level, how the underlying or reference price is established, including how prices from relevant trading venues, liquidity sources or other market data are selected or aggregated. It also explains whether any spread, mark-up or other adjustment is applied and, where applicable, how relevant factors such as market liquidity, volatility, transaction size or other parameters affect the final quoted price. Where different pricing methodologies apply to different products or execution models, those differences are clearly explained. The disclosure need not reveal proprietary algorithms or commercially sensitive technical parameters but provides sufficient information for clients to understand the basis on which the price quoted by the VASP is determined.

4.3. Order routing practices and material liquidity sources

Broker-Dealer Services Rulebook, Rule I.B.1.e requires VASPs to disclose the VASP's routing practices, including if twenty percent (20%) or more of client orders are routed to any liquidity source and if so, the identity of such source(s).

The thematic review identified instances where VASPs described their Execution arrangements in general terms but did not clearly explain their routing practices or demonstrate that they had assessed whether any liquidity source met the prescribed 20% threshold.

Good practice example

A Broker-Dealer VASP clearly describes its routing practices and assesses whether any liquidity source accounts for 20% or more of client orders routed by the VASP. Where the threshold is met, the VASP identifies the relevant liquidity source(s). Where no liquidity source meets the threshold, the VASP expressly states, for example: "No single liquidity source accounts for 20% or more of client orders routed by the VASP." VASP keeps this assessment under review and updates its public disclosure where relevant changes in its routing arrangements or order flows affect the application of the threshold."

4.4. VA specific information

VASPs are required to publish on their website in a prominent place, or make available by other publicly accessible means, specified information for each Virtual Asset offered by the VASP, including its name and symbol, issuance date, market capitalisation and fully diluted value, circulating supply, smart-contract audit information and specified historical price information (Broker-Dealer Services Rulebook, Rule I.B.1(c); Exchange Rulebook, Rule II.B.1.(c)).

The thematic review identified cases where information required for each Virtual Asset offered by the VASP was absent, provided only for selected Virtual Assets, difficult to locate, or presented through generic asset information that did not clearly address each prescribed metric. In some instances, VASPs relied on links to third-party sources, including CoinMarketCap, instead of directly disclosing the required information in an accessible and complete manner.

Good practice example

A VASP maintains a dedicated asset-information page or structured disclosure for every VA offered to clients. Each page uses a consistent set of fields corresponding to the applicable regulatory requirements.

4.5. Protection of clients' ownership of assets

VASPs are required, where applicable to their Licensed VA Activities, to disclose their arrangements for protecting clients' ownership of assets held by the VASP. Relevant requirements are set out in the Broker-Dealer Services Rulebook, Rule I.B.1(g); Exchange Services Rulebook, Rule II.B.1(d); VA Management and Investment Services Rulebook, Rule I.B.1(d); and Lending and Borrowing Services Rulebook, Rule I.B.1(d). The requirements differ in scope and wording across the relevant VA Activity-specific Rulebooks.

The thematic review identified instances where disclosures relied on broad statements that Client Money or Client VAs were “protected”, “secure” or “segregated”, without sufficiently explaining the arrangements underpinning those statements or distinguishing, where relevant, between the arrangements applicable to Client Money and those applicable to Client Virtual Assets.

Good practice example

A VASP clearly explains the arrangements applicable to both Client Money and Client VAs that it holds or controls, where relevant to its operating model. For Client Money, the disclosure explains how client funds are identified and segregated from the VASP's own funds and the role of any bank or other relevant third-party service provider. For Client Virtual Assets, the disclosure explains how clients' ownership or interests are maintained, how Client VAs are distinguished from the VASP's own VAs, and the role of any custodian or other

relevant third-party service provider. The disclosure reflects the VASP's actual operating model and is consistent with its Client Agreements and other applicable disclosures.

4.6. Accounts, funds or Virtual Assets maintained by third parties

VASPs are required to disclose whether they have accounts, funds or Virtual Assets maintained by a third party and, if so, to identify that third party. This requirement is set out in the Broker-Dealer Services Rulebook, Rule I.B.1(i); Custody Services Rulebook, Rule II.B.1(c); and Advisory Services Rulebook, Rule I.B.1(d).

The requirement extends to both the VASP's proprietary accounts, funds and Virtual Assets maintained by third parties and, where applicable, accounts, funds or Virtual Assets relating to the VASPs clients in connection with the VASP's VA Activities.

The thematic review identified instances where disclosures did not clearly identify all relevant third parties, focused only on arrangements involving client assets, or listed service providers without providing sufficient context to understand the capacity in which the third party was engaged. The absence of custody or control over Client Virtual Assets does not, by itself, mean that the requirement is inapplicable where the VASP maintains its own accounts, funds or Virtual Assets with a third party in connection with the relevant VA activity.

Good practice example

A VASP clearly states whether it has accounts, funds or Virtual Assets maintained by a third party and, where it does, clearly identifies the relevant third party or third parties. The disclosure covers both VASP's proprietary accounts, funds and Virtual Assets and, where applicable, client-related accounts, funds and Virtual Assets maintained by third parties in connection with the relevant VA activity. Where no accounts, funds or Virtual Assets are maintained by a third party, the VASP clearly states this.

5. Final notes

VARA would like to thank all VASPs that participated in the thematic review for their cooperation and engagement throughout the review, including in responding to information requests and subsequent follow-up queries.

The thematic review reinforces the importance of VASPs maintaining public disclosures that are clear, accurate, sufficiently specific, easily accessible and kept up to date, and that appropriately reflect the VASP's Licensed VA Activities and actual operating arrangements. VASPs should continue to review their public disclosures against the applicable requirements and promptly address any identified gaps or inconsistencies.

VARA expects VASPs to consider the observations and examples of good practice set out in this circular, where relevant to their Licensed VA Activities, as part of their ongoing compliance with the Regulations and applicable Rulebooks.