

## Hong Kong to permit VA brokers to offer margin financing and access to shared order books

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On February 11, 2026, the Hong Kong Securities and Futures Commission published a circular permitting licensed intermediaries providing virtual asset dealing services to offer margin financing and access to shared order books. This client update identifies the key aspects of the circular.

### Introduction and existing regime

The Securities and Futures Commission (SFC) issued [supervisory guidance](#) allowing licensed intermediaries providing virtual asset dealing services under an omnibus account arrangement (VA brokers) with SFC-licensed virtual asset trading platforms operators (VATP) to offer (a) financing for virtual asset (VA) dealing and (b) access to shared order books.

Under the current licensing regime, VA brokers can only provide VA trading services to clients in conjunction with a licensed VATP, either by introducing clients to the VATP for direct trading or by establishing an omnibus account with the VATP.

### VA financing framework – Key regulatory requirements

The SFC now allows VA brokers engaging in securities margin financing to extend credit to margin clients for VA dealing (VA financing) based on the client's financial capability and the client's securities and/or VA collateral posted to the VA broker.

VA brokers are only allowed to provide this service to their securities margin financing clients. VA brokers will be subject to the same Guidelines for Securities Margin Financing Activities and all other existing requirements relating to securities margin financing when providing margin financing for VA dealing.

### Using VA as eligible collateral

Only Bitcoin and Ether are eligible VA collateral at the moment, and the SFC requires VA brokers to apply a 60% or higher haircut to the market value of the VA when calculating the collateral value. The SFC has indicated in its circular that they may revise this haircut in the future upon prior notice. VA brokers shall value a client's VA collateral based on the prices at the VATP at which the client's VA orders are executed.

VA brokers accepting VA collateral shall document clearly in its margin lending policy the methodologies used to assess the risks associated with VA and to ensure operational capability in monitoring VA volatility and taking timely actions in real-time.

## Maintaining credit controls and margin call notifications

VA brokers are expected to maintain all existing credit controls for securities margin financing when engaging in VA financing, including triggers for margin calls and suspending any further advances to margin clients.

In addition, VA brokers must stop any further VA purchase by a margin client and conduct a review of the margin client's credit and trading limits where (1) the outstanding margin loan balance has exceeded the market value of the underlying collateral in the client's account or (2) when the client, with a poor history of settling margin calls, has an outstanding margin call amount.

## Agency trading via VATPs' Shared Order Book

As we explained in our previous update on [December 2, 2025](#), VATPs are permitted to integrate their order books with those of global affiliated VATP operators (OVATP). In other words, trades placed by clients of a Hong Kong-licensed VATP may now be matched with trades placed by clients of the OVATP.

### Agency trading

The SFC now extends this by allowing VA brokers to conduct agency trading for their clients through the shared order book of the VATP they are operating in conjunction with pursuant to best execution obligations.

### Risk disclosure

VA brokers must carefully assess the risks associated with shared order books, and disclose the same to enable clients to make informed decisions about whether to participate in a shared order book, including:

- potential conflicts of interest of the shared order book operators;
- the settlement mechanism (including risks of settlement delay or failure);
- scenarios in which failed settlement may arise and the default management procedures;
- the risk mitigation measures in place; and
- the extent of client protection, clients' rights and available recourse.

### Retail clients

Shared order books can be made available to retail clients as long as:

- the VA broker has explained the additional risks associated with overseas order matching and settlement to enable the clients to make an informed decision; and
- the clients have expressly elected to participate in the shared order book.

## Safeguarding of client VAs

VA brokers are required to properly handle and safeguard their clients' VAs. Under the current licensing regime, intermediaries that allow clients to deposit or withdraw VAs from their accounts can only receive or withdraw such clients' VAs through the segregated accounts established with their partner VATPs or authorized financial institutions.

The SFC warns of heightened risk exposure with respect to the withdrawal functionality provided by VA brokers. Accordingly, they are expected to adopt heightened measures, including:

- ensuring systems, controls and security arrangements are able to prevent, detect and respond to unauthorised attempts to initiate client withdrawals;
- maintaining continuous monitoring with effective incident escalation and suspension mechanisms; and

- collaborating with and seeking assistance from VATPs to strengthen abnormal withdrawal detection and ensuring timely escalation to the VA brokers.

#### Resources

##### Crypto Regulation Hub

Visit our Crypto Regulation Hub for links to congressional proposals related to the regulation of crypto assets and other helpful materials.

[Explore our crypto resources](#)

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