

MARKET NOTICE

26 August 2025

N09/25 - Rulebooks for the Private Securities Market



Introduction

1. The London Stock Exchange plc (the “**Exchange**”) offers a range of markets designed to provide choice to companies and to give investors access to a wide set of investment opportunities. We are committed to making our markets work to support the high growth companies of today and the future, by ensuring that capital can be deployed effectively at all stages of a company’s growth cycle. We believe that a supportive and broad market ecosystem which enables and encourages companies to start, grow and scale has wider positive economic and social impacts. For example, increasing employment, driving innovation, supporting the public’s engagement with investing and building individual and corporate prosperity.
2. The Exchange is pleased to confirm that it has been approved as an operator of a Private Intermittent Securities and Capital Exchange System (“**PISCES**”).
3. PISCES is the UK Government’s initiative to develop a new type of market tailored for private companies. PISCES has an innovative market design which seeks to enable companies to remain private but at the same time bring together buyers and sellers of shares to create liquidity opportunities through intermittent auction events, using the Exchange’s existing public market infrastructure as a Recognised Investment Exchange.
4. PISCES is a new category of trading platform established and governed by the PISCES Regulations, further details of which can be found [here](#) (PISCES Statutory Instrument) and [here](#) (PISCES Sourcebook) (together the “**PISCES Regulations**”). PISCES does not allow primary fundraising.
5. As part of its overall market offering, the Exchange will operate the “**Private Securities Market**” as a PISCES.
6. The Private Securities Market is designed to establish the UK as the first global financial centre to create a seamless funding journey for early stage, scaling and mature private businesses, by providing better connectivity between the private and public markets and creating a market ecosystem, tailored to the needs of the private companies whilst also giving access to a wider range of investors.
7. The Exchange will operate the Private Securities Market as a Recognised Investment Exchange, leveraging much of its existing trading infrastructure to enable private companies to facilitate trading of their securities through an auction facility, complemented by the development of new functionality giving companies control over who gets access to their



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disclosures. Outside of the auction period, companies will remain private and undertake their business as usual.

8. A new type of intermediary (who are approved Exchange member firms), known as Registered Auction Agents (“RAA”) has been introduced. RAAs will consider eligibility of investors to participate in the Private Securities Market and/or place trades on their behalf.
9. The Exchange is proposing to launch the Private Securities Market with the following rulebooks:
 - a) Private Securities Market Rules (Attachment 1): a new rulebook for companies seeking to join the Private Securities Market;
 - b) The Rules of the London Stock Exchange (Attachment 2): amendments in marked up form, to include a new intermediary, the Registered Auction Agent;
 - c) Admission and Disclosure Standards (Attachment 3): amendments in marked up form, updating our rulebook with references to the Private Securities Market; and
 - d) Private Securities Market Handbook (Attachment 4): a new rulebook relating to compliance, actions, decisions and appeals under the Private Securities Market Rules.
10. This Notice is relevant to potential applicants who may wish to join the Private Securities Market, advisers, intermediaries who may wish to become RAAs and investors.

Overview of the PISCES Market Model

11. The PISCES market model is significantly different from public markets and is designed to create a proportionate market framework to reflect the private nature of the companies seeking to participate and, as such, many of the regulatory obligations which apply in public markets do not apply.
12. PISCES is a buyer beware market model, where investors take responsibility for considering the market model and are responsible for holding a company to account on the quality of its disclosure. To support this market model, the PISCES Regulations provide investors with tailored statutory rights and remedies.
13. UK MAR disclosure regime does not apply and rather, the PISCES market model has introduced a new disclosure regime to reflect the private nature of the market. In this regard, a company’s mandatory disclosure is limited to minimum disclosures set by the FCA (known as Core Disclosure).



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14. The Exchange's role in operating the Private Securities Market and its rules will reflect the PISCES market model and will be focused on the efficient and effective functioning and the orderliness of the Private Securities Market.
15. Noting the market model, PISCES is only appropriate for certain categories of sophisticated and knowledgeable investors, details of which are set out in the PISCES Regulations.

The Private Securities Market Rulebook

16. We set out below the key areas covered by the Private Securities Market rulebook referencing the relevant sections of that rulebook.

Joining the Private Securities Market - Section 2

17. Noting there is no continuous trading, prospective companies must first join the Private Securities Market in order to access the Private Securities Market auction facilities and be able to conduct intermittent trading.
18. To make the process efficient, a company may wish to consider some preparatory steps such as:
 - a) review its share capital table and share rights to identify any changes that might be required to its constitution;
 - b) liaise with its existing shareholders, noting a shareholder vote for an ordinary resolution will be required to join the Private Securities Market;
 - c) liaise with one or more RAA(s) and explore the interest of their existing and prospective shareholders to participate in the company's auctions;
 - d) appoint a registrar to enable the company to dematerialise its shares to allow for electronic settlement through a Central Securities Depository, such as CREST;
 - e) consider what type of auction it wishes to hold (open or permissioned) and how frequently.
19. Whilst we have set out eligibility criteria at Rule 2.3 for companies seeking to join the Private Securities Market, we recognise that for this new market, we may need to consider other factors relevant to eligibility on a case-by-case basis. We consider that the market's intermittent trading facilities will generally be more appropriate for those companies that have already had a degree of past external scrutiny of their business and have experience of making private company disclosures to investors. We would encourage prospective applicants and advisers to engage with us at privatesecuritiesmarket@lseg.com in respect of the eligibility requirements.



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20. We recommend early engagement to mitigate the risk of any delay to a company's proposed first auction date. We have a dedicated team that can support companies and RAAs that are interested in participating in the Private Securities Market, who can be contacted at privatesecuritiesmarket@lseg.com.

Disclosure - Section 3

21. To replicate as far as possible the private company experience, the Exchange will provide a disclosure portal where the company must publish its disclosures.
22. As noted above, the PISCES market model does not seek to replicate public company obligations such as UK MAR disclosure. Instead, before a company opens its auction it must make Core Disclosure, which is the minimum level of disclosure prescribed by the FCA. The FCA's Core Disclosure requirements are replicated at Appendix 2 of the rulebook for ease of reference.
23. Beyond the minimum disclosures set by the FCA under the Core Disclosures, the rules leave the company in control of voluntary disclosures.
24. Core Disclosure and any voluntary disclosures must be published in the Exchange's disclosure portal, using the forms set out in the rulebook and which will be available on the Exchange's disclosure portal.
25. The rules also reflect the confirmation from the FCA set out in its PISCES Sourcebook that omissions from Core Disclosure are permitted in certain exceptional circumstances: (i) where a company does not have access to the information required to be disclosed; (ii) to protect a company's legitimate interests; (iii) contractual arrangements with another party prevent disclosure; (iv) the information is not relevant to the company; (v) if revealing a shareholder's identity could subject that individual to threats of violence or intimidation. If a company relies on an exemption, it must state which exemption it is making use of.
26. In addition, to support company and investor engagement on the Core Disclosure, the Exchange will provide a Q&A facility for investors to raise questions with a company in the Exchange's disclosure portal.
27. Noting the private nature of the market, only the company will see the investor questions and will determine whether to respond and the nature and extent of any responses to investors. All company responses to investor questions will be available on the Exchange's disclosure portal.
28. Investors should factor into their investment decisions matters such as the company's approach to engagement with investor questions, the quality of a company's disclosures and/or its response (if any) to questions.



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29. There are requirements for the company to update its disclosure for material errors or new developments. In such circumstances the company must inform the Exchange immediately, so that the Exchange can postpone/halt the auction, and publish an update to its disclosure as soon as possible.

Permissioned Auctions - Section 3

30. An innovative design feature of the Private Securities Market is the ability for a company to restrict access to its auctions by conducting permissioned auctions.
31. A company may restrict access to certain investors from purchasing its shares and seeing its disclosure information for certain designated reasons set out in the PISCES Sourcebook, for example, if it is seeking to promote or protect a legitimate commercial interest. A company may also choose specific RAA(s) to support an auction based on criteria that promote or protect a legitimate commercial interest.
32. All existing shareholders can sell in a permissioned auction unless contractually restricted from doing so.
33. A company must, at all times, disclose details of its permissioned auction criteria for investors and RAAs, so that investors are aware of those criteria before they request permission to participate in a permissioned auction. A company must permanently maintain certain other key disclosures in the Exchange's disclosure portal, for example: details relating to its auctions (auction calendar and type of auction); share classes, and contact details.

Auctions - Section 4

34. The rules set out details and guidance on how to open an auction, including details of minimum time periods for companies conducting auctions and a step-by-step guide as to the process a company will need to follow. The rules also include a flowchart to help companies visualise how the process will work.
35. The timetables set out in the rules have been designed as a minimum and we recognise that companies may wish to extend the timelines to allow potential investors a longer period of time (which could be weeks or months) to engage with the company.
36. Before it can open an auction, a company will need to make an online application to the Exchange to open an auction and provide a copy of its proposed final Core Disclosure (this will not be made public at this stage).
37. Once the company has provided certain final confirmations to the Exchange as part of its application to open an auction, it can publish its final disclosures and investors can then raise questions in the Exchange's disclosure portal.



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38. If a company cannot provide the Exchange with all the confirmations it requires within the required timelines, this may result in a delay to the company's planned auction.
39. If a company does not want to open an auction in accordance with its schedule, it may approach the Exchange in advance to discuss this. The rules set out examples of potential legitimate reasons why a company may not wish to open an auction in accordance with its published schedule (for example, matters which would require disclosure are in the course of negotiation, or the company is aware that there are likely to be material changes or developments to its Core Disclosure during an auction window).
40. Companies that want to change their proposed auction schedule (or the type of auctions it proposes to hold e.g. from permissioned to open or vice versa) should liaise with the Exchange sufficiently in advance of the proposed change to agree any new auction schedule.
41. The Exchange has general powers to refuse to open or delay an upcoming auction and may also halt or terminate an auction which is already in progress (for example because trading is not being conducted in an orderly manner, a company has not complied with the rules, or if directed to do so by the FCA).

Ongoing obligations - Section 5

42. Companies that have joined the Private Securities Market are required to meet eligibility criteria on an ongoing basis.
43. Companies will also need to comply with general responsibilities such as co-operation and confidentiality in a company's dealings with the Exchange. Given there are no requirements for companies to maintain an adviser to liaise with the Exchange, it is critical that the companies ensure full compliance at all times.

Termination - Section 6

44. A company may leave the Private Securities Market by giving at least 3 months' notice published in the Exchange's disclosure portal or such longer term if necessary to ensure that the company conducts a final auction before it leaves the Private Securities Market.
45. Joining and remaining on the Private Securities Market is with the consent of the Exchange. Accordingly, the Exchange will have the power to terminate a company's access to the Private Securities Market, as set out in this section of the rulebook.

Actions, decisions and appeals – Sections 3 and 7

46. The Exchange's approach to dealing with complaints reflects the nature of the market. We have designed a proportionate way in which a company can manage complaints regarding disclosure and so as to enable complainants to bring matters to the attention of the Exchange which are relevant to compliance of the rules.



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Private Securities Market Handbook

47. The Exchange has also published a Private Securities Market Handbook setting out actions and procedures relating to how it will approach a company's compliance with the Private Securities Market Rules.

Private Securities Market Secondary Market Rules

48. The updates being made to the Rules of the London Stock Exchange for the introduction of the Private Securities Market, are limited in nature and focus in the main, on the responsibilities of the Registered Auction Agent. These changes were outlined in Notice [N05/25](#).

Admission and Disclosure Standards

49. The Admissions and Disclosure Standards will be amended to reflect the creation of the Private Securities Market.

Timetable

50. The new rulebooks and changes to our existing rulebooks, remain in draft form and may be updated. The final form of the rulebooks will be published and come into effect when the Exchange launches the Private Securities Market, and we will provide a further update as to timing in due course. We welcome comments and feedback from market participants on the proposed design and specific rules for Private Securities Market. Responses or queries should be sent by close of business on **9 September 2025** by email to: primarymarketregulation@lseg.com.

Nilam Statham

Co-Head of Market Regulation

This Stock Exchange Notice will be available on the website at:

<https://www.londonstockexchange.com/resources/london-stock-exchange-notices>

Calls to the London Stock Exchange plc may be recorded to enable the London Stock Exchange to carry out its regulatory responsibilities.



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