



PRIVATE SECURITIES MARKET

Rules

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Section 1 – Introduction

Overview

The **Exchange** has established the **Private Securities Market** which is a Private Intermittent Securities and Capital Exchange System (**PISCES**).

PISCES is a new category of trading platform which has been established and is governed by the **PISCES Regulations**, creating a legal sandbox for its operation.

PISCES is designed as a market for companies that want to continue to operate, as far as possible, as private companies, with access to a market operator's auction facilities for intermittent trading.

The **PISCES** market model seeks to create proportionate obligations that are tailored for private companies, recognising the nature of the investors.

Purpose and application

This document sets out the **Exchange's rules** for the **Private Securities Market**.

Defined terms are in bold and definitions can be found in the Glossary.

All **Applicants** and **PSM companies** are subject to these **rules** and the **PSM Handbook** by virtue of making an application to join and/or upon joining the **Private Securities Market**. **PSM companies** and **Applicants** owe their obligations under these **rules** solely to the **Exchange** and no rights are provided to or actionable by third parties under these **rules** or the **PSM Handbook**.

In addition to the requirements set out in these **rules**, **Applicants** and **PSM companies** will also need to comply with any relevant national law and regulation.

A company considering joining the **Private Securities Market** which has questions on these **rules** or with regard to an application to join, should consult with the **Exchange** at the earliest possible stage by email to psmoversight@lseg.com or by telephone to +44 (0) 203 036 1606.

A new market model

PISCES markets are fundamentally different to public markets and reflect the private nature of the companies that may wish to participate.

The **Private Securities Market** is not a regulated market or multilateral trading facility. Accordingly, **PSM companies** do not have the same obligations as public companies admitted to the **Exchange's** other markets including the Main Market or AIM.

The **PISCES** market model has been designed to make bilateral private share transactions more efficient by using the public market infrastructure without seeking to impose public market-like obligations that would be overly burdensome for private companies to comply with. For example, the **UK Market Abuse Regulation** disclosure obligations do not apply to **PISCES** and so the quality of a **PSM company's** disclosure is not subject to **FCA** regulation or **Exchange** rules and a **PSM company's** disclosure will not be verified by the **Exchange**. Rather, the **PISCES** market model introduces a standardised minimum level of disclosure which will be provided on an intermittent basis dependent on the **PSM company's Auction Schedule**. This means that **PSM companies** will make **Core Disclosure** which reflects the minimum requirements set by the **FCA** and investors are encouraged to engage with **PSM companies** on such disclosure and to seek additional voluntary disclosure. In keeping with the private nature of the companies, a **PSM company** will be in control of voluntary disclosure and it will be for investors to decide whether the conduct of the **PSM company** in its engagement, the quality of its disclosure and the level of voluntary disclosure (if any), is satisfactory for the investor's purposes. The **PISCES Regulations** provide a tailored liability regime so that investors can pursue remedies to hold **PSM companies** to account in respect of their approach to disclosure which is available on the **PSM Disclosure Portal**.

The description of the market model above is a brief overview only. It does not constitute advice or a full explanation of the **Private Securities Market**. Investors should make their own enquiries and ensure they are fully aware of the market model before they invest.

Given the **PISCES** market model, the **Private Securities Market** is only appropriate for certain categories of investors as set out in the **PISCES Regulations**.

The **Private Securities Market** is operated by the **Exchange** on an intermediated basis and investors' participation in an **Auction** must be conducted through a **Registered Auction Agent** who will be responsible for: (i) investor categorisation under the **PISCES Regulations**; (ii) granting investor access to the **PSM Disclosure Portal**, and (iii) placing orders in **Auctions**. Notwithstanding this, investors should take primary responsibility to ensure that they only access the **Private Securities Market** if they meet the investor criteria set out in the **PISCES Regulations** and are willing and able to bear the risk of investing in a **PSM company**. Participation, access, use of and operation of the **PSM Disclosure Portal** will be subject to the **Exchange's PSM Disclosure Portal** terms and conditions as in force from time to time.

The Exchange's role and responsibilities

The **Exchange** is a Recognised Investment Exchange under Part XVIII of **FSMA ("RIE")** and operates the **Private Securities Market** as an **RIE**, including pursuant to the legal and regulatory obligations set out in the **PISCES Regulations**.

The **Exchange's** operation of the **Private Securities Market** is subject to responsibilities which are solely owed to the **FCA** and are undertaken by the **Exchange** for the purposes of the efficient and effective functioning and/or for the orderliness of the **Private Securities Market**. This is the context within which the **Exchange** will monitor and take action in respect of a **PSM company's** conduct under these **rules**.

So that **PSM companies** can continue to operate as private companies as far as possible, there is no continuous trading on the **Private Securities Market** and trading will take place in **Auctions** on an intermittent basis. There are various actions that the **Exchange** may undertake in its role as market operator which might result in interrupting an **Auction** or terminating a **PSM company's** access to the trading facilities of the **Private Securities Market**. In such circumstances, investors may not have the opportunity to buy, or divest their holdings, in future **Auctions**.

There is no right for a company to access the **Private Securities Market**. Further, the **Exchange** is not providing, either expressly or impliedly, any representations or assurances in respect of the suitability of a **PSM company** for investment or otherwise nor is the **Exchange** responsible for vetting or approving the content or quality of its disclosures on the **PSM Disclosure Portal** and is not responsible for any information regarding a **PSM company** available within or outside of the **PSM Disclosure Portal**.

Enquiries and complaints

Enquiries or complaints in connection with a **PSM company's** compliance with these **rules** should be made in writing to the **Exchange**, using the **PSM complaints submission form** available on the **PSM Disclosure Portal** and sent to psmoversight@lseg.com.

The **Exchange's** consideration of complaints and any associated subsequent actions or decisions of the **Exchange** are undertaken in the context of maintaining the efficient and effective functioning and/or for the orderliness of the **Private Securities Market** and made pursuant to these **rules**. The **Exchange's** actions are not designed to be a substitute for investors pursuing their legal rights and remedies under the **PISCES Regulations**. Further information about complaints can be found in the **PSM Handbook**.

Section 2 – Joining the Private Securities Market

2.1 Application to join

- 2.1.1 To join the **Private Securities Market**, an **Applicant** must submit to the **Exchange** a completed **PSM Joining Application**.
- 2.1.2 The **PSM Joining Application** requires the **Applicant** to make all of the following confirmations to the **Exchange**:
- The **Applicant** has received shareholder approval to join the **Private Securities Market**;
 - The **Applicant** has amended its constitutional documents (for example, Articles of Association) insofar as necessary to comply with these **rules**;
 - The **Applicant** has sufficient resources, procedures and controls in place to ensure that it is able to comply with these **rules**;
 - The **Applicant** has included all information which the **Exchange** may reasonably require for its consideration of the **PSM Joining Application** and the **Applicant's** eligibility.

*Guidance – Here are examples of some of the preparatory steps that an **Applicant** may want to consider: (i) ensuring it has sufficient time to obtain any necessary shareholder authorisations; (ii) appointing one or more **Registered Auction Agents** that can support access to **PISCES Investors**; (iii) organising settlement arrangements through a Central Securities Depository such as **CREST**; and (iv) considering the frequency and type of **Auctions** it wishes to hold.*

*We recommend early consultation with the **Exchange** regarding joining at psmoversight@lseg.com to mitigate the risk of any delay to an **Applicant's** proposed first **Auction** date.*

2.2 Consideration of the PSM Joining Application

- 2.2.1 An **Applicant** does not have a right to join the **Private Securities Market**. The **Exchange** may in its absolute discretion refuse an **Applicant's** **PSM Joining Application** even where an **Applicant** may meet the eligibility criteria set out in Rule 2.3.
- 2.2.2 When considering any **PSM Joining Application**, the **Exchange** may have regard to one or more of the following:
- Whether the **Exchange** considers that allowing the **Applicant** to join the **Private Securities Market** may be detrimental to the reputation and/or integrity of the **Exchange** and/or the **Private Securities Market** and/or to the **Exchange's** other markets;
 - Whether the **Exchange** considers that allowing the **Applicant** to join may give rise to a risk (including disproportionate costs, time and resources) to the **Exchange's** ability to meet its operator obligations pursuant to the **PISCES Regulations**;

- Whether the **Applicant** can demonstrate to the satisfaction of the **Exchange** that it is capable of complying with these **rules** or with any condition that is proposed to be imposed upon the **Applicant** by the **Exchange** pursuant to Rule 2.2.3(c);
- Whether the **Applicant** is better suited to another of the **Exchange's** markets even if the **Applicant** might need to make structural changes in order to be eligible for those markets and/or that there would be a delay in the **Applicant's** admission to those markets.

- 2.2.3 When considering whether an **Applicant** may join the **Private Securities Market**, the **Exchange** reserves the right to do one or more of the following:
- Delay its proposed joining date;
 - Request additional information from the **Applicant**;
 - Impose on the **Applicant** additional conditions or requirements whatsoever to those set out in these **rules**.
- 2.2.4 Before making a determination in respect of an application, the **Exchange** may publish the following details in relation to the **Applicant** on the public page of the **PSM Disclosure Portal** and/or on its website, usually at least ten **business days** prior to the **Applicant** joining:
- its registered name (and if different) its trading name;
 - its country of incorporation;
 - its registered office address (and if different) its trading address;
 - the full names of all its **directors** and any proposed **directors**;
 - the names of **persons** with significant control.
- 2.2.5 If an **Applicant** is approved to join the **Private Securities Market** it will receive written confirmation from the **Exchange**.
- 2.2.6 Following receipt of written confirmation pursuant to Rule 2.2.5, the **Applicant** must register itself and its **PSM securities** on **SSP**. It must also register as a **PSM company** to use the **PSM Disclosure Portal** facilities.
- Guidance – For assistance in relation to the **PSM Disclosure Portal** please contact psmdisclosureportal@lseg.com and for assistance in relation to **SSP**, please contact admissions@lseg.com.*
- 2.2.7 Unless otherwise agreed by the **Exchange**, the **Applicant's** first **Auction** cannot take place earlier than 20 **business days** following compliance with Rule 2.2.6.

2.3 Eligibility criteria for joining the Private Securities Market

2.3.1 In order to be considered for the **Private Securities Market**, an **Applicant** must be an **Eligible Company** and be able to demonstrate to the satisfaction of the **Exchange** that it meets the requirements in this Rule 2.3.

2.3.2 The **Applicant** must be able to demonstrate to the satisfaction of the **Exchange** *at least two* of the following:

- (a) The **Applicant** has undertaken a fundraising (whether debt or equity) of at least £10 million (or equivalent), which included a material participation of experienced investors independent of the **Applicant**, within the last 3 years; and/or
- (b) The total assets of the **Applicant** are at least £20 million (or equivalent) based on the **Applicant's** latest audited financial statements; and/or
- (c) The annual turnover of the **Applicant** is at least £10 million (or equivalent), based on the **Applicant's** latest audited financial statements.

2.3.3 The **Exchange** may in its absolute discretion, substitute the requirements of Rule 2.3.2 based on other considerations including (amongst other things) one or more of the following:

- (a) Past fundraising activity, even where it does not meet the criteria at Rule 2.3.2(a) in which case the **Exchange** will consider the nature of the fundraising in the context of the **Applicant's** business;
- (b) Number of years the **Applicant** has been undertaking its business in its current form;
- (c) An independent valuation of the **Applicant's** business;
- (d) The number of **persons** employed by the **Applicant**.

*Guidance – The **Exchange** welcomes early engagement with potential **Applicants** who are considering joining the **Private Securities Market**.*

2.3.4 An **Applicant** must be able to demonstrate to the satisfaction of the **Exchange** that its board of **directors** and senior management can effectively comply with its obligations under these **rules**, taking into account the nature, size and risk profile of the **Applicant**, with an expectation that the **Applicant** will have at least:

- (a) A minimum of 2 formally appointed **directors** on the **Applicant's** board; and
- (b) Appropriate financial accounting and reporting expertise amongst the **Applicant's** board of **directors** and/or its senior management.

2.3.5 Where the **Applicant's** main activity is not the conduct of an operating business, the **Exchange** will consider the nature of the business in the context of the requirements of the **PISCES Regulations**.

2.3.6 The **Applicant's** shares must not be admitted to trading on a regulated market or a multilateral trading facility or an organised trading facility (or equivalent) in the UK or overseas.

2.3.7 The **Applicant** must ensure that all classes of **PSM securities** admitted to the **Private Securities Market** will be freely transferable during an **Auction Window**.

2.3.8 The **Applicant** must ensure that appropriate settlement arrangements are in place for an **Auction**. In particular, any classes of **PSM securities** admitted to the **Private Securities Market** must be eligible for electronic settlement during an **Auction Window**.

2.3.9 The **Exchange** reserves the right to publicly identify a **PSM company** as having joined the **Private Securities Market**, including in public lists or in respect of any publications or media commentary or marketing information relating to the **Exchange** or its markets. The **Exchange** reserves the right to send alerts to **PSM Investors**, regarding a **PSM company's** information on the **PSM Disclosure Portal**.

Section 3 – Disclosure Requirements

3.1 Method of disclosure

3.1.1 All information required to be disclosed by the **PSM company** pursuant to these **rules** must be disclosed on the **PSM Disclosure Portal**.

*Guidance – The company's Private Securities Market disclosure (including any corrections to such disclosure or any company responses to investor questions) is available to be reviewed by eligible investors who access the Private Securities Market Disclosure Portal (**PSM Disclosure Portal**) at [Private Securities Market | Disclosure Portal | Issuer Services | LSEG](#). Investors should be aware that only company information disclosed on the **PSM Disclosure Portal** is part of the Private Securities Market disclosure arrangements. Information regarding the Private Securities Market company which is communicated outside of the **PSM Disclosure Portal** is not part of the Private Securities Market disclosure arrangements and is beyond the scope of the Private Securities Market rules.*

3.1.2 The **PSM company** must ensure that it has appropriate arrangements in place for **Auctions** to enable **PSM Investors** to access the **PSM company's** disclosures and **Investor Q&A** facility on the **PSM Disclosure Portal** and must use reasonable endeavours to consider access requests on a timely basis.

*Guidance – Investors should be aware that a **PSM company** will need adequate time to consider their requests for access to its **Core Disclosure** and the **Investor Q&A** facility for a **Permissioned Auction**. Whilst the **PSM company** is required to use reasonable endeavours to consider access requests on a timely basis, there may be a delay in providing access, for example, where steps are being taken to assess the investor's identity and/or eligibility for a **Permissioned Auction**.*

*Investors who have not had access to a **PSM company's** **Core Disclosure** from at least 08:00 on **AD-5** may not have the time they require to make their investment decision and therefore should not invest in that upcoming **Auction** unless they are willing and able to accept the risk.*

3.1.3 All disclosures required pursuant to these **rules** must be provided in English.

3.2 Disclosure to be maintained on the PSM Disclosure Portal

3.2.1. Upon joining the **Private Securities Market**, the **PSM company** must publish and maintain on the **PSM Disclosure Portal** details of all of the following information:

- (a) Timetable for the opening of its first **Auction**;
- (b) All classes of shares in the **PSM company** together with details of: (i) the classes that are being traded on the **Private Securities Market**; and (ii) those that are not;
- (c) The **Auction Schedule**, including details of:
 - i. the proposed frequency that the **PSM company** is proposing to open **Auctions** (e.g. monthly, quarterly, biannually or annually);
 - ii. the type of **Auctions** proposed (i.e. **Open Auctions** or **Permissioned Auctions**); and
 - iii. where the **PSM company** is running **Permissioned Auctions**, the **Permissioned Auction Criteria** which the **PSM company** proposes to apply;
- (d) Contact details for the **PSM company** or its advisers.

*Guidance – When preparing its **Auction Schedule**, a **PSM company** should have regard to the **Private Securities Market Trading Calendar** published by the **Exchange** on its website, and in particular the dates upon which the **Exchange** will hold **Auctions**. Where the **PSM company** does not provide specific dates for future **Auctions** in its **Auction Schedule**, it must contact the **Exchange** sufficiently in advance of the date of its proposed **Auction** and ensure that it publishes the specific date of its **Auction** on the **PSM Disclosure Portal** to provide investors with sufficient time and notice of the actual date(s) of its upcoming **Auction(s)**.*

*A **PSM company** may propose to have a "one-off" **Auction**. If this is the case, the **Auction Schedule** should clearly state that no further **Auctions** are proposed. Investors should be aware that in these circumstances there may be limited opportunity (if any) to buy or divest shares in future.*

3.2.2. The **PSM company** must update all material changes to the information required to be published by Rule 3.2.1 as soon as reasonably practicable. The date on which the **PSM company** last updated this information must be published on the **PSM Disclosure Portal**.

3.3 Permitted Auctions

- 3.3.1 Where a **Permitted Auction** is proposed, a **PSM company** must publish details of its **Permitted Auction Criteria** on the **PSM Disclosure Portal**.
- 3.3.2 A **PSM company** is responsible for setting **Permitted Auction Criteria** that must meet the following:
- any restriction on a **PSM Investor** from purchasing is imposed for the purposes of promoting or protecting the legitimate commercial interests of the **PSM company**; and
 - any restriction for a **PSM Investor** from selling is consistent with existing contractual obligations applicable to the **PSM Investor** as a **qualifying individual** in relation to the **PSM company**; and
 - any restriction on a **Registered Auction Agent** from participating in an **Auction** is imposed for the purposes of promoting or protecting the legitimate commercial interests of the **PSM company**.

Guidance – FCA has noted that the parameters which are described in Rules 3.3.2 (a) to (c) above, will ensure that a PSM company's Permitted Auction Criteria are objective, transparent and non-discriminatory. The restriction set out in 3.2.2 (c) will not apply to a Registered Auction Agent where it is placing a trade on its own behalf in its capacity as an investor.

- 3.3.3 The **PSM company** will be responsible for assessing whether **PSM Investors** or **Registered Auction Agents** meet the **PSM company's Permitted Auction Criteria**.

3.4 Core Disclosure

- 3.4.1 The **PSM company** must provide the **Core Disclosure** for inclusion on the **PSM Disclosure Portal** by using the form set out at **Appendix 2**, which is available on the **PSM Disclosure Portal**, clearly identifying this information as its **Core Disclosure**.
- 3.4.2 Subject to Rules 3.4.3 and 3.4.4, a **PSM company** may omit any information required by the **Core Disclosure** only where it meets at least one of the following exceptional circumstances:
- The **PSM company** does not have access to the information required by the **Core Disclosure**;
 - Disclosure of such information is likely to prejudice the legitimate interests of the **PSM company**;
 - Contractual arrangements with other parties prevent disclosure of the information;
 - Information that is not relevant to it.
- 3.4.3 The **PSM company** may omit information required by section CD 12 (*major shareholders*) of its **Core Disclosure** only in circumstances where the **PSM company** reasonably believes that if an individual's details were disclosed, that individual would be at serious risk of being subjected to violence or intimidation due to either:
- the activities of the **PSM company** itself; or
 - one or more characteristics or personal attributes of that individual when associated with the **PSM company**.

- 3.4.4 The **PSM company** may not omit the information required by section CD 7 of its **Core Disclosure** (*directors' transactions*).
- 3.4.5 In circumstances where a **PSM company** omits information from its **Core Disclosure** pursuant to Rule 3.4.2 or 3.4.3 it must provide a statement in its **Core Disclosure** which:
- specifies that information has been omitted in the relevant section of the **Core Disclosure** form set out at **Appendix 2**; and
 - confirms the basis of the omission by reference to the relevant part of Rule 3.4.2 (a) to (d) inclusive or 3.4.3; and
 - where the **PSM company** is omitting information pursuant to Rule 3.4.2 (d) it must also provide a statement which clearly explains why the information is not relevant.

Guidance – The reasons why a PSM company may omit information that is not relevant to it pursuant to Rule 3.4.2 (d) will vary and depend on the specific circumstances of the PSM company at the time it publishes its Core Disclosure. FCA has provided the following guidance in its PISCES Sourcebook as examples of circumstances where a PSM company may seek to omit information that is not relevant to it: (i) where no related party transactions have occurred in the 12 months before the relevant Auction (in relation to CD 16) or (ii) the PSM company chooses not to apply any price parameters to the relevant Auction (in relation to CD 13).

- 3.4.6 The **PSM company** may incorporate by reference into the **Core Disclosure** as follows:
- Previous **Core Disclosure** in relation to an earlier **Auction**, provided the information has not changed; or
 - Previous **Core Disclosure** in relation to an earlier **Auction** together with an update of what has changed
- and in either instance, the relevant **Core Disclosure** must be available on the **PSM Disclosure Portal**, to all **Eligible Investors**.

Guidance – When making any decision whether to invest in a PSM company, investors are responsible for considering the PSM company's approach to its disclosure. Neither the FCA nor the Exchange will be overseeing the quality of a PSM company's disclosures under PISCES market model and accordingly, the PISCES Regulations have created a new liability regime for PISCES and so it is the sole responsibility of investors to pursue their remedies directly against the PSM company under the PISCES Regulations.

3.5 Voluntary Disclosure

- 3.5.1 In addition to its **Core Disclosure**, a **PSM company** may, in its discretion, make any additional voluntary disclosure (which will not constitute **Core Disclosure**) on the **PSM Disclosure Portal** using the form set out in **Appendix 3**, clearly identifying that this information is **Voluntary Disclosure**.

3.6 Timing of Core Disclosure and Voluntary Disclosure

- 3.6.1 A **PSM company** must publish its **Core Disclosure** information together with any **Voluntary Disclosure** by no later than 08:00 on **AD-5**.

*Guidance – The timings of **Core Disclosure** and **Voluntary Disclosure** set out are a minimum. For its first **Auction** in particular, but also subsequent **Auctions**, the **PSM company** may make information available for longer periods of time (which could be weeks or months in advance), provided that its **Core Disclosure** and any **Voluntary Disclosure** is updated as final at 08:00 on **AD-5**. The **PSM company** should discuss with the **Exchange** the proposed timetable for its first **Auction** upon joining.*

*Investors who have not had access to a **PSM company's** **Core Disclosure** from at least 08:00 on **AD-5** may not have all the time that they require to make their investment decision and therefore should not invest in that upcoming **Auction** unless they are willing and able to accept the risk.*

*If a **PSM company** makes a **Material Disclosure Update**, the **Auction** will be delayed. See Rule 3.8.2.*

3.7 Investor Q&A

- 3.7.1 The **PSM Disclosure Portal** will have a facility to enable **PSM Investors** to raise questions to the **PSM company**. This facility will be open no later than the publication of final **Core Disclosure** at 08:00 on **AD-5** and until 16:00 on **AD-4**.

*Guidance – The **Investor Q&A** process is designed provide a private facility to allow for direct investor engagement with a **PSM company**. Investors are expected to use the **Investor Q&A** function responsibly to ask relevant questions regarding disclosure matters and **PSM companies** are encouraged to engage with investors on their disclosures through this facility.*

*A **PSM company** may wish to submit a draft of its **Core Disclosure** and/or **Voluntary Disclosure** earlier than required under these **rules** and provide more time to engage in **Investor Q&A**. Where a **PSM company** is proposing to answer any questions which are raised, it will not be expected to do so before it has published its final **Core Disclosure** and **Voluntary Disclosure** (if any) on the **PSM Disclosure Portal**, unless it voluntarily chooses to do so. See also the guidance to Rule 4.1.2 – disclosures may change at any time up to 08:00 on **AD-5**.*

- 3.7.2 By no later than 08:00 on **AD-1**, the **PSM company** shall submit on the **PSM Disclosure Portal** a statement (or statements) either:
- responding to disclosure questions raised by **Eligible Investors**; and/or
 - stating that it will not be responding to some or all of the questions raised.

*Guidance – Where the **PSM company** determines not to provide a response to some or all of the questions raised, it may voluntarily provide details of its reasons for not responding. Where the **PSM company** receives a number*

*of questions in relation to the same or substantially the same topic, the **PSM company** may choose to summarise all of the questions in relation to the topic it is responding to.*

*Any responses to **Investor Q&A** will: (i) be deemed to be additional disclosure and will not constitute **Core Disclosure**, even where these are providing further context to **Core Disclosure**, and (ii) where a **PSM company** needs to make a material update to its **Core Disclosure** or **Voluntary Disclosure**, it must do so in accordance with Rule 3.8 and not as a response to **Investor Q&A**.*

- 3.7.3 Where the **PSM company** has not provided a statement pursuant to Rule 3.7.2, the **Auction** will nevertheless continue in the normal course.

*Guidance – When making any decision whether to invest in the **PSM company**, investors are responsible for considering the **PSM company's** approach to its response to questions from **Eligible Investors** including, amongst other things: (i) whether the **PSM company** responds to such questions at all; (ii) the quality of those responses; and/or (iii) the quality of the **PSM company's** explanations for not responding (if any).*

3.8 Material new developments, mistakes and inaccuracies

- 3.8.1 A **PSM company** must inform the **Exchange** immediately if it becomes aware during an **Auction Window** of any material new developments or material mistakes or inaccuracies in relation to its disclosures on the **PSM Disclosure Portal** made in respect of that particular **Auction**.

- 3.8.2 In the circumstances of Rule 3.8.1:

- If the **Auction** has not commenced, informing the **Exchange** will be deemed to constitute an irrevocable request from the **PSM company** to delay the **Auction**; or
- If the **Auction** has commenced informing the **Exchange** will be deemed to constitute an irrevocable request from the **PSM company** to halt the **Auction**;

and in either instance: (i) the **PSM company** must publish a **Material Disclosure Update** clearly identifying the information that was out of date or inaccurate as soon as reasonably practicable; and (ii) publish the date of the next **Auction** on the **PSM Disclosure Portal**.

*Guidance – A **PSM company** may make a **Material Disclosure Update** either by uploading a mark-up / comparison of its previous disclosures or by summarising the changes it has made to its previous disclosures. The **PSM company** should consider the best approach to make it clear for investors to understand the changes.*

*As set out in CD 7, **PSM companies** should note that if a director's trading intentions change during an **Auction**, the **PSM company** will not be required to issue a **Material Disclosure Update**.*

3.9 Complaints

- 3.9.1 Where the **Exchange** receives a complaint regarding a **PSM company's** approach to disclosure, it will provide details to the **PSM company**.
- 3.9.2 The **PSM company** must provide the following information on the **PSM Disclosure Portal**, either:
- (a) A **Material Disclosure Update** if the **PSM company** considers any matters raised by the complaint amount to a material new development, mistake or inaccuracy in relation to its disclosures; or
 - (b) A **Complaints Response Statement** which must include:
 - (i) the nature of the complaint(s); and (ii) the **PSM company's** response (which will not constitute **Core Disclosure**).

*Guidance – For the purposes of this Rule, **PSM companies** are only required to respond to complaints received by the **Exchange** that relate to the **PSM company's** approach to disclosure.*

*In preparing its **Complaints Response Statement**, the **PSM company** may have regard to the fact that complaints may be: (i) vague and/or not clearly articulated; (ii) frivolous or vexatious in nature; (iii) made in contemplation of litigation; and/or (iv) relate to a similar or substantively the same topic. Accordingly, the **PSM company** may take a proportionate approach and protect its legitimate legal and business interests when making its **Complaints Response Statement**.*

- 3.9.3 The **PSM company** is not required to make a **Complaints Response Statement** in response to complaints made during an **Auction Window** until after that **Auction**. The latest date that the **PSM company** may publish a **Complaints Response Statement** is at the same time as the final **Core Disclosure** on the opening of its next **Auction Window**.

*Guidance – This allows a **PSM company** to give priority to questions raised by investors during the **Auction Window** through the **Investor Q&A** process which gives investors the opportunity to raise questions on disclosure.*

Section 4 – Auctions

4.1 Application to open an Auction

- 4.1.1 A **PSM company** must make reasonable endeavours to apply to open an **Auction** in accordance with its **Auction Schedule**.
- 4.1.2 To open an **Auction**, the following timetable must be followed as a minimum:
- No later than 09:00 on **AD-10: PSM company** to submit the **Auction Application Form** and proposed final **Core Disclosure** to the **Exchange**;
 - No later than 16:00 on **AD-6**: All outstanding conditions and confirmations within the **Auction Application Form** must be met or provided via **SSP**;
 - No later than 08:00 on **AD-5: PSM company** to publish its final **Core Disclosure** and any **Voluntary Disclosure** on the **PSM Disclosure Portal**;
 - No later than 08:00 on **AD-1: PSM company** to respond to investor questions on the **PSM Disclosure Portal** (or confirm no response).

*Guidance – The **PSM company** may, particularly in relation to its first **Auction**, wish to publish drafts of its **Core Disclosure** and **Voluntary Disclosure** ahead of the deadlines set out in the above timetable which could be weeks or months in advance. In such circumstances, the **PSM company** should discuss with the **Exchange** its proposed timetable. However, the final versions of these documents must be provided in accordance with the timetable above.*

*Any disclosures provided by a **PSM company** before **AD-5** are draft only. A **PSM company** can amend these draft disclosures any time up to 08.00 on **AD-5**. Investors should be aware that any disclosures they have seen before 08:00 on **AD-5** can change and they cannot rely on anything other than the **PSM company's** disclosures published at 08.00 on **AD-5**.*

*See flowchart set out at **Appendix 1** for an indicative timetable. To mitigate any risk of a delay to its **Auction**, the **Exchange** encourages all **PSM companies** to: (i) submit any documents to the **Exchange** as early as possible; and (ii) not to publish its final **Core Disclosure** on the **PSM Disclosure Portal** until the **Exchange** has confirmed it has no further comments on the **Auction Application Form**.*

- 4.1.3 Where a **PSM company** does not apply to open an **Auction** in accordance with its **Auction Schedule**, it must advise the **Exchange** as soon as reasonably practicable and provide details of its reasons.
- 4.1.4 The following may be legitimate reasons for why a **PSM company** might not open an **Auction** in accordance with its **Auction Schedule**:
- Matters being disclosed are in the course of negotiations;
 - There are ongoing material developments which impact the matters being disclosed such that the **PSM company** is unable to provide complete disclosure;

- Disclosure is likely to be prejudicial to the **PSM company's** business at the time of the **Auction**.

- 4.1.5 If the **PSM company** fails to open an **Auction** (for whatever reason):
- it will be deemed to have requested a delay to the **Auction**; and
 - must update its **Auction Schedule**.

*Guidance – The **PSM company** should consider the impact of its decision not to open an **Auction** in accordance with its timetable. Where a **PSM company** has determined not to open an **Auction**, the **Exchange** retains the right to determine whether the **PSM company** is in compliance with its obligations under these **rules** if the delay is not the result of a legitimate reason under Rule 4.1.4 or because the **PSM company** did not comply with its stated timetable and/or any other requirements for opening an **Auction** under these **rules**.*

- 4.1.6 When considering the **Auction Application Form**, the **Exchange** reserves the right to do one or more of the following:
- Refuse to open an **Auction**;
 - Delay the opening of the **Auction**;
 - Request additional information from the **PSM company**;
 - Direct or impose any conditions or additional requirements on the **PSM company** to be satisfied prior to the opening of the **Auction**.

4.2 Maintaining efficient and effective functioning and/or orderly markets

- 4.2.1 The **Exchange** may: (i) refuse to open an **Auction** or delay an **Auction**; or (ii) halt or terminate a live **Auction**, in circumstances where, in its absolute discretion, the **Exchange** considers one or more of the following apply:
- trading in a **PSM company's** securities is not, or may not be capable of, being conducted in an orderly manner;
 - a **PSM company** is not co-operating with the **Exchange**;
 - A **PSM company** has failed to comply with these **rules** or the **Exchange** has reason to believe that there has been or there is likely to be a significant breach of these **rules**;
 - it is required for the protection of investors;
 - it is required to do so in accordance with its legal or regulatory obligations;
 - it is directed to do so by the **FCA**;
 - it requires time to engage with the **PSM company**, the **FCA** or any other relevant regulatory or statutory authority;
 - the integrity and/or reputation of the **Exchange** and/or the **Private Securities Market** has been or may be impaired by dealings in those **PSM securities**.

*Guidance – The **Exchange's** consideration of investor detriment will be undertaken in the context of the **PISCES** market design that does not contemplate that the **Auction** will generate liquidity that would allow an investor to buy or sell. An investor not having the opportunity to trade will not outweigh any issues identified by the **Exchange** relating to market integrity, reputation and/or the efficient and effective functioning and/or for the orderliness of the **Private Securities Market**.*

- 4.2.2 The **Exchange** will publish a notice on the general page of the **PSM Disclosure Portal** where it has delayed, halted or terminated an **Auction** pursuant to these **rules**.

4.3 Operation of the Auction

- 4.3.1 **Auctions** will be operated by the **Exchange** in accordance with the Rules of the London Stock Exchange.

4.4 Variation of Auction Schedule

- 4.4.1 Where a **PSM company** wishes to vary its **Auction Schedule**, it must contact the **Exchange** sufficiently in advance of publication to discuss and agree the revised **Auction Schedule**.
- 4.4.2 A **PSM company** may not vary its **Auction Schedule** during an **Auction Window**.
- 4.4.3 A **PSM company** must publish any revised **Auction Schedule** on the **PSM Disclosure Portal** ahead of any proposed **Auction**.

*Guidance – **PSM companies** should try to follow a regular **Auction** timetable to provide certainty over the dates and times of future **Auctions** although it is recognised that this may not always be possible. A **PSM company** should try to provide as much notice and guidance as possible in its **Auction Schedule** to give investors the opportunity to adapt and respond to any change in the frequency and/or type of **Auctions** a **PSM company** intends to conduct. Investors should be aware that they may not receive much notice of changes to planned **Auctions**.*

*A **PSM company** can change its **Auction Schedule** to move from **Open Auctions** to **Permissioned Auctions** and vice versa.*

4.5 Changes between Auctions

- 4.5.1 Before submitting an **Auction Application Form**, a **PSM company** must inform the **Exchange** via **SSP** where it has undertaken one or more of the following:
- (a) any corporate action;
 - (b) any change of the **PSM company's** name;
 - (c) any buyback of the **PSM company's PSM securities**; that has taken place since the previous **Auction**.
- 4.5.2 Where a **PSM company** has changed its name, it must also confirm the date on which the change of name has taken effect and provide the **Exchange** with a copy of the revised change of name document as issued by the relevant registrar of companies in its country of incorporation.

*Guidance – A **PSM company** should submit any of the details required by Rule 4.5.1 to the **Exchange** using the relevant form on **SSP**.*

Section 5 – Ongoing obligations

5.1 Ongoing eligibility

5.1.1 A **PSM company** must continue to remain an **Eligible Company** and at all times meet the eligibility criteria set out at Rules 2.3.4 to 2.3.8 (inclusive). A **PSM company** must inform the **Exchange** immediately in writing if, at any time, this is no longer the case or it is likely that this will cease to be the case.

5.2 Approach to maintaining compliance with these rules

5.2.1 A **PSM company** must ensure at all times that:

- (a) it is and remains capable of being regulated by the **Exchange** in relation to its obligations under these **rules**; and
- (b) it has in place and maintains sufficient resources, procedures and controls to enable it to comply with these **rules**; and
- (c) each of its **directors**:
 - i. accepts full responsibility, collectively and individually, for the **PSM company's** compliance with these **rules**; and
 - ii. discloses to the **PSM company** all information which the **PSM company** requires in order to comply with these **rules**.

5.3 Liaison and co-operation with the Exchange

5.3.1 A **PSM company** shall be bound by and observe any requirement, decision or direction of the **Exchange**.

5.3.2 A **PSM company** or an **Applicant**, whether itself or through its advisers, must comply with all of the following:

- (a) provide the **Exchange** with up to date contact details for the relevant contact(s) at the **PSM company** who have authority to make decisions in respect of its compliance with these **rules**;
- (b) provide the **Exchange**, with information or explanations that the **Exchange** may require, in such form and scope and within such time period as the **Exchange** considers necessary and appropriate;
- (c) ensure that information, confirmations and explanations provided to the **Exchange** are correct, complete and not misleading and do not omit anything likely to affect the import of any such information, confirmations or explanations provided;
- (d) confirm, if directed to do so by the **Exchange**, that its entire board has reviewed and agreed information and explanations provided to the **Exchange**;
- (e) inform the **Exchange** immediately where it becomes aware that any information, confirmations, or explanations previously provided to the **Exchange** are not or are no longer complete, accurate and not misleading;

(f) inform the **Exchange** of any investigations being undertaken or sanctions imposed by a regulatory or statutory authority, police or law enforcement agency or a professional body, as regards the **PSM company** or **Applicant** or any of its **directors**.

5.3.3 A **PSM company** or an **Applicant** shall act and shall ensure its advisers act: (i) promptly; (ii) in an open, transparent and co-operative manner; and (iii) responsibly and reasonably, during the course of all its communications, liaison and interactions with the **Exchange**.

5.3.4 The obligations in Rule 5.3.2 (b) to (e) inclusive and Rule 5.3.3 continue to apply to a **PSM company**, even when it is no longer participating in the **Private Securities Market**, for the purposes of responding to any enquiries regarding compliance with these **rules** in respect of the period whilst it was a **PSM company** or responding to any action by the **Exchange**.

Guidance – During an Auction Window and on the day of an Auction itself, the Exchange may need to contact the PSM company on an urgent or real time basis and the PSM company must be in a position to respond promptly. A PSM company should carefully consider how it can meet these requirements in order to mitigate the risk of a delay to an Auction.

5.4 Confidentiality

5.4.1 All communications between the **Exchange**, an **Applicant** and/or a **PSM company** are confidential to the **Exchange** and should not be disclosed by an **Applicant** or **PSM company** without the prior written consent of the **Exchange**, save for the following (and subject to 5.4.3):

- (a) to advisers, who are subject to professional confidentiality obligations, engaged for the purposes of supporting an **Applicant** or **PSM company** with its compliance with these **rules**; and/or
- (b) if required to do so by a regulatory or statutory body in the exercise of a right or legal power to compel such provision and/or to enable the **Applicant** or **PSM company** to comply with any obligation owed to such regulatory or statutory body; and/or
- (c) if required pursuant to a court order but subject to the **Applicant** or the **PSM company**.

5.4.2 The obligations of confidentiality in Rule 5.4.1 continue to apply to an **Applicant** and a **PSM company** even if: (i) an application is withdrawn or refused; or (ii) a **PSM company** is no longer participating in the **Private Securities Market**.

5.4.3 In the event that an **Applicant** or **PSM company** considers that it may have an obligation to disclose any communications between it and/or its advisers and the **Exchange** pursuant to Rule 5.4.1 (b) or (c) the **Applicant** or **PSM company** is required to bring this to the immediate attention of the **Exchange** and prior to any such disclosure being made.

- 5.4.4 The **Exchange** may disclose any information in its possession regarding an **Applicant** or **PSM company** or details of any enquiries, investigations or actions under the **rules** in any one or more of the following circumstances:
- (a) to the **FCA**;
 - (b) to provide information to or to co-operate with any body or authority which is recognised as responsible for: (i) supervision or regulation of financial services; (ii) supervision of legal, accounting or other professional services or standards; (iii) law enforcement; and/or (iv) investigating compliance by an **Applicant** or **PSM company** with applicable national law and regulation;
 - (c) to enable it to discharge its regulatory functions, to meet its legal obligations and/or to institute, carry on or defend proceedings;
 - (d) for any other purpose where it has the consent of the **person** from whom the information was obtained.

5.5 Record keeping

- 5.5.1 A **PSM company** must retain sufficient records to maintain an audit trail of the key discussions it has undertaken, advice which it has received, and of the key decisions it has made in respect of its compliance with these **rules**.
- 5.5.2 Such records must be retained for the duration of the entire period when a **PSM company** has access to or is participating in the **Private Securities Market** and for a period of 5 years thereafter.

Section 6 – Termination

6.1.1 Where a **PSM company** seeks to leave and cease participating in the **Private Securities Market**, it must inform the **Exchange** and make a disclosure on a general page in the **PSM Disclosure Portal** with at least 3 months' notice and a longer term if necessary to ensure that the **PSM company** conducts a final **Auction** before it leaves the **Private Securities Market**.

6.1.2 The **Exchange** may at any time terminate a **PSM company's** access to its trading facilities of the **Private Securities Market**.

6.1.3 The type of matters that the **Exchange** may consider, when making a decision to terminate may include, but will not be limited to, matters such as:

- (a) The level of a **PSM company's** co-operation with, quality of its communication to, and its liaison with the **Exchange**; and/or
- (b) The **PSM company's** approach and responsiveness to dealing with complaints; and/or
- (c) The **PSM company's** compliance with these **rules** or compliance with any conditions, requirements or directions of the **Exchange**; and/or
- (d) Where there are numerous changes to the **PSM company's Auction Schedule** or it does not complete an **Auction** within a period of two years; and/or
- (e) Where the continued participation of the **PSM company** in the **Private Securities Market** may be detrimental to the reputation and/or integrity of the **Exchange** and/or any of its markets; and/or
- (f) Where continued access to the **Private Securities Market** may give rise to unacceptable risks (including disproportionate costs, time and resources) to the **Exchange's** ability to meet its operator obligations pursuant to the **PISCES Regulations**; and/or
- (g) Where the **PSM company** is unable to demonstrate to the satisfaction of the **Exchange** that it is willing or capable of complying with these **rules** or with any condition, requirement or direction of the **Exchange**; and/or
- (h) Where a **PSM company** has been found liable by a court to have caused losses to investors as a result of any untrue or misleading statement or information in, or an omission of any matter from, information that is required to be disclosed by a **PSM company** pursuant to the provisions of these **rules**; and/or

- (i) Where: (i) formal criticisms have been made of the **PSM company** and/or any of its **directors** (whether expressly or by implication); and/or (ii) sanctions have been imposed by regulators, governments, courts, law enforcement or other exchange bodies in relation to the conduct of a **PSM company** or of its **directors**.

*Guidance – The **Exchange** reserves the power to terminate a **PSM company's** access to its trading facilities of the **Private Securities Market**, to meet its obligations owed to the **FCA** to maintain the efficient and effective functioning and/or for the orderliness of the **Private Securities Market**. Investors should be aware that, as a consequence of the **Exchange** terminating the **PSM company's** access to its trading facilities of the **Private Securities Market**, the **PSM company** may not undertake any further **Auctions**. In those circumstances, investors may not have the opportunity to buy or divest their holdings on the **Private Securities Market**.*

*Where a **PSM company's** access to the trading facilities of the **Private Securities Market** are terminated, whether at the request of the **PSM company** or by the **Exchange**, the **PSM company's** access to the **PSM Disclosure Portal** will also be terminated.*

*A **PSM company** should ensure that its final **Auction** is conducted responsibly with a view to ensuring investors have a final opportunity to trade.*

*Following a scheduled "one off" **Auction**, the **PSM company** shall cease to participate and cease to have access to the trading facilities of the **Private Securities Market**.*

- 6.1.4 The **Exchange** will publish details of a **PSM company's** termination from the **Private Securities Market** on a general page in the **PSM Disclosure Portal**.

Section 7 – Compliance

Actions, decisions and appeals

7.1.1 A **PSM company** is subject to the provisions of the **PSM Handbook**. Without prejudice to the exercise of the **Exchange's** powers in **Section 6** or elsewhere in these **rules**, if the **Exchange** considers that a **PSM company** has contravened these **rules**, the **Exchange** may take one or more of the actions set out in Rule A3 of the **PSM Handbook**. **Decision Reviews** or appeals will be subject to, and undertaken in accordance with, the relevant provisions of the **PSM Handbook**.

Jurisdiction

- 7.1.2 The **Exchange** retains jurisdiction over a **PSM company** which is no longer participating in the **Private Securities Market** for the purposes of:
- (a) Investigating compliance or suspected non-compliance with these **rules**; and/or
 - (b) Taking action in relation to such non-compliance or suspected non-compliance.
- 7.1.3 The **Exchange's** continuing jurisdiction pursuant to Rule 7.1.2 is not time limited and extends to investigating and bringing action for:
- (a) Non-compliance which occurred during a period when the **PSM company** had access to and was participating in the **Private Securities Market**; and/or
 - (b) Any non-compliance with the continuing obligations at Rules 5.3.2, 5.3.3 and 5.4.2 which occurs after a **PSM company** has ceased to participate in the **Private Securities Market**.

Glossary

The following terms have the following meanings when used in these **rules** unless the context otherwise requires.

Where UK legislative or regulatory references are used in these **rules**, they should be read as referring to the law or regulation in force from time to time.

References to times in these **rules** shall mean UK time.

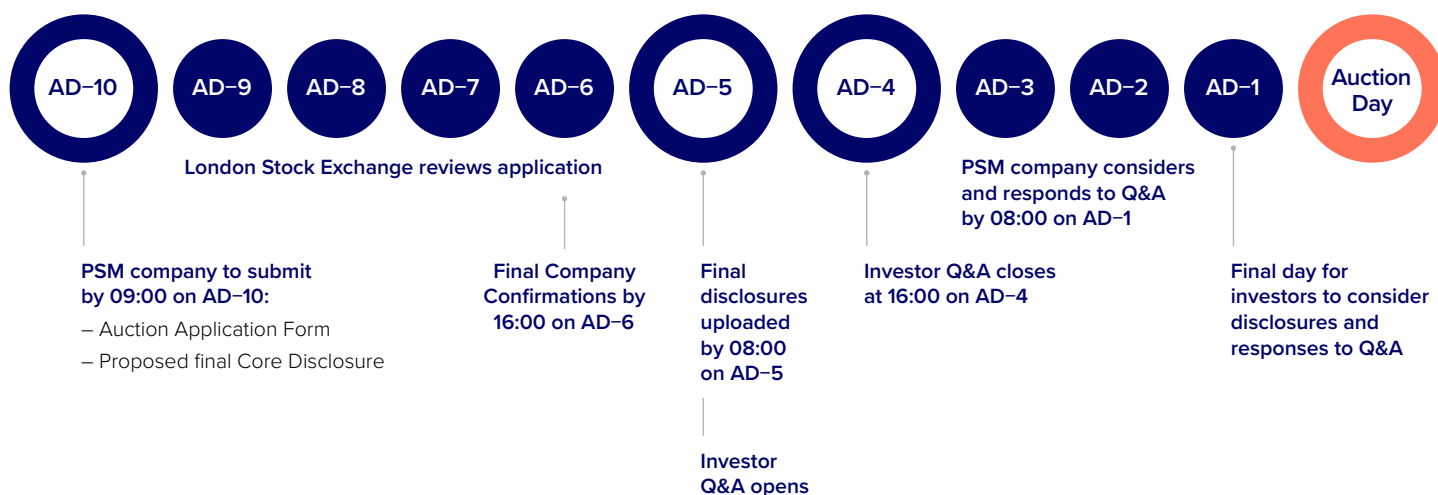
Term	Meaning
AD-X	The number of business days (X) before the date of the Auction .
Applicant	A company that is applying to join the Private Securities Market .
Auction	The trading facility operated by the Exchange for the Private Securities Market .
Auction Application Form	The latest version of the standard form required to open an Auction available on SSP .
Auction Schedule	Schedule of the PSM company's planned Auctions and type of Auction .
Auction Window	The period from the time between 08:00 on AD-5 and the conclusion of the relevant Auction .
business day	Any day upon which the Exchange is open for business.
Complaints Response Statement	A statement published on the PSM Disclosure Portal by the PSM company pursuant to Rule 3.9.2 (b).
Core Disclosure	The minimum disclosure information required by the FCA pursuant to the PISCES Regulations .
Decision Review	A review of a decision made by the Exchange undertaken pursuant to the relevant provisions of the PSM Handbook .
director	A person who acts as a director whether or not officially appointed to such position.
Eligible Company	A company eligible to participate in a PISCES market being a company as defined by section 1(1) of the <i>Companies Act 2006</i> that is limited by shares or an overseas company as defined by section 1044 of that Act, except, in either case, if the shares of the company are admitted to trading on a regulated market or a multilateral trading facility or an organised trading facility (or equivalent) in the UK or overseas (see definition in Section 4(2) of the PISCES Statutory Instrument).
Eligible Investors	For an Open Auction , all PSM Investors and for Permissioned Auctions , PSM investors who meet the Permissioned Auction Criteria .
Exchange	The London Stock Exchange plc.
FCA	The Financial Conduct Authority.
FCA Handbook	The Handbook published by the FCA and in force from time to time.
FSMA	<i>The Financial Services and Markets Act 2000</i> .
Investor Q&A	A process available on the PSM Disclosure Portal through which Eligible Investors can raise questions of the PSM company during an Auction Window pursuant to Rule 3.7.
Material Disclosure Update	A statement published on the PSM Disclosure Portal by the PSM company in accordance with Rule 3.8.2.
Open Auction	An Auction open to all PSM Investors .

Term	Meaning
Permissioned Auction	An Auction which is open only to PSM Investors or Registered Auction Agents who meet the Permissioned Auction Criteria .
Permissioned Auction Criteria	The criteria set by the PSM company to determine which PSM Investors or Registered Auction Agents may participate in a Permissioned Auction pursuant to Rule 3.3.
person	An individual, corporation, partnership, association, trust or other entity as the context requires or admits.
PISCES	A Private Intermittent Securities and Capital Exchange System as established by the PISCES Regulations .
PISCES Investors	A specified PISCES investor described in regulation 5(3) and/or a holder of a PSM security described in regulation 5(1)(b) of the PISCES Statutory Instrument .
PISCES Regulations	The PISCES Statutory Instrument and PISCES Sourcebook in force from time to time.
PISCES Sourcebook	The sourcebook published by the FCA relating to the operation of PISCES as set out in the Annex to the <i>Private Intermittent Securities and Capital Exchange System (PISCES) Instrument 2025</i> or such other sourcebook as in force from time to time.
PISCES Statutory Instrument	<i>The Financial Services and Markets Act 2023 (Private Intermittent Securities and Capital Exchange System Sandbox) Regulations 2025.</i>
Private Securities Market	A PISCES market operated by the Exchange pursuant to the PISCES Regulations .
PSM company	A company which has joined the Private Securities Market .
PSM complaints submission form	A form available via the public page of PSM Disclosure Portal for the purposes of submitting enquires or complaints to the Exchange in relation to a PSM company's compliance with these rules .
PSM Disclosure Portal	The PISCES disclosure arrangements operated by the Exchange pursuant to the PISCES Regulations and reference in these rules will be a reference to the dedicated page for the PSM company unless otherwise stated.
PSM Handbook	The Private Securities Market Handbook published by the Exchange as in force from time to time.
PSM Investors	Investors who have been assessed by a Registered Auction Agent as being eligible to be PISCES Investors .
PSM Joining Application	The latest publication of the standard application form to join the Private Securities Market available on the public page of the PSM Disclosure Portal .
PSM securities	Securities of a PSM company which are or may be admitted to trading in an Auction .
qualifying individual	A director or a person who is employed by or provides services to the relevant PSM company or its immediate group as set out in Section 6(1) of the PISCES Statutory Instrument .
Registered Auction Agent	A member firm who is designated as such under the Rules of the London Stock Exchange.
rules	The rules for the Private Securities Market set out in this document.
SSP	The Self Service Portal operated by the Exchange .
UK Market Abuse Regulation	<i>The Regulation (EU) no 596/2014</i> of the European Parliament and of the Council of 16 April 2014, as amended by the <i>Market Abuse Exit Regulations 2019</i> ; the FCA Technical Standards relating to UK MAR and relevant ESMA guidelines and guidelines in the FCA Handbook .
Voluntary Disclosure	Any disclosure made by a PSM company in accordance with Rule 3.5.1.

Appendix 1 – Example Auction Process

PSM companies will have the flexibility to set a timetable of events for their **Auction**. However, they will be required to provide sufficient time for investors to review information and ask questions in the run up to an **Auction** by observing the minimum timeframes set out at Rule 4.1.

Minimum timeframes



Appendix 2 – Form of Core Disclosure

Core Disclosure is the minimum disclosure required by the **FCA** pursuant to the **PISCES Regulations** and must contain the information set out below.

A **PSM company** must upload its **Core Disclosure** into the **PSM Disclosure Portal** using the format set out by this form clearly labelled as the **PSM company's Core Disclosure**.

PSM companies should be aware that the **FCA** requires the **Exchange** as a **PISCES** operator to ensure that all **PSM companies'** disclosure information made available on the **PSM Disclosure Portal** is accompanied by a risk warning.

Omissions

Where a **PSM company** omits information required by its **Core Disclosure**, it cannot leave the section blank. It must provide a statement in the relevant section of the form below specifying the basis on which that information that has been omitted pursuant to Rule 3.4.2 (a) – (d) inclusive or 3.4.3. For example:

- (a) The **PSM company** does not have access to the required information required;
- (b) Disclosure of such information is likely to prejudice the legitimate interests of the **PSM company**;
- (c) Contractual arrangements with other parties prevent disclosure of the information; or

- (d) The information is not relevant. If relying on this exemption, the **PSM company** must also provide a statement in the relevant section below which clearly explains why the information is not relevant.

In relation to CD 12, the company cannot rely on any of the exemptions set out above. The only reason a company may not disclose information required by CD 12 is by stating it is relying on Rule 3.4.3 (threat of violence or intimidation).

The **PSM company** cannot omit any disclosure information which is required by section CD 7.

Supporting Documents

A **PSM company** uploading any supporting documents into the **PSM Disclosure Portal** should ensure that investors can easily identify which section of this **Core Disclosure** form that document relates to by including the relevant numbering from this **Core Disclosure** form in the title of the document.

For example:

- (a) CD1 – Group Structure Chart
- (b) CD2 – Management Structure Diagram
- (c) CD3 – Consolidated Accounts FY 2025

Core disclosure**Business overview****CD 1**

A business overview of the **PSM company** must include:

- (a) a description of the corporate and organisational structure;
- (b) a description of the principal activities, products or services of the business and the markets in which it operates;
- (c) the registered name of the **PSM company** (where it is different to its trading name), where it is registered and its contact details;
- (d) the principal jurisdictions in which it operates; and
- (e) if material to the business or profitability of the **PSM company**, summary information regarding the extent to which it is dependent on current patents, licences, industrial, commercial or financial contracts and manufacturing processes.

Management overview**CD 2**

A management overview of the **PSM company** must include:

- (a) a summary of the management structure and the identity and details of each of the **directors** of the **PSM company** and of each of the **PSM company's** senior management, their previous experience and qualifications and their role in the **PSM company**;
- (b) if relevant, any potential conflicts of interest of any of the **directors** of the **PSM company** and of any of the **PSM company's** senior management between their duties to the **PSM company** and their private interests and/or other duties; and
- (c) if relevant, details of any of the following in relation to each of the **directors** of the **PSM company** and each of the **PSM company's** senior management:
 - i. convictions in relation to fraudulent offences for at least the previous 5 years;
 - ii. bankruptcies, receiverships, liquidations or companies put into administration in respect of companies in which they acted as **directors** or senior management for at least the previous 5 years (where 'senior management' includes **persons** who exercise executive functions in a company and who are responsible and accountable to the management body for the day-to-day management of the company); and
 - iii. any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and whether they have ever been disqualified by a court from acting as a member of the administrative management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company for at least the previous 5 years.

Financial information**CD 3**

Financial information which must include:

- (a) financial statements for the past 3 years or for as long as the **PSM company** has existed, whichever is shorter;
- (b) whether the financial statements referred to in (a) have been audited and, if so, the auditors' reports;
- (c) where the latest disclosed financial statements relate to a period more than 12 months before the start of the **Auction**, interim financial statements or management accounts to at least 12 months before the start of the **Auction**; and
- (d) where the **PSM company** includes management accounts in accordance with (c), a statement identifying that they are management accounts and are not subject to the standards applicable to financial statements.

Capital structure, ownership, rights**CD 4**

Information on the capital structure, ownership and rights in the **PSM company** which must include:

- (a) provisions in the Articles of Association (or equivalent constitutional document) relating to the governance of the **PSM company** and the rights of shareholders; and
- (b) material provisions from any shareholder agreement

Share information

CD 5

Information about the shares in the **PSM company**, which must include a description of:

- (a) the share capital. This should specify:
 - i. the amount of issued capital and, for each class of share capital
 - (A) the total of the **PSM company's** authorised share capital;
 - (B) the number of shares issued and fully paid and issued but not fully paid; and
 - (C) the par value per share or, if the shares have no par value, a statement to that effect;
 - ii. where there are shares not representing capital, the number and the main characteristics of such shares;
 - iii. the amount of any convertible securities, exchangeable securities or securities with warrants, with an indication of the conditions governing, and the procedures for, conversion, exchange or subscription; and
 - iv. information about, and terms of, any acquisition rights, and/or obligations over authorised but unissued capital, or an undertaking to increase the capital;
- (b) the rights attached to the shares, including voting rights, any pre-emption or other preferential rights, options, warrants, limitations and arrangements for exercising rights;
- (c) the different share classes and the seniority and rights attached to those shares, including in an insolvency situation;
- (d) the dividend policy; and
- (e) any restrictions on the future transferability of the shares.

Employee share scheme

CD 6

Information about any employees' share scheme, which must include:

- (a) a description of any rights to acquire shares in the **PSM company** granted to directors of the **PSM company** pursuant to an employees' share scheme (including a description of the relevant shares and the aggregate number and value of those shares);
- (b) any commitments of the **PSM company** to issue in the future new shares to satisfy awards granted pursuant to an employees' share scheme; and
- (c) any commitments of the **PSM company** to support an employees' share scheme by funding a trust established for the benefit of employees and/or other members of the workforce (which may include former employees and/or members of the workforce and their dependents).

Directors' transactions

CD 7

Please note that this information may not be excluded from a **PSM company's Core Disclosure**.

Information about transactions by **directors** of the **PSM company**, which must include:

- (a) details of any transactions in any shares in the **PSM company**, whether on a **PISCES** or not, within the 12 months before the **Auction**, including trade date, trade price, number of shares bought or sold, class of share and name of the **director**;
- (b) details of any trading intentions of **directors** of the **PSM company** in advance of an **Auction** in **PSM securities** that relate to that **Auction**, including whether the intention is to buy or sell **PSM securities**, likely volume and, optionally, the reason for the trade;
- (c) a statement that the information about trading intentions described in (b) may not be updated if those intentions change after the beginning of the **Auction**; and
- (d) where there are no transactions or intentions described in (a) or (b) respectively, a statement to confirm that there are no such transactions or intentions.

Material contracts or agreements

CD 8

An overview of any existing contracts or agreements, other than those entered into in the ordinary course of business, if material to the business or profitability of the **PSM company**.

*Guidance – FCA has provided the following guidance in its **PISCES Sourcebook**: The assessment of whether a contract or agreement is in the ordinary course of business will depend on the specific circumstances of the **PSM company**. In particular, the nature of its existing business and strategy and the size and type of contracts or agreements commonly entered into to support and maintain its business and the importance of the contact to its business. Contracts in the ordinary course are likely to include contracts or agreements to support and maintain the **PSM company's** existing business and its infrastructure.*

Previous share capital raises	CD 9
Information about any share capital issued by the PSM company within the previous 3 years, which must include the date, class of share, issue price and amount raised.	
Risks	CD 10
Information about any key material risk factors specific to the PSM company and its PSM securities . The materiality of the risks must be based on the probability of their occurrence and the expected magnitude of their negative impact. Risks which are generic and which merely seek to act as disclaimers to limit the liability of the PSM company should not be included.	
Significant changes	CD 11
Information about any significant change in the financial position of the PSM company since the balance sheet date of the PSM company's latest published financial or interim statements.	
Major shareholders	CD 12
Please note that this information may only be excluded from a PSM company's Core Disclosure in the circumstances set out in Rule 3.4.3 (threat of violence or intimidation).	
Details of the following (or, if there are no persons to whom (a) to (e) apply, a statement to confirm that):	
(a) any person who holds (directly or indirectly) above 25% of shares or voting rights in the PSM company ;	
(b) any person who holds the right (directly or indirectly) to appoint or approve a majority of the board of directors of the PSM company ;	
(c) any person who has the right to exercise, or actually exercises, significant influence or control over the PSM company ;	
(d) any trustees of a trust or members of a firm that, under the law by which it is governed is not a legal person, meet any of the other specified conditions (in their capacity as such) in relation to the PSM company , or would do so if they were persons , and the person has the right to exercise, or actually exercises, significant control over the activities of that trust or firm; and	
(e) where a PSM company is aware of a person to whom (a), (b), (c) or (d) applies, but after taking reasonable steps, a PSM company is unable to provide the required details because it cannot identify them, a statement confirming that it has been unable to identify any such person and explaining why that is the case;	
where for the purposes of this section a share held by a person as a nominee for another is to be treated as being held by the other person rather than the nominee.	
Price parameters	CD 13
Confirmation of whether price parameters are being applied in connection with the relevant Auction and, if so, details of:	
(a) any floor and/or ceiling prices;	
(b) the basis on which the price parameters were determined;	
(c) the reasons for any changes to the price parameters applied in any previous Auction ;	
(d) whether the valuation of the PSM securities and the price parameters were prepared by the PSM company or by an independent third party;	
(e) if the PSM company prepared the share valuation or price parameters, whether it did so with the agreement of another person; and	
(f) the identity of any such person or independent third party.	
Trading events	CD 14
Whether any commitments have been made to hold future Auctions and, if so, indications of when or how often those will be.	
Last auction	CD 15
The last traded price of PSM securities and the volume of PSM securities traded at the previous Auction , if any.	
Related party transactions	CD 16
Information about any related party transactions described in International Accounting Standard 24 on Related Party Disclosures, as applied by UK-adopted international accounting standards on 1 January 2022, which occurred within 12 months prior to the beginning of the Auction and are material to the financial performance of the PSM company or the rights attached its PSM securities .	
Contact details	CD 17
Contact details of a person at the PSM company who can be contacted in relation to the Core Disclosure information and any additional information disclosed under the Private Securities Market Rulebook .	

Appendix 3 – Form of Voluntary Disclosure

Any information provided below is provided voluntarily by the **PSM company**. It does not constitute **Core Disclosure**.

A **PSM company** uploading any supporting documents in relation to its **Voluntary Disclosure** into the **PSM Disclosure Portal** should ensure that investors can easily identify which section of this **Voluntary Disclosure** form that document relates to by including the relevant numbering from this **Voluntary Disclosure** form in the title of the document.

Voluntary disclosure	VD 1
PSM company to set out details of any Voluntary Disclosure and label any supporting documents VD1.	
Further voluntary disclosure	VD 2 etc.
PSM company may wish to add additional sections of Voluntary Disclosure to this form for ease of reference to specific topics and/or to cross-reference supporting documentation. It should label any additional supporting documents VD2, VD3, etc.	

