

2025 No. 0000

FINANCIAL SERVICES AND MARKETS

The Financial Services and Markets Act 2023 (Private Intermittent Securities and Capital Exchange System Sandbox) Regulations 2025

Made - - - - *******

Laid before Parliament *******

Coming into force

The Treasury make these Regulations in exercise of the powers conferred by sections 13(1), (4), (5) and (6), 14(3), 16(1), 83(1) and 84(2) of, and Schedule 4 to, the Financial Services and Markets Act 2023(a).

In accordance with section 16(2) of that Act, the Treasury has consulted the Financial Conduct Authority, being the appropriate regulator(b), and such other persons as the Treasury consider appropriate.

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Financial Services and Markets Act 2023 (Private Intermittent Securities and Capital Exchange System Sandbox) Regulations 2025.

(2) These Regulations come into force on XX XXXX 2025.

(3) These Regulations extend to England and Wales, Scotland and Northern Ireland.

Interpretation

2. In these Regulations—

“the Act” means the Financial Services and Markets Act 2023;

“admitted Pisces share” has the meaning given in regulation 3(3);

“established in the UK” means constituted under the law of any part of the United Kingdom and having, for the duration of the FMI sandbox arrangements, a registered office or a head office in the United Kingdom;

“FPO” means the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005(c);

(a) 2023 c. 29.

(b) The appropriate regulator for the purpose of section 17(2) of the Financial Services and Markets Act 2023.

(c) S.I. 2005/1529.

“immediate group” has the meaning given in section 421ZA of FSMA 2000(a);

“intermittent” means occasional, not frequent, and of limited duration;

“multilateral system” has the same meaning as in Article 2(1)(11) of Regulation (EU) No. 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments;

“Pisces” has the meaning given in regulation 3(2);

“Pisces approval notice” or “PAN” means a notice issued under regulation 6(3) approving a person described in regulation 3(4) to operate a Pisces;

“Pisces company” means a company whose shares are or are intended to be traded intermittently under the FMI sandbox arrangements;

“Pisces investor” has the meaning given in regulation 4(3);

“Pisces operator” means a person in respect of whom an approval under regulation 6 is in force.

Persons who may apply for approval to operate a Pisces

3.—(1) These Regulations have effect as an FMI sandbox (the “Pisces sandbox”) for the purposes described in section 13(1)(a) and (b) of the Act, in so far as those purposes relate to the practice of operating a Pisces in the carrying on of FMI activities.

(2) For the purposes of these Regulations, a “Pisces” is a multilateral system which—

- (a) is operated by a person falling within paragraph (5) as part of that person’s business;
- (b) is a trading system for the intermittent trading of admitted Pisces shares;
- (c) brings together multiple buying and selling interests in issued shares of Pisces companies, in the system and in accordance with non-discretionary rules, in a way which results in a contract; and
- (d) allows a Pisces company to determine at least one of the following in respect of the trading of its admitted Pisces shares—
 - (i) when the shares may be traded;
 - (ii) who is allowed to buy the shares;
 - (iii) restrictions on the trading of the shares, including restrictions requiring a minimum or a maximum price;
 - (iv) the persons or categories of person who may receive information about the company or transactions in its shares.

(3) In relation to a Pisces company, “admitted Pisces share” means a share in a Pisces company that is admitted to trading on a Pisces under the FMI sandbox arrangements.

(4) An application to the FCA for approval to operate a Pisces may be made by—

- (a) a recognised investment exchange that is not an overseas investment exchange, or
- (b) a person who is established in the UK and has a Part 4A permission, as defined in section 55A(5) of FSMA 2000, to carry on one or more of the regulated activities referred to in the following provisions of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001—
 - (i) article 25(1) (arranging deals in investments),

(a) 2000 c. 8. Section 421ZA was inserted by the Financial Services and Markets Act 2012 (c. 21.).

- (ii) article 25D (operating a multilateral trading facility), and
 - (iii) article 25DA (operating an organised trading facility).
- (5) For the purposes of these Regulations, the appropriate regulator is the FCA.

Persons who may participate in the FMI sandbox arrangements

4.—(1) The following descriptions of person may participate in the FMI sandbox arrangements in connection with the Pisces activities of a Pisces operator—

- (a) an eligible company;
- (b) a person who holds admitted Pisces shares or who is a Pisces investor in relation to a Pisces company;
- (c) a financial intermediary acting in connection with a Pisces operator;
- (d) persons, either directly or indirectly, providing services to or receiving services from—
 - (i) an eligible company;
 - (ii) a Pisces investor;
 - (iii) a Pisces operator;
 - (iv) a financial intermediary acting in connection with a Pisces operator;
- (e) persons carrying on activities in connection with—
 - (i) the trading of an admitted Pisces share;
 - (ii) the provision of services as described in sub-paragraph (d);

(2) In paragraph (1), “eligible company” means a company as defined by section 1(1) of the Companies Act 2006 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 have been admitted to trading—

- (a) on a trading venue, as defined by section 313D(1) of FSMA 2000, or
- (b) on a multilateral system outside the United Kingdom.

(3) In these Regulations “Pisces investor”, in relation to a Pisces company, means—

- (a) a qualifying individual, as defined in paragraph (4), in that Pisces company;
- (b) a high net worth individual defined in Article 48(2) of the FPO(a);
- (c) a high net-worth company or an unincorporated association or the trustee of a high-value trust to whom Article 49(2) of the FPO applies(b);
- (d) a person described in Article 2(1)(8)(a) of Regulation (EU) No. 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments;
- (e) a self-certified sophisticated investor as defined in Article 50A of the FPO(c);
- (f) a certified sophisticated investor as defined in Article 50 of the FPO;
- (g) a person who is for the purposes of Article 60 of the FPO a relevant trustee of an employee share scheme of the Pisces company concerned(d);

(a) Amended by the Financial Services and Markets Act 2000 (Financial Promotion) (Amendment) (No.2) Order 2023/1411.
 (b) Amended by the Companies Act 2006 (Consequential Amendments and Transitional Provisions) Order 2011/1265; the Financial Services and Markets Act 2000 (Claims Management Activity) Order 2018/1253.
 (c) Amended by the Financial Services and Markets Act 2000 (Regulated Activities)(Amendment) Order 2010/86; the Financial Services and Markets Act 2000 (Financial Promotion) (Amendment) (No.2) Order 2023/1411.
 (d) Amended by the Financial Services and Markets Act 2000 (Financial Promotion) (Amendment) Order 2005/3392; the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2010/86.

- (h) a trustee of a share incentive plan as defined in paragraph 2 of Schedule 2 to the Income Tax (Earnings and Pensions) Act 2003^(a), established for qualifying individuals as defined in paragraph (4).
- (4) “Qualifying individual”, in relation to a Pisces company, means a person—
 - (a) who is employed by, or is a director or other officer of, the Pisces company;
 - (b) who is employed by, or is a director or other officer of, a company within the immediate group of the Pisces company and whose work is in connection with the Pisces company;
 - (c) whose services, under an arrangement between the Pisces company and a third party, are placed at the disposal and under the control of the Pisces company;
 - (d) whose services under an arrangement between a company in the Pisces company’s immediate group and a third party are placed at the disposal and under the control of the Pisces’ company’s immediate group and whose services are in connection with the Pisces’ company’s business;
- (5) In this regulation, “financial intermediary” means—
 - (a) an authorised person as defined in section 31 of FSMA 2000;
 - (b) a member firm or participant with access to a Pisces;
 - (c) an appointed representative as defined in section 39(2) of FSMA 2000.
- (6) A financial intermediary must not place an order to buy an admitted Pisces share when dealing with a person either directly, through bare trustees, nominees or custodians, unless they believe on reasonable grounds when placing the order that the person will be a Pisces investor immediately before execution of that order.
- (7) When verifying that a person is a Pisces investor by virtue of paragraph (3)(a), a Pisces operator and a financial intermediary may rely on a certified list of qualifying individuals supplied by the Pisces company.
- (8) Where a Pisces operator who deals directly with Pisces investors receives directly from a person an order to buy an admitted Pisces share for that person, paragraph (6) applies in relation to the Pisces operator as it applies in relation to a financial intermediary.

Pisces application procedure and requirements

- 5.—(1) A person who is eligible under regulation 3(4) may apply to the FCA for approval to operate a Pisces under the FMI sandbox arrangements.
- (2) An application under this regulation must—
 - (a) be made in such manner as the FCA may direct;
 - (b) contain, or be accompanied by, such other information as the FCA may reasonably require.
- (3) The information required by the FCA under this regulation must include information that allows it to determine an application and may include (among other things) information on the following—
 - (a) a description of an operational model which will facilitate the trading of admitted Pisces shares and which may include (among other things)—
 - (i) the use of a proposed trading system;
 - (ii) the proposed frequency and duration of the intermittent trading periods;
 - (b) a description of the permissible restrictions on the infrequent trading on a Pisces;

(a) 2003 c. 1.

- (c) a description of the permissible restrictions on the trading of the shares including restrictions requiring a minimum or a maximum price;
- (d) a description of the disclosure arrangements and requirements for a Pisces company providing information to investors;
- (e) any admission requirements to be applied to a Pisces company;
- (f) a risk assessment based on a description of the Pisces' proposed operational model;
- (g) the reasons for applying to operate a Pisces under the FMI sandbox arrangements;
- (h) an explanation of how the Pisces operator would comply with the requirements applicable to it.

Determination of application to operate a Pisces

6.—(1) An application made under regulation 5(1) for approval to operate a Pisces under the FMI sandbox arrangements must be determined by the FCA.

(2) The FCA may—

- (a) approve the application;
- (b) approve the application but—
 - (i) with a description of the activities that is narrower or wider than the description specified in the application;
 - (ii) with such conditions, limitations or restrictions as the FCA considers appropriate;
- (c) reject the application.

(3) The FCA must give an applicant written notice that its application has been determined and in the case of approval, with or without conditions or restrictions, that notice is a Pisces approval notice.

(4) A notice given under paragraph (3) must include the reasons for any determination under paragraph (2)(b) or (2)(c).

(5) A Pisces operator may apply to the FCA for the modification, suspension or cancellation of its PAN and in which case paragraphs (1) to (4) apply with the necessary modifications to that application as they apply to an application for approval to operate a Pisces.

(6) Each Pisces operator must make its approval to operate a Pisces publicly available.

Sandbox arrangements

7.—(1) The relevant enactments specified in Schedule 1 have effect subject to the modifications in that Schedule in their application to—

- (a) the FCA in connection with implementing and operating the FMI sandbox arrangements;
- (b) the operation of a Pisces;
- (c) a person described in regulation 4(5) when participating in the FMI sandbox arrangements in connection with the activities of the Pisces operator;
- (d) any other person in relation to the person's use of a Pisces, or the carrying on by the person of activities in connection with the operation of a Pisces.

(2) Where a person has ceased to be a Pisces operator or a person described in regulation 4(5) or paragraph (1)(d), the provisions of specified relevant enactments as modified in the Schedule will continue to apply to that person in connection with the trading of an admitted Pisces share in their capacity as a Pisces operator or as a person described in regulation 4(5) or paragraph (1)(d), insofar as the provisions relate to the FCA exercising any of its powers.

(3) The Treasury may, after consulting the FCA, direct it to impose restrictions on the overall activities of a Pisces operator in the FMI sandbox arrangements, with reference to qualitative or quantitative restrictions.

Liability for disclosed information

8.—(1) Where a Pisces company makes a statement about itself or its share capital, or in connection with its business, through the disclosure arrangements of a Pisces operator, the Pisces company is liable to pay compensation to a person who—

- (a) buys, continues to hold or sells shares in the company which are or were admitted Pisces shares, and
- (b) suffers loss in respect of them as a result of—
 - (i) any untrue or misleading information in the statement; or
 - (ii) the omission from the statement of any matter that is required to be included by rules made by the Pisces operator, whether of the operator’s own volition or in order to comply with rules made by the FCA.

(2) Where the rules mentioned in paragraph (1)(b)(ii) require a Pisces company to include in any statement information about the absence of a particular matter, the omission from the statement of that information is to be treated as a statement that there is no such matter.

(3) A loss is not to be regarded as suffered as a result of the statement or omission mentioned in paragraph (1), unless the person suffering it bought, continued to hold or sold the relevant shares—

- (a) in reliance on the information in question, and
- (b) at a time when, and in circumstances in which, it was reasonable for that person to rely on it.

(4) In Schedule 2—

- (a) Part 1 makes provision about interpretation;
- (b) Part 2 contains exemptions from liability under paragraph (1) for statements made in accordance with rules made by the FCA under regulation 9(2)(a);
- (c) Part 3 contains further exemptions from liability under paragraph (1) and makes further provision.

Making of FCA rules

9.—(1) The FCA may make such rules, applying to Pisces operators or persons falling within regulation 4(1), as appear to the FCA to be necessary or expedient for the purpose of implementing and operating the FMI sandbox arrangements.

(2) Rules under paragraph (1) may (among other things) make provision—

- (a) imposing requirements as to arrangements for the disclosure of information by Pisces companies in connection with the trading of admitted Pisces shares;
- (b) concerning the detection and prevention of abusive trading behaviours on a Pisces;
- (c) concerning promotion, distribution and marketing of admitted Pisces shares and in connection with trading of such shares,

including provision that applies before shares in a Pisces company are admitted to trading.

(3) The reference in paragraph (1) to persons falling within regulation 4(1) includes a reference to such other persons as the FCA considers necessary or expedient in connection with the FMI sandbox arrangements.

- (4) The power to make rules in paragraph (1) includes the power to provide for—
 - (a) rules made by the FCA under FSMA 2000 or under any other relevant enactment not to apply;
 - (b) modifications in the application of such rules;
 - (c) the application of such rules (with or without modifications).
- (5) The power to make rules in paragraph (1) also includes the power to make rules on the subject matter of a provision of a relevant enactment that has been disapplied by these regulations.
- (6) Paragraph (7) relates to—
 - (a) any rules made under paragraph (1); or
 - (b) any rules made by the FCA that are relevant enactments.
- (7) The FCA may by direction waive or modify a rule so as—
 - (a) not to apply to a person or a description of a person; or
 - (b) to apply to a person or a description of a person with such modifications as the FCA may specify.
- (8) A direction under paragraph (7)—
 - (a) may be given subject to conditions, and
 - (b) may be revoked or varied by a subsequent direction.

Modification of technical standards

10.—(1) The FCA may make such modifications of any technical standards having effect for the purposes of a relevant enactment if it considers it to be necessary or expedient for the purposes of implementing and operating the FMI sandbox arrangements.

- (2) The power to modify technical standards in paragraph (1) includes the power to—
 - (a) provide for technical standards not to apply for the purposes of the FMI sandbox arrangements;
 - (b) provide for modifications in the application of the technical standards for those purposes;
 - (c) provide for the application of the technical standards (with or without modifications) for those purposes.
- (3) This regulation ceases to have effect when the repeal of section 138P of FSMA 2000 by Part 4 of Schedule 1 to the Act comes into force.

Supervision of the FMI sandbox

11.—(1) The FCA must maintain arrangements for the operation of the FMI sandbox arrangements including provision—

- (a) for the on-going supervision of each Pisces operator;
 - (b) for monitoring each Pisces operator and where appropriate modify its approval as described in a PAN;
 - (c) for requiring the winding down of the activities of a Pisces operator prior to the termination of the FMI sandbox arrangements under regulation 14.
- (2) The FCA may direct a Pisces operator to—
 - (a) provide specified information or documents;
 - (b) engage or cease engaging in a particular activity in connection with the FMI sandbox arrangements.

- (3) The FCA must publish on its website details of—
- (a) the FMI sandbox arrangements;
 - (b) any waivers made under regulation 9(7) and (8) that are issued in conjunction with a PAN.

Date of the report on the FMI sandbox arrangements

12. The date specified for the purposes of section 14(3) of the Act is [day, month] 2029.

Modification, suspension and cancellation of a PAN

13.—(1) The FCA may by direction given to a Pisces operator cancel, modify or suspend the PAN of the Pisces operator if—

- (a) the Pisces operator breaches a requirement of the PAN or any other requirement that applies to it in relation to its Pisces, or
- (b) the FCA considers it appropriate to do so for the purposes of implementing and operating the FMI sandbox arrangements.

(2) Where the FCA exercises a power under paragraph (1) to modify the activities of a Pisces operator permitted under a PAN, the FCA may impose such conditions, limitations or restrictions, as it considers appropriate.

(3) Where the FCA exercises a power under paragraph (1), it must notify the Pisces operator in writing in a way that is best calculated to bring it to the attention of the Pisces operator and

—

- (a) it must provide reasons for exercising the power and specify whether the modification, suspension, or cancellation of the PAN takes effect immediately or on a specified date, and
- (b) it may stipulate required periods for the Pisces operator to either wind down its activities as a Pisces operator or transition those activities outside of the FMI sandbox arrangements.

Termination

14. These Regulations are to cease to have effect on [day][month] 2030.

XXXX 2025

X
X
Two Lords Commissioners of His Majesty's Treasury
HM Treasury

SCHEDULES

SCHEDULE 1

Regulation 7

Modifications of legislation

PART 1

Relevant enactments

1. Part 2 contains modifications of the Financial Services and Markets Act 2000 (Recognition Requirements for Investment Exchanges, Clearing Houses and Central Securities Depositories) Regulations 2001(a).

2. Part 3 contains modifications of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012(b).

3. Part 4 contains modifications of the Companies Act 2006(c).

4. Part 5 contains modifications of FSMA 2000(d).

PART 2

Financial Services and Markets Act 2000 (Recognition Requirements for Investment Exchanges, Clearing Houses and Central Securities Depositories) Regulations 2001
This Part sets out modifications of the Schedule to the Financial Services and Markets Act 2000 (Recognition Requirements for Investment Exchanges, Clearing Houses and Central Securities Depositories) Regulations 2001. The provisions specified in the first column are modified as provided for in the corresponding entry in the second column.

<i>Provision</i>	<i>Modifications</i>
Paragraph 3E	Treat this paragraph as disappplied.
Paragraph 3H	Treat this paragraph as disappplied.
Paragraph 9ZD	Treat this paragraph as including a Pisces as one of the multilateral systems which an exchange is allowed to operate.
Paragraph 9A	Treat sub-paragraph (1) as requiring an exchange operating a Pisces also to operate a regulated market.

(a) S.I. 2001/1995.

(b) EUR 2014/600, amended by S.I. 2018/1403.

(c) 2006 c. 46.

(d) 2000 c. 8.

PART 3

Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012

This Part sets out modifications of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012. The provisions specified in the first column are modified as provided for in the corresponding entry in the second column.

<i>Provision</i>	<i>Modification</i>
Article 2.1(14)	Treat the definition of “multilateral trading facility” or “MTF” as excluding a Pisces for which an operator has an approval in force under regulation 6.
Article 2.1(14A)	Treat the definition of “UK multilateral trading facility” or “UK MTF” as excluding a Pisces for which an operator has an approval in force under regulation 6.
Article 23	Treat the reference to “permission to operate a multilateral trading facility under Part 4A of FSMA” as including an approval to operate a Pisces under a PAN”.

PART 4

Companies Act 2006

This Part sets out modifications of the Companies Act 2006. The provisions specified in the first column are modified as provided for in the corresponding entry in the second column.

<i>Provision</i>	<i>Modification</i>
Section 756	Treat the words “or indirectly” in subsection (3)(a) as disappplied.
Part 22 (Sections 791 to 828)	Treat the references to “public companies” in this Part as including companies with voting shares admitted to trading on a Pisces.
Sections 803 to 807	Treat these sections as disappplied.
Section 819	Treat the reference in subsection (1) as a reference to a company ceasing to have voting shares admitted to trading on a Pisces.

PART 5

Financial Services and Markets Act 2000

This Part sets out modifications of FSMA 2000. The provisions specified in the first column are modified as provided for in the corresponding entry in the second column.

<i>Provision</i>	<i>Modification</i>
Section 137T	Treat the reference in paragraph (a) to “authorised persons” as including a reference to a Pisces operator and a person participating under regulation 4(5).
Section 138I	Treat this section as disapplied.
Section 138IA	Treat this section as disapplied.
Section 138IB	Treat this section as disapplied.
Section 139A	Treat subsections (3), (4) and (5) as disapplied.
Section 417	Treat the definition of “rule” in subsection 1 as including rules made under the Act.

SCHEDULE 2

Regulation 8

Compensation: exemptions

PART 1

Interpretation

1. In this Schedule—

“core disclosure” means a Pisces statement made by a Pisces company in order to comply with requirements placed on it by a Pisces operator in compliance with core disclosure rules;

“core disclosure rules” means rules made by the FCA under regulation 9(2)(a), under which a Pisces operator must require Pisces companies whose shares are admitted to trading on its platform to disclose, through the operator’s disclosure arrangements, information about matters specified for this purpose in the FCA rules;

“disclosing officer” means, in relation to a Pisces company, its directors and any other person who is identified in a statement as accepting responsibility for the information contained within it, and “director” has the meaning given in section 417 of FSMA 2000;

“forward-looking statement” has the meaning given in rules made by the FCA under regulation 9(2)(a);

“omission” means an omission described in regulation 8(1)(b)(ii);

“Pisces statement” means a statement made by a Pisces company about itself or its share capital, or in connection with its business, through the disclosure arrangements of a Pisces operator;

“relevant period” in relation to a Pisces statement, means the period beginning with the time when the company made the statement, and ending—

- (a) with the time when the person falling within regulation 8(1) bought, or sold, the shares, as the case may be, or

- (b) where the person in question continued to hold the shares, the end of the trading period in respect of which the company made the statement.

PART 2

Exemptions from liability under regulation 8

Core disclosure

2.—(1) A Pisces company does not incur any liability under regulation 8 for loss caused by untrue or misleading information in or an omission from a core disclosure if it satisfies the court—

- (a) that at the time the core disclosure was made, its disclosing officers reasonably believed, having made such enquiries (if any) as were reasonable, that—
 - (i) the information was true and not misleading, or
 - (ii) the matter whose omission caused the loss was properly omitted, and
- (b) that one of the conditions in sub-paragraph (2) is satisfied.

(2) The conditions are—

- (a) that the Pisces company's disclosing officers continued in that belief until the end of the relevant period, or
- (b) that before the end of the relevant period, the disclosing officers had taken all such steps as it was reasonable for them to have taken to secure that a correction was brought to the attention of persons who received the core disclosure.

(3) This paragraph is subject to paragraph 6 in respect of forward-looking statements contained in a core disclosure.

Expert statements

3.—(1) In this paragraph “expert statement” means a statement of information or opinion included in a core disclosure which—

- (a) purports to be made by, or on the authority of, another person as an expert, and
- (b) is stated to be included in the core disclosure with that person's consent.

(2) A Pisces company does not incur any liability under regulation 8 for loss caused by an expert statement if it satisfies the court—

- (a) that at the time the core disclosure was made, its disclosing officers reasonably believed that the expert—
 - (i) was competent to make or authorise the statement,
 - (ii) had consented to its inclusion in the form and context in which it was included, and
- (b) that one or more of the conditions in sub-paragraph (3) are satisfied that one or more of the conditions in sub-paragraph (3) are satisfied.

(3) The conditions are—

- (a) that the disclosing officers continued in that belief until the end of the relevant period;
- (b) that the relevant period ended before it was reasonably practicable to bring the fact that the expert was not competent, or had not consented, to the attention of persons who received the core disclosure;

- (c) that, before the relevant period ended, the disclosing officers had taken all such steps as it was reasonable for them to have taken to secure that that fact was brought to the attention of those persons.

Correction of expert statements

- 4.—(1) In this paragraph “expert statement” has the same meaning as in paragraph 3.
- (2) A Pisces company does not incur liability under regulation 8 for loss caused by an expert statement if it satisfies the court—
 - (a) that before the relevant period ended, the fact that the expert was not competent, or had not consented, had been disclosed in a manner calculated to bring it to the attention of persons who received the core disclosure, or
 - (b) that the disclosing officers took all such steps as it was reasonable for them to take to secure such disclosure and reasonably believed that it had taken place before the end of the relevant period.
- (3) Nothing in this paragraph is to be taken as affecting paragraph 3.

Meaning of “expert”

5. In paragraphs 3 and 4, “expert” includes any engineer, valuer, accountant or other person whose profession, qualifications or experience give authority to a statement made by the person.

PART 3

Further exemptions from liability and other provision

Forward-looking information and other disclosure

- 6.—(1) Unless the condition in sub-paragraph (2) is met, a Pisces company does not incur any liability under regulation 8 in respect of any loss caused by untrue or misleading information in or an omission from a Pisces statement that—
 - (a) is a forward-looking statement, or
 - (b) is not required to be made under core disclosure rules.
- (2) The condition is that at any time in the relevant period, any of the Pisces company’s disclosing officers—
 - (a) knew the information to be untrue or misleading or were reckless as to whether it was untrue or misleading, or
 - (b) knew the omission to be a dishonest concealment.
- (3) For the purposes of paragraph (2)(b), a person’s conduct is regarded as dishonest if (and only if)—
 - (a) it is regarded as dishonest by Pisces investors, and
 - (b) the person was aware (or must be taken to have been aware) that it was so regarded.

False or misleading information known about

- 7. A Pisces company does not incur liability under regulation 8 if it satisfies the court that the person suffering the loss bought, sold, or continued to hold the admitted Pisces shares in question with knowledge—
 - (a) that the information in the Pisces statement was untrue or misleading, or

(b) of the information that was the subject of the omission,
as the case may be.

Official communications

- 8.** A Pisces company does not incur liability under regulation 8 for loss resulting from—
- (a) a communication made by an official person which is included in a Pisces statement, or
 - (b) a communication contained in a public official document which is included in a Pisces statement,

if it satisfies the court that the communication is accurately and fairly reproduced.

Exemptions from other liability

9.—(1) Except for liability under regulation 8 as read with paragraphs 2 and 6, a Pisces company is not subject to any other liability in respect of any loss caused by a Pisces statement.

(2) In sub-paragraph (1) the reference to liability, in relation to a Pisces company, includes a reference to another person being entitled as against that Pisces company to be granted any civil remedy or to rescind or repudiate an agreement.

(3) A disclosing officer is not subject to any liability, other than to the Pisces company, in respect of a Pisces statement, within the meaning of this Schedule.

- (4) This paragraph does not affect—
- (a) civil liability under rules made under section 954 of the Companies Act 2006 (compensation),
 - (b) liability to a civil penalty,
 - (c) criminal liability, or
 - (d) the powers conferred by section 382 and 384 of FSMA 2000 (powers of the court to make a restitution order and of the FCA to require restitution).