

Introducing PISCES



In an era of financial innovation and regulatory modernisation, the PISCES market (Private Intermittent Securities and Capital Exchange System) offers a potentially transformative force in private capital markets.

The UK officially launched its PISCES regime in June 2025. While live trading has not yet commenced, platform operators are preparing to host PISCES markets. It is an initiative which aligns with the UK Government's broader agenda to boost investment in domestic companies by improving liquidity and investor access.

The PISCES framework

PISCES will enable shareholders to take advantage of periodic trading facilities for private company shares, providing enhanced transparency, liquidity, and investor access. PISCES is likely to be particularly relevant for:

1. pre-IPO companies
2. firms with investor liquidity needs
3. businesses which operate employee share plans and are looking for a route to enable participants to cash in on their vested options. Admission to a PISCES market will, crucially, trigger a tax advantaged exercise event for approved plans.

Unlike public stock exchanges, PISCES platforms will use trading windows or periodic auctions, helping private companies to offer their shareholders an opportunity to sell their shares or buy into the business from time to time.

What is sparking all the interest?

PISCES presents an exciting alternative for privately owned businesses to adopt a more fluid and flexible ownership model. It enables shareholders to remain committed owners, rather than feeling locked in without a path to liquidity. By offering structured opportunities to sell or transfer shares, PISCES has the potential to unlock greater investment, retention, and growth in private companies.

PISCES is also a market that will come with significant tax benefits. Share trading will be exempt from stamp duty, and PISCES trading events will trigger the tax benefits offered by approved share plans such as CSOP and EMI. The share scheme tax benefit will, in particular, make it very attractive to businesses where colleagues participate in tax-advantaged plans.

CREST trading

PISCES markets will offer electronic settlement facilities through the CREST system. Although not mandatory, the benefits of CREST will be attractive to many. Companies opting for CREST trading will need to appoint a registrar with CREST capabilities.

Key considerations for boards

The starting point for any board considering PISCES, will be the strategic rationale: does the company have a mix of founders, early investors, and employees who would value more flexibility in their share ownership?

Crucially, establishing a private market for the company's shares could ease pressure on the board to pursue a full sale, offering those shareholders who wish to realise their investment a way to do so without needing to await the full sale of the business.

Offset against these benefits, there will be costs for the business, both in terms of the use of external advisers and service providers, and a degree of additional compliance burden, including disclosure requirements.

There will be changes needed to participate in the PISCES market. Companies will need to assess shareholder readiness and align expectations, review and possibly amend their corporate governance and shareholder agreements to allow secondary trading, engage with a licensed PISCES platform to set trading terms, prepare necessary disclosures for investors, and ensure compliance with legal and regulatory requirements.

Ready to explore the PISCES market?

We can guide companies through the PISCES process, from assessing strategic fit and reviewing governance documents to designing oversight and compliance frameworks. As always, our focus will be on making the complex simple and offering cost-effective, right-fit solutions for your business.

If you would like to arrange a consultation meeting to discover how we can help you navigate and participate in this fast-developing new market infrastructure, please contact one of our directors: david.gracie@indigogovernance.com and bernadette.young@indigogovernance.com.