



FINANCIAL SERVICES AND MARKETS ACT 2023 (PRIVATE INTERMITTENT SECURITIES AND CAPITAL EXCHANGE SYSTEM SANDBOX) REGULATIONS 2025

Issued 20 December 2024

ICAEW welcomes the opportunity to comment on the Draft Financial Services and Markets Act 2023 (Private Intermittent Securities and Capital Exchange System Sandbox) Regulations 2025 published by HM Treasury on 14 November 2024, a copy of which is available from this [link](#).

This response of 20 December 2024 has been prepared by the ICAEW Corporate Finance Faculty, ICAEW's centre of professional expertise in corporate finance. The faculty contributes to policy development and responds to consultations by international organisations, governments, regulators and other professional bodies. It provides a wide range of services, information, guidance, events and media to its members, including its highly regarded magazine *Corporate Financier* and its popular series of best-practice guidelines. The faculty's international network includes member organisations and individuals from major professional services groups, specialist advisory firms, companies, banks and alternative lenders, private equity, venture capital, law firms, brokers, consultants, policy-makers and academic experts. More than 40 per cent of the faculty's membership are from beyond ICAEW.

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COMMENTS ON DRAFT LEGISLATION

1. ICAEW welcomes the opportunity to provide feedback on the draft legislation that will deliver the PISCES regulatory regime.

Persons who may apply for approval to operate a Pisces

2. Regulation 3(7) provides that an intermediary may rely on a “certified list of qualifying individuals supplied by the Pisces company”. What does certification mean and who can certify?

Persons who may participate in the FMI sandbox arrangements

3. In Regulation 4(1)(d), in the instance of the financial intermediary in (iv), how does this cover the investor? Would the “services” include broking arrangements?

Schedule 2, Part 1

4. In paragraph 3, the definition for “disclosing officer” is very broad. The inclusion of “any other person who is identified in a statement as accepting responsibility for the information contained within it” could lead to an inappropriate person being given that responsibility.
5. The accompanying **policy note** did not describe any circumstances in which the directors of a Pisces company might need to delegate that responsibility and the legislation should be clear.