

1 CSOP schemes and EMI: PISCES shares

(1) If—

- (a) a share option is granted under a CSOP scheme at any time on or before the day on which this Act is passed,
- (b) the terms of the option which are mentioned in paragraph 21A(1)(d) of Schedule 4 to ITEPA 2003 are, at any time on or after 15 May 2025, varied, and
- (c) the sole effect of the provision constituting the variation is that, in the event that the shares are or become PISCES shares, the option may be exercised (to any extent) but only if the shares acquired as a result of its exercise are then immediately sold on a PISCES,

the provision mentioned in paragraph (c) is to be treated for the purposes of the CSOP code as if it had been included in the share option at the time at which the option was granted.

(2) Subsection (1) is to have effect as if contained in Schedule 4 to ITEPA 2003.

(3) If—

- (a) a share option which is a qualifying option for the purposes of the EMI code is granted at any time on or before the day on which this Act is passed,
- (b) the terms of the option which are mentioned in paragraph 37(2)(e) of Schedule 5 to ITEPA 2003 are, at any time on or after 15 May 2025, varied, and
- (c) the sole effect of the provision constituting the variation is that, in the event that the shares are or become PISCES shares, the option may be exercised (to any extent) but only if the shares acquired as a result of its exercise are then immediately sold on a PISCES,

the provision mentioned in paragraph (c) is to be treated for the purposes of the EMI code as if it had been included in the share option at the time at which the option was granted.

(4) Subsection (3) is to have effect as if contained in Schedule 5 to ITEPA 2003.

(5) A variation of an option is not to count for the purposes of this section unless—

- (a) the variation is effected by a written agreement to which the person entitled to exercise the option is a party, or
- (b) the variation is otherwise notified in writing to that person.

(6) For the purposes of this section, “PISCES shares” and “a PISCES” have the same meaning as in the applicable PISCES regulations.

(7) For this purpose, “the applicable PISCES regulations” means—

- (a) the Financial Services and Markets Act 2023 (Private Intermittent Securities and Capital Exchange System Sandbox) Regulations 2025 (“the 2025 regulations”), or
- (b) if regulations are made under section 15 of the Financial Services and Markets Act 2023 (“the 2023 Act”) in the case of a PISCES, regulations under that section.

(8) If—

- (a) regulations made under section 15 of the 2023 Act use expressions other than PISCES shares or a PISCES, but
- (b) those other expressions are used in those regulations for the same or similar purposes as the expressions PISCES and a PISCES are used in the 2025 regulations,

this section has effect as if the references to PISCES shares or a PISCES are to those other expressions.