



London
STOCK EXCHANGE

Admission and annual fees

APRIL 2002



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Introduction

This document contains details of the London Stock Exchange fees for both United Kingdom incorporated companies and overseas incorporated ('international') companies issuing securities in London.

Admission fees are payable on all applications for trading securities on the London Stock Exchange, based on the market value of those securities at the time of application. Payment of admission fees must be received no later than the scheduled date of approval for admission to trading. Two different fee scales are applied for admission fees – one for new companies joining the market and the other for further issues of securities by existing companies.

Annual fees are payable by all companies which have either equity securities or certificates representing shares admitted to trading. Annual fees are billed in the first week of April for the 12 months commencing 1 April and are collected by direct debit. A pro-rata portion of the annual fee is payable by all issuers of equity securities and certificates representing shares when commencing trading on the Exchange for the first time.

Note:

Issuers of equity securities (including certificates representing shares) incorporated outside the United Kingdom that are admitted to trading on the Domestic Equity Market (SETS™/SEAQ™ trading mechanism) are subject to charges at UK rates.

United Kingdom Value Added Tax (VAT), currently at 17.5 per cent, must be added to the fee derived if the issuer is subject to United Kingdom VAT.

Definitions of terms used in this publication are included in the Admission and Disclosure Standards.

Payment details

Payment of admission fees should be sent to: Securities Management, London Stock Exchange plc, London EC2N 1HP. All cheques should be made payable to "London Stock Exchange plc".

Payment of annual fees should be made via direct debit. Direct debit mandates can be obtained from: Sales Invoicing, London Stock Exchange plc, London EC2N 1HP.

Calculating market capitalisation for admission fees

Equity securities (including certificates representing shares)

For a new applicant, multiply the number of securities for which application is being made by the issue price of the security. If there is no issue price, the issuer must use an estimate of the opening price to calculate the market capitalisation.

For a further issue, multiply the number of securities for which application is being made by the mid-market price published in the London Stock Exchange's Daily Official List (the Daily Official List) two business days prior to the scheduled date of approval for admission to trading.

For a Placing, Rights Issue or Offer for Subscription, the price used is the issue price of the securities.

Fixed income, floating rate securities and international debt securities

Multiply the number of securities for which application is being made by the issue price of the securities.

Exchange rates

For securities denominated in a currency other than pounds sterling, the market capitalisation must be converted into pounds sterling at the exchange rate printed in Monday's edition of the Financial Times, 'FT guide to world currencies'. The rate advised in this edition will be used for all currency conversions during that week.

Daily Official List

The Daily Official List can be obtained from FT Interactive Data, Fitzroy House, Epworth Street, London EC2A 4DL. Telephone +44 (0)20 7825 8000.

Refunds of charges

In the event that the amount of securities issued is less than the amount upon which the issuer based its application, a refund of any part of the admission fee and any annual charge paid on those securities will not be made where more than six months have elapsed since the date of the invoice for the relevant charge.

The annual fee is for each year or part thereof and is therefore not refundable in the event that securities cease to be traded.

Equity securities

(including certificates representing shares)

UK companies

Admission fees – new companies

Issuers of equity securities incorporated in the United Kingdom will pay a fee for admission of their securities to trading on the London Stock Exchange.

To determine the admission fee:

- ◆ Locate the market capitalisation band of the securities to be admitted in column (a).
- ◆ Multiply any additional amount over the 'greater than' figure by the corresponding figure in column (b).
- ◆ Add the result of this calculation to the maximum fee in the previous market value band in column (c).

(a) Market capitalisation (£m) <i>greater than</i> <i>less than or equal to</i>		(b) Increment per million (£)	(c) Maximum increment (£)	Maximum fee (£)
	5	Fixed fee	–	5,000
5	10	1,000	5,000	10,000
10	50	500	20,000	30,000
50	250	250	50,000	80,000
250	500	110	27,500	107,500
500	1,000	50	25,000	132,500
1,000	2,000	30	30,000	162,500
£2,000m		15	87,500	250,000

Note: VAT, currently at 17.5 per cent, must be added to the fee derived.

Admission fees – further issues by listed UK companies

- ◆ Further issues will be charged according to the same scale, but at a 25 per cent discount.
- ◆ There is no admission fee payable by an existing issuer of securities resulting from a capitalisation of reserves or a subdivision or consolidation of capital.
- ◆ There is no admission fee payable for an employee share issue or an exercise of options or warrants, which do not form part of a block listing of securities, where the market capitalisation of the total securities being considered for admission to trading is less than £2 million.

Example 1 – Equity securities – new companies

Market capitalisation of new company = £152 million.

	Fee (£)
First £50 million	30,000.00
Next £102 million @ £250 million	25,500.00
Sub-total	55,500.00
VAT @ 17.5%	9,712.50
Total admission fee	65,212.50

Example 2 – Equity securities – further issues

Market capitalisation of securities to be admitted = £152 million.

	Fee (£)
First £50 million	30,000.00
Next £102 million @ £250 million	25,500.00
Discount (25%)	– 13,875.00
Sub-total	41,625.00
VAT @ 17.5%	7,284.38
Total admission fee	48,909.38

Equity securities

(including certificates representing shares)

UK companies

Annual fees

Issuers of equity securities incorporated in the United Kingdom will pay an annual fee for securities admitted to trading on the London Stock Exchange.

- ◆ Annual fees are based on the market capitalisation of the issuer as at 30 November in the preceding year.
- ◆ Annual fees are calculated on a straight line basis from a minimum of £5,000 to a maximum of £42,125.
- ◆ Issuers with a market capitalisation of up to £25 million will pay the minimum fee of £5,000.
- ◆ Issuers above that size will pay £5,000 plus £15 per £1 million market capitalisation over £25 million up to the maximum fee of £42,125.
- ◆ Annual fees are charged in respect of the 12 months commencing 1 April and are invoiced in the first week of April each year.
- ◆ A pro-rata annual fee is payable by new applicants. To obtain the fee, take the number of calendar days, including the date of admission to trading up to and including 31 March, divide this number by 365 and multiply the product by the annual fee calculated.
- ◆ Where trading in an issuers securities commences for the first time after 30 November, the market capitalisation used in the above calculation is the market capitalisation of the securities at the time of admission.

Note: VAT, currently at 17.5 per cent, must be added to the fee derived.

Example 3 – Equity securities, annual fee

Market capitalisation of company = £212 million.

	Fee (£)
First £25 million	5,000.00
Next £187 million @ £15 per million	<u>2,805.00</u>
Sub-total	7,805.00
VAT @ 17.5%	<u>1,365.88</u>
Total annual fee	<u>9,170.88</u>

Example 4 – Certificates representing shares, pro-rata annual fee

Market capitalisation of company = £1,000 million.

Commence trading: 10/08/2002.

	Fee (£)
First £25 million	5,000.00
Next £975 million @ £15 per million	<u>14,625.00</u>
	<u>19,625.00</u>
(234 / 365) x 19,625	12,581.51
VAT @ 17.5%	<u>2,201.76</u>
Total pro-rata annual fee	<u>14,783.27</u>

Example 5 – Equity securities, annual fee

Market capitalisation of company = £3,750 million.

	Fee (£)
First £25 million	5,000.00
Next £3,725 million @ £15 per million	<u>55,875.00</u>
Sub-total	<u>60,875.00</u>
Cap @ maximum fee	42,125.00
VAT @ 17.5%	<u>7,371.88</u>
Total annual fee	<u>49,496.88</u>

Equity securities

(including certificates representing shares)

International companies

Admission fees – new companies

Issuers of equity securities incorporated outside the United Kingdom will pay a fee for admission of their securities to trading on the London Stock Exchange. To determine the admission fee:

- ◆ Locate the market capitalisation band of the securities to be admitted in column (a).
- ◆ Multiply any additional amount over the 'greater than' figure by the corresponding figure in column (b).
- ◆ Add the result of this calculation to the maximum fee in the previous market capitalisation band in column (c).

(a) Market capitalisation (£m) <i>greater than</i> / <i>less than or equal to</i>		(b) Increment per million (£)	(c) Maximum increment (£)	Maximum fee (£)
	5	Fixed fee	–	2,500
5	10	500	2,500	5,000
10	50	250	10,000	15,000
50	250	125	25,000	40,000
250	500	55	13,750	53,750
500	1,000	25	12,500	66,250
1,000	2,000	15	15,000	81,250
£2,000m		7.5	43,750	125,000

Admission fees – further issues by listed international companies

- ◆ Further issues will be charged according to the same scale, but at a 30 per cent discount.
- ◆ There is no admission fee payable by an existing issuer of securities resulting from a capitalisation of reserves or a subdivision or consolidation of capital.
- ◆ There is no admission fee payable for an employee share issue or an exercise of options or warrants, which do not form part of a block listing of securities, where the market capitalisation of the total securities being considered for admission to trading is less than £2 million.

Note: Issuers of equity securities (including certificates representing shares) incorporated outside the United Kingdom that are admitted to trading on the Domestic Equity Market (SETS/SEAQ trading mechanism) are subject to charges at UK rates.

Example 6 – Equity securities/Certificates representing shares – new companies

Market capitalisation of new company = £152 million.

	Fee (£)
First £50 million	15,000.00
Next £102 million @ £125 per million	12,750.00
Total admission fee	27,750.00

Example 7 – Equity securities/Certificates representing shares – further issues

Market capitalisation of securities to be admitted = £152 million.

	Fee (£)
First £50 million	10,500.00
Next £102 million @ £125 per million	12,750.00
Sub-total	27,750.00
Discount (30%)	– 8,325.00
Total admission fee	19,425.00

Equity securities

(including certificates representing shares)

International companies

Annual fees

Issuers of equity securities incorporated outside the United Kingdom will pay an annual fee for securities admitted to trading on the London Stock Exchange.

To determine the annual fee:

- ◆ Take the nominal value of your equity securities (or underlying securities in the case of certificates representing shares) as at 1 April.
- ◆ Locate the nominal value band of the securities in the table below and the corresponding annual fee.

Nominal value of securities £m	Fee £
Up to 5	nil
10	700
25	1,740
50	2,430
75	3,130
100	3,800
150	5,170
200	5,880
250	6,560
500	7,260
750	7,950
1,000	8,630
1,500	9,325
2,000	10,000
Over 2,000	10,700

Example 8 – Equity securities

Nominal value of equity securities = £212 million

Fee band = up to £250 million

Total annual fee £6,560.00

Example 9 – Certificates representing shares, pro-rata annual fee

Nominal value of underlying securities = £212 million

Commence trading: 10/08/2002

Fee band = up to £250 million

$(234 / 365) \times 6,560$

Total annual fee £4,205.59

In the case of equity securities not having a specified nominal value, the charge will be calculated on the basis of the value of those securities in the issuer's accounts. For certificates representing shares, the charge will be calculated on the basis of the value of the underlying shares.

In the case of the issuers of **specialist** certificates representing shares, a flat annual fee of £2,500 will be payable.

Annual fees are charged in respect of the 12 months commencing 1 April and are invoiced in the first week of April each year.

A pro-rata annual fee is payable by new applicants. To obtain the fee, take the number of calendar days, including the date of admission up to and including 31 March, divide this by 365 and multiply the product by the annual fee derived from the above scale. In the case of the issuers of **specialist** certificates representing shares multiply the product by £2,500.

Note: Issuers of equity securities (including certificates representing shares) incorporated outside the United Kingdom that are admitted to trading on the Domestic Equity Market (SETS/SEAQ trading mechanism) are subject to charges at UK rates.

Fixed income and floating rate securities

(eg debenture stocks, gilts and preference shares)

Admission fees – new companies and further issues of securities

Issuers of fixed income and floating rate securities will pay a fee for admission of their securities to trading on the London Stock Exchange.

To determine the admission fee:

- ◆ Locate the market capitalisation band of the securities to be admitted in column (a).
- ◆ Multiply any additional amount over the 'greater than' figure by the corresponding figure in column (b).
- ◆ Add the result of this calculation to the maximum fee in the previous market capitalisation band in column (c).

(a) Market capitalisation (£m)		(b) Increment per million (£)	(c) Maximum increment (£)	Maximum fee (£)
<i>greater than</i>	<i>less than or equal to</i>			
	100	Fixed fee	–	4,000
100	1,000	25	22,500	26,500
1,000		Fixed fee	–	26,500

Annual fees

No annual fee is payable in respect of fixed income securities, floating rate securities, debenture stocks, gilts or preference shares.

Example 10 – Fixed income and floating rate securities

Market capitalisation of securities to be admitted = £633 million.

	Fee (£)
First £100 million	4,000.00
Next £533 million @ £25 per million	<u>13,325.00</u>
Sub-total	17,325.00
VAT @ 17.5% (if applicable)	<u>3,031.88</u>
Total admission fee	<u>20,356.88</u>

International debt and miscellaneous securities

Admission fees

Issuers of **international debt securities** (including convertible securities) will pay a fee for admission of their securities to trading on the London Stock Exchange. The fee is 6 pence per £1,000 face value of the security, subject to a minimum fee of £1,000 and a maximum fee of £4,000. The fee will be rounded up to the nearest £100. A flat fee of £500 will be payable for each additional class of security on the same application.

Issuers of **miscellaneous warrants** will pay a fixed admission fee of £500 for each class issued, subject to a minimum fee of £1,000 and a maximum fee of £4,000.

For **issuance programmes**, issuers will pay an admission fee of £1,500 the first time application is made for securities to be traded and a further £1,500 each time the cumulative total of issues exceeds £50 million, subject to a maximum fee of £4,000 per tranche. No fee is payable on setting up the programme.

Example 11 – International debt securities (eg eurobonds)

Market capitalisation of securities to be admitted = £54 million.

	Fee (£)
£54 million/£1,000 x 0.06	3,240.00
Rounded up to the nearest £100	
Sub-total	3,300.00
VAT @ 17.5% (if applicable)	<u>577.50</u>
Total admission fee	<u>3,877.50</u>

Example 12 – Issuance programmes

£37 million tranche issued under a programme (tranche 1).

First £50m = £1,500.

	Fee (£)
Sub-total	1,500.00
VAT @ 17.5% (if applicable)	<u>262.50</u>
Total admission fee	<u>1,762.50</u>

£85 million tranche issued under a programme (tranche 2).

£85m - £13m (pre-paid from previous tranche) = £72m.

First £50 million = £1,500

Next £22 million = £1,500

	Fee (£)
Sub-total	3,000.00
VAT @ 17.5% (if applicable)	<u>525.00</u>
Total admission fee	<u>3,525.00</u>

Example 13 – Miscellaneous warrants

Five classes of security issued.

	Fee (£)
Five classes @ £500 per class	2,500.00
VAT @ 17.5% (if applicable)	<u>437.50</u>
Total admission fee	<u>2,937.50</u>

Annual fees

No annual fee is payable in respect of:

- ◆ international debt securities or debt issuance programmes
- ◆ securities admitted to the Stock Exchange Daily Official List under the descriptions Corporation and County Stocks, Corporation Stocks - Foreign and Sterling Issues by Overseas Borrowers
- ◆ miscellaneous warrants.

Note

The London Stock Exchange reserves the right to amend any prices at its sole discretion.

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