

STAMP DUTY RESERVE TAX/SDRT GUIDELINES INTERMEDIARY STATUS ON EURONEXT BLOCK

A Member of Euronext Block who is recognised as an Intermediary for UK tax purposes can qualify for relief from stamp duty and SDRT for each transaction in equities, provided that:

- (i) the “person” is a dealer in securities (not an agent), has completed the attached self-certification form to us and the “person” does not carry out any excluded business (Please see the footnote in application form)
- (ii) The transaction is effected on and subject to the rules of Euronext Block.
- (iii) The securities in question are listed for trading on Euronext Block at the time the transaction is entered into.

Members of Euronext Block who wish to obtain stamp duty relief when trading U.K. securities must complete the attached Application Form confirming the above.

For your information, Euronext London Limited will process the Intermediary Application Form on behalf of Euronext Block and obtain approval from HM Revenue & Customs. Relief begins from the point that HMRC approve the application not from the point you met the qualifying conditions. HMRC will then notify Euroclear UK and Ireland of your participant ID to apply the relief. A copy of the approval will be sent to the Member by Euronext London Limited.

To qualify as a “recognised intermediary” a person has to be a member of a regulated market or multilateral trading facility (“MTF”) and be “recognised” as an intermediary by the relevant regulated market or multilateral trading facility in accordance with arrangements approved by HM Revenue & Customs. In normal circumstances, every time someone purchases a share they have to pay stamp duty/SDRT unless they are able to take advantage of relief from stamp duty/SDRT by being a member of a regulated market or MTF and becoming a recognised intermediary.

Euronext Block Members who wish to become an Intermediary but who do not possess a physical presence in the UK must appoint either an affiliated company in the UK or their clearing member as their agent. HM Revenue and Customs require ready access to records of trading activity and other material to ensure compliance with stamp duty legislation. (Please see Part 2 of the application form).

It is a requirement of HM Revenue & Customs that a Member of a regulated market multilateral trading facility, who wishes to receive SDRT exemption must apply for and receive recognition on each trading platform should they wish to receive SDRT relief on that particular platform, e.g. recognition on London Stock Exchange does not include stamp duty relief on Euronext Block.

Euronext Block will not enter into giving tax advice to third parties in relation to the Stamp Duty Regime.

For further information on UK legislation in respect of SDRT /Stamp Duty Members are advised to access the web site below:

<http://www.legislation.gov.uk/>

The approach adopted by HM Revenue & Customs is one of self-certification. Each Member who wishes to be recognised by Euronext Block as an intermediary for the purposes of UK tax legislation must satisfy himself that he falls within the statutory definition and, in particular, that he does not carry on an excluded business. Euronext U.K. Markets Limited will not enter into giving tax advice to third parties in relation to the Stamp Duty

Regime. Where a Member is not certain that he qualifies, he should seek clarification from HM Revenue & Customs or from their tax advisor.

Further Information: Members seeking further information in respect of the application process should e-mail Euronextmembership@euronext.com.

Disclaimer:

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