

29 April 2008



**London**  
**STOCK EXCHANGE**

Policy and Planning Manager  
Financial Reporting Council  
5<sup>th</sup> Floor, Aldwych House  
71-91 Aldwych  
London  
WC2B 4HN

10 Paternoster Square  
London EC4M 7LS  
T +44 (0)20 7797 1000  
[www.londonstockexchange.com](http://www.londonstockexchange.com)

Dear Sir,

**LEVY PROPOSALS 2008/09**

Thank you for the opportunity to respond to your consultation paper regarding levy proposals for 2008/09. The London Stock Exchange supports the work of the FRC in its role as the UK's independent regulator for corporate governance and reporting.

We note that the FRC has decided to extend the business levy to companies traded on AIM and PLUS Markets. Our views on the implementation of this proposal have already been discussed in some depth with the FRC. The proposals in this latest consultation paper raise further concerns regarding the level, scope and apportionment of the business levy.

We understand that the Government has made clear that its contribution to the FRC's core costs should in future be funded largely by market participants and that as a result, you will be undertaking a wider stakeholder consultation on future funding arrangements later this year. We look forward to participating in that debate.

Yours faithfully

A handwritten signature in black ink that reads 'Andrew Wallace'.

Andrew Wallace  
UK Main Market Product Manager

T: +44 (0)20 7797 1696  
[awallace@londonstockexchange.com](mailto:awallace@londonstockexchange.com)