



London
STOCK EXCHANGE

10 Paternoster Square
London EC4M 7LS
Telephone +44 (0)20 7797 1000
www.londonstockexchange.com

N69/07 29 October 2007

**For the attention of the
chairman/senior partner/compliance officer,
all member firms**

N69/07

STOCK EXCHANGE NOTICE

NOTIFICATION – PTM LEVY

Introduction and background

1. Stock Exchange Notice N67/07 confirmed the changes to the Rules of the London Stock Exchange (“the rules”) in order to accommodate the Markets in Financial Instruments Directive (“MiFID”). In that Notice the Exchange advised that it has been liaising with the Panel on Takeovers and Mergers (“the Panel”) on the ongoing collection of the Panel levy (‘PTM Levy’) in a post-MiFID environment and that further information will be provided before 1 November 2007.
2. As stated in the confirmation Notice, the Exchange supports the work of the Panel and the important role that it plays in regulating takeover activity. The PTM levy has historically provided a significant part of the Panel’s funding, and the Exchange’s rules have supported this.

Rule amendment

3. It is now clear that there is widespread support from shareholder groups and investment firms for the Exchange to incorporate a rule that ensures that shareholders continue to contribute to the Panel’s funding via the PTM levy irrespective of how and/or where trading takes place.
4. The Exchange expects that other venues will introduce corresponding rules for their members to collect the PTM levy. However, to ensure that trades conducted by member firms on other exchanges, multi-lateral trading facilities or over-the-counter are also subject to the PTM levy Rule, the Exchange is amending old Rule 2220 accordingly. The attachment to this notice shows the revised and re-numbered Rule 1092.

5. Although this rule has not been the subject of formal consultation, the Exchange is satisfied with the level of feedback and comment that it has received from trade associations and other market participants to be able to implement this change with immediate effect. This rule should therefore be treated as taking effect from Monday 22 October 2007, with the PTM levy remaining at the current rate of £1 per transaction.
6. Any comments or queries on this Notice should be addressed to Dagmar Banton, Trading Services, telephone +44 (0)20 7797 1210 (STX 31210) or email: dbanton@londonstockexchange.com

Nick Bayley
Head of Trading Services

This Stock Exchange Notice will be available on the website at
<http://www.londonstockexchange.com/en-gb/products/membershiptrading/rulesreg/stockexnoticesnew/>

Calls to London Stock Exchange plc may be recorded to enable the Exchange to carry out its regulatory responsibilities.