

<i>Date issued</i>	<i>My reference</i>

**Company Share Option Plan approved under Schedule 4 Income Tax (Earnings and Pensions) Act 2003.**

**Year ended 5 April 2004**

You are required to complete this form and return it to me **within 3 months** of the date of issue shown above.

Explanatory notes are provided to help you complete this form. Please read these **before** completing the form and signing the declaration. If you have any questions about how to complete this form please contact IR Share Schemes at the address below or on the numbers shown.

**Penalties may be imposed for any failure to give the information required by this form within the prescribed time limit or for the submission of an incomplete or inaccurate return.**

If there is not enough space in any part of the form, please give further details on supplementary sheets, number them, and attach them to the completed form when you send it in.

The completed form should be sent to the address below.

Janice Cross

IR Share Schemes  
Room 76  
New Wing  
Somerset House  
Strand  
London  
WC2R 1LB  
Telephone **020 7438 6718 or 4202**  
Fax **020 7438 7095**

## About this Form

This form has been issued under Paragraph 33 Schedule 4 Income Tax (Earnings and Pensions) Act 2003. This enables the Board of Inland Revenue to ask any person to give any information that the Board thinks is necessary in relation to the operation of the Plan.

Under Paragraph 30(2)(b) Schedule 4 ITEPA 2003 the Board can withdraw approval of the plan because of the company's failure to give the information required within the time limit permitted.

Under Section 98(1) TMA 1970 (as amended by Paragraph 137 Schedule 6 ITEPA 2003) the Board can also start proceedings for penalties if there is a failure to provide the information requested, or if that information is inaccurate or not provided within the required time limit.

## Notes for Company

Please do not include on this form details of share options granted or exercised under

- Unapproved schemes or arrangements (see aside)
- SAYE Option Schemes
- Enterprise Management Incentives.

Do include all exercises of options **and** replacement options granted under the plan.

The employer is obliged to operate PAYE and NICs on the taxable gain arising from the exercise of options that are exercised within 3 years, or more than 10 years, from the date of the grant. Certain exercises made within 3 years of the date of grant also qualify for tax relief. Further guidance on these can be found in the notes on page 6.

For participants who receive taxable income from all approved share option schemes you are required to tick Box M on form P11D. You can provide the participants who receive taxable income with the information in the tables on page 5 and 6.

Box M of form P11D does not need to be ticked for any employee who does not have taxable income from an Inland Revenue approved share option scheme.

If this plan has ceased and there are no options still outstanding please tick the appropriate box on page 7.

## Individual Reporting Requirements

Please note that even though the grant or exercise of an option is included on this form the individual participant must still declare the transaction on his or her personal Self Assessment Tax Return where taxable income arises.

## Unapproved schemes

If you operate any unapproved share option or share award schemes you **must** provide information about each scheme separately each year to this office. This includes full details about options over shares which, during the year, were either

- granted to employees or directors
- exercised, or
- assigned or cancelled, in connection with which the option holder received any benefit (in money or money's worth).

This information must be given before 7th July following the tax year in which the reportable event takes place.

Further details of the information that a company must give about an unapproved share option scheme are set out in Section 421(J) ITEPA 2003.

## Further Help

Further guidance on approved company share option plans in general can be found on our internet web pages at, [www.inlandrevenue.gov.uk/shareschemes](http://www.inlandrevenue.gov.uk/shareschemes), or in our booklet IR102, *Approved company share option plans*, which can be obtained by calling our orderline on **0845 9000 404** between 8.00am and 10.00pm, seven days a week (except Christmas Day).

# 1 Options granted

## Please read the notes before completing this section

### Notes

Please provide the following details if options were granted during the year ended 5 April 2004.

If options were granted on more than three dates during the year, or over more than one class of share, please photocopy this page before you fill it in, and complete each separate page in the same format as the box below. Attach these pages to the form when you send it in.

If the company is a limited company or not listed on a Recognised Investment Exchange, then prior agreement to the market value of the shares granted must be obtained from IR Shares Valuation. Please send a copy of each agreement with this return when you send it in.

### Complete one column below for each grant of options.

<p>1 Please enter</p> <ul style="list-style-type: none"> <li>the name of the company over whose shares the options were granted</li> <li>the company registration number</li> <li>the nominal value and class of shares.</li> </ul>	<p><i>Example</i></p> <p><i>ABC Ltd</i></p> <p><i>1234567</i></p> <p><i>10p Ord.A</i></p>			
<p>2 The date of grant</p>	<p><i>10/10/03</i> <i>DD/MM/YY</i></p>			
<p>3 The date(s) on which market value was taken for the purpose of determining the price at which options may be exercised.</p> <p>If the date(s) are different to the date(s) in Box 2 please provide an explanation and submit this with the return.</p>	<p><i>10/10/03</i> <i>DD/MM/YY</i></p>			
<p>4 The market value of a share in pounds sterling on the dates shown in box 3 above.</p> <p><i>*For non UK shares please also complete box 5 below</i></p>	<p><i>£10.00</i></p>			
<p>5 If non UK shares were used please state the conversion rate used to determine the market value figure shown in box 4 above.</p>	<p><i>£1/\$1.53</i></p>			
<p>6 Please tick one of the boxes to show the source of the valuation in box 4 above</p> <ul style="list-style-type: none"> <li>by reference to a Recognised Investment Exchange, please state the name of the Exchange in the box <input type="text"/></li> <li>by reference to IR Shares Valuation.</li> </ul> <p><b>If you are unable to tick either box please provide an explanation and attach it to this return.</b></p>	<p><input checked="" type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>	<p><input checked="" type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>	<p><input checked="" type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>	<p><input checked="" type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>

## 2 Individual options granted

Please read the notes before completing this section

### Notes

Please provide the following details for each individual grant of options during the year ended 5 April 2004.

It is not possible to grant options with a market value in excess of £30,000 under an approved company share option plan of the company or any associated company. If the total of the amounts shown in columns 6 and 7 below is greater than £30,000 for any individual, please provide a written explanation of how this has arisen and attach it to this return when you send it in.

**Do not include any details of unapproved share options on this form. (See Notes on page 2.)**

If there is not enough space in the box below, please photocopy this page before you fill it in, and complete each separate page in the same format as the box below. Attach the completed sheets to the return when you send it in.

Name and National Insurance number of participant	Employer's name and PAYE reference	Number of shares granted	Price per share at which options may be exercised	Total Exercise price <i>column 3</i> x <i>column 4</i>	Total market value of shares under this grant <i>Page 3, box 4</i> x <i>column 3</i>	Total market value of all other approved CSOP options held by each employee at the date of grant
1	2	3	4	5	6	7
<i>Mr Smith AB123456C</i>	<i>ABC Ltd 001/A1</i>	<i>1000</i>	<i>£10</i>	<i>£10,000</i>	<i>£10,000</i>	<i>£19,999</i>
<b>Total number of shares</b>						

### 3 Exchange of options

Please read the notes before completing this section

#### Notes

Please provide the following details if the company has been taken over, and existing options have been exchanged for a new option over the acquiring company's shares under one of the following circumstances.

- If the acquiring company obtained control of a company as a result of making a general offer, to acquire
  - (i) the whole of the issued ordinary share capital of the company, which is made on a condition that if it is satisfied the person making the offer will have control of the company, or
  - (ii) all the shares in the company which are of the same class as the scheme shares, or
- obtains control of a company in pursuance of a compromise or arrangement sanctioned by the court, under Section 425 of the Companies Act 1985, or Article 418 of the Companies (Northern Ireland) Order 1986, or
- becomes bound or entitled to acquire shares in a company under Sections 428 to 430 of that Act or Articles 421 to 423 of that Order.

**If the basis of exchange was not agreed with IR Share Schemes, please provide a written explanation, and attach it to this return, together with copies of all relevant documentation.**

Name of company over whose shares replacement options were granted

The date of grant of replacement options

The nominal value and class of share over which replacement options were granted

The price per share at which replacement options may be exercised

### 4 Variations of share capital

- Give details of any variations made to the exercise price per share and/or the number of shares included in options that have been made to take account of any variation in the ordinary share capital of which the Plan shares form part.

- If the variation has not been agreed with IR Share Schemes please provide a written explanation and attach it to this return, together with copies of all relevant documentation.

### 5 Amendments to Scheme rules

- Give details of any amendments made to the key features of the Plan rules, stating under which Plan rule these amendments were made.

- If any amendment was not agreed with IR Share Schemes prior to it taking effect, please provide a written explanation and attach it to this return, together with copies of all relevant documentation.

## 6 Options and replacement options exercised

Please read the notes before completing this section

### Notes

To qualify for tax relief the option must be exercised

- at a time when the Plan is approved, and either
- between 3 and 10 years after the date of grant, or
- prior to the third anniversary of the date of grant, following cessation due to
  - injury
  - disability
  - redundancy, or
  - retirement on or after reaching the age specified in the Plan rules.

The exercise must take place within 6 months of the relevant event.

**\* If the exercise meets all the above criteria please enter a Y in column 8. For all other exercises enter N in column 8.**

If PAYE was operated on the taxable gain please place a tick ✓ in column 9.

If PAYE was not operated please provide a written explanation and attach it to this return when you send it in.

PAYE should not be operated on any exercises made between 3 and 10 years from the date of grant. Any tax arising on the exercise is collectable through Self Assessment.

An option granted after 17 July 1995 is unapproved if at the time of grant the participant would have been able to acquire shares under this, or any other CSOP operated by the company or any associated company with a market value which exceeded (or further exceeded) £30,000.

Name and National Insurance number of participant	Employer's name and PAYE reference	Date original option granted	Date option exercised	Number of shares acquired	Exercise price per share	Market value on date of exercise	Does this qualify for tax relief? * see notes above	Tick
1	2	3	4	5	6	7	8	9
Mr Smith AB123456C	ABC Ltd 001/A1	01/04/03	02/01/04	1000	£5	£10	N	✓
<b>Total number of shares</b>								

### Notes

You must complete this page by giving the following details for this approved Plan:

<b>Options</b>	<b>Options</b>	<b>Replacement Option</b>
• the number of shares over which options remained in force at 6 April 2003	<input type="text"/>	<input type="text"/>
• the number of shares over which options were granted during the year (see total box column 3, page 4)	<input type="text"/>	<input type="text"/>
• the number of shares issued or transferred on the exercise of options during the year (see total box column 5, page 6)	<input type="text"/>	<input type="text"/>
• the number of shares over which options lapsed or were cancelled during the year	<input type="text"/>	<input type="text"/>
• the number of shares over which options were exchanged during the year	<input type="text"/>	<input type="text"/>
• the total number of shares over which options remained at 5 April 2004.	<input type="text"/>	<input type="text"/>

### Option holders

• the number of directors and employees who were granted options or replacement options during the year	<input type="text"/>	<input type="text"/>
• the total number of directors and employees who exercised options during the year	<input type="text"/>	<input type="text"/>
• the total number of directors and employees who held options at the end of the year.	<input type="text"/>	<input type="text"/>

### Market value

If the Plan shares are listed on any recognised investment exchange or traded on the AIM or NASDAQ, please state the market value on the latest date of exercise (shown in column 7 on page 6).

### Plan ceased

If no options remain and no new options can be granted under the Plan please confirm that the Plan has ceased by ticking the box.

✓

## 8 Participating Companies

Please give the following information (continue on a separate sheet if necessary) for each company that

- became a participating company during the year

Name of company

Registered office address

Address
Postcode

Date the company became a participating company

Company's Corporation Tax office reference

Company's PAYE reference number

- ceased to be a participating company during the year

Name of company

Registered office address

Address
Postcode

Date the company ceased to be a participating company

Company's Corporation Tax office reference

Company's PAYE reference number

## 9 Declaration

The Taxes Acts require that the Company Secretary or the person acting as Company Secretary should complete the declaration. If a Liquidator has been appointed they should complete the declaration. (S108(1) and (3) TMA 1970).

To the best of my knowledge and belief

- the information I have given on this form (and on the supplementary sheets numbered      to      ) \* is correct and complete
- unless otherwise stated, the options were granted, exercised and shares issued or transferred under the terms of the Plan which at the time was approved by the Board of Inland Revenue
- no alterations have been made to any key features of the Plan which have not been approved by the Inland Revenue. A feature of the Plan is a 'Key feature' if it relates to a provision that is necessary in order to meet the requirements of Schedule 4 ITEPA 2003.

*\* delete as appropriate*

Signature

Name (Use CAPITAL LETTERS)

Position in Company

Telephone

Fax

Date