



Application for a share valuation in connection with Enterprise Management Incentives (EMIs)

You may need valuations for EMIs on occasions when:

- you grant EMI options
- your employee exercises an EMI option, if
 - there was a disqualifying event between the grant and exercise of the option, or
 - the exercise price was less than the market value on the date you granted the option
 - there are other disqualifying events.

If you have any questions about the operation of EMI, go to www.hmrc.gov.uk/shareschemes/emi-new-guidance.htm or phone our Small Company Enterprise Centre on 0115 974 1250 or you can email them at enterprise.centre@hmrc.gsi.gov.uk

EMI valuations are given priority and Shares and Assets Valuation should not be approached until such time as the company is actually in a position to grant the options.

1 Company details

The name of the company whose shares are the subject of the option

The company's registration number

The company's HM Revenue & Customs office and reference if known

2 Contact details

Who should we send correspondence to?

Full name

Address

Postcode

Phone number

If the above named is the company's agent, please sign the declaration below.

I declare that the above person/agent is authorised to agree the market value of the company's shares.

Signed for and on behalf of the company

Name use capital letters

3 Request for a share valuation

Class of share, for example, 'ordinary'

Nominal value per share

The event for which you want the valuation, for example, the grant of EMI options

The date for which you want the valuation DD MM YYYY

Were the options actually granted to employees on this date?

Yes No

Total number of shares on which options are to be/have been granted

Are there any restrictions or risk of forfeiture relating to the shares? Please see the information in Section 4 overleaf.

Proposed share value, subject to restrictions or risk of forfeiture. Actual Market Value (AMV)

Proposed share value, without taking those restrictions or risk of forfeiture into account. Initial Unrestricted Market Value (IUMV)

Price at which the options will be exercised

4 Other details we need

To support your proposed valuation, you should send this form with the documents and information listed below.

Tick box when enclosed.

Details of any restrictions or risk of forfeiture the shares are subject to. When calculating the IUMV, any transfer restrictions under the company's articles of association are to be ignored. Such restrictions are, however, to be taken into account when calculating the AMV.

A copy of any valuation report you have.

Any available balance sheets, trading accounts and profit and loss accounts for up to three years before the valuation date.

An up-to-date copy of the company's articles of association.

Details of any shares allotted since the date of the last accounts. This should include particulars of the date and price per share and the number of shares issued.

Details of any transactions in the shares of the company within one year of the date(s) of valuation. This should include particulars of:

- the date each transaction occurred
- the number of shares sold
- the price paid per share
- whether the sales were made at arm's length.

Details of any dividends paid or declared after the date of the last accounts. This should include particulars of the date(s) of payment or declaration and the amount(s) per share.

5 Exit route

Is there a prospect that there will be an opportunity for shares to be sold or exchanged? Or is there a prospect of a flotation or other marketing event?

6 Other information

Use this space to give us any other information that you consider relevant to your valuation. This should include:

- any background information that will help us to understand the nature of the company's trade and circumstances, and
- any change to the company's share or loan capital which, at the occasion for valuation, is
 - completed or actively contemplated, and
 - not apparent from the other information you have given us.

Please continue on a separate sheet if necessary.

What to do next

Send the completed form and your supporting documentation to:

HM Revenue & Customs
Shares and Assets Valuation
Ferrers House
PO Box 38
Castle Meadow Road
NOTTINGHAM
NG2 1BB

Phone **0845 601 5693**

Fax **0115 974 2197**

Completing and returning this form to Shares and Assets Valuation does not mean that you have notified HM Revenue & Customs of the grant of an EMI option or made an annual return for EMI.

Your rights and obligations

Your Charter explains what you can expect from us and what we expect from you. For more information go to www.hmrc.gov.uk/charter