



Application for share valuation in connection with a Schedule 2 Share Incentive Plan (SIP)

If your company operates a Schedule 2 SIP, you'll need to establish the value of your company's shares on the following occasions:

- on award of free and matching shares
- on purchase of partnership shares with no accumulation period
- on purchase of partnership shares with accumulation period - in these cases you'll need to establish the value of the shares according to the definition in your Schedule 2 SIP
- on dividend reinvestment - the market value will need to be established on the date that dividend shares are acquired with the cash dividend
- when a participant ceases employment in the first 5 years of an award of free and matching shares, in circumstances where there is an Income Tax charge on the shares

Request for a share valuation

- on withdrawal of partnership shares from the plan within 5 years of acquisition, in circumstances where there's an Income Tax charge on the shares
- on acquisition of shares by trustees to quantify the Corporation Tax deduction to be claimed

To request a share valuation for any of the above occasions, fill in this form and return it to HM Revenue and Customs (HMRC) Shares and Assets Valuation (SAV). The address is shown on page 2 of this form.

The HMRC Charter explains what you can expect from us and what we expect from you. For more information, go to www.gov.uk/government/publications/hmrc-charter

1 Company details

The name of the company that has established the SIP

The company's registration number

The company's HMRC office and reference if known

2 Contact details

Who should we send correspondence to?

Name

Address

Postcode

Is this the company's agent?

No Yes

If No, go to Section 3.

If Yes, fill in the declaration below.

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

Signed for and on behalf of the company

Name

3 Request for a share valuation

Class of share, for example, 'ordinary'

The nominal value per share

£ .

The valuation event, for example, an award of free and matching shares

The date of valuation, for example, the date of award of free shares DD MM YYYY

Your proposed value per share

£ .

Class of share, for example, 'ordinary'

The nominal value per share

£ .

The valuation event, for example, an award of free and matching shares

The date of valuation, for example, the date of award of free shares DD MM YYYY

Your proposed value per share

£ .

4 Other details we need

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

Tick box when enclosed.

A copy of any valuation report you have.

Any available balance sheets, trading accounts and profit and loss accounts for up to 3 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. 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 1 year of the dates of valuation. Include:

- 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. Include particulars of the dates of payment or declaration and the amounts per share.

5 Other information

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

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

Please continue on a separate sheet of paper if necessary.

6 Exit route

Is there a prospect that there will be an opportunity for shares to be sold or exchanged?

No Yes

Is there a prospect of a flotation or other marketing event?

No Yes

7 Agreeing a value for a defined period

Would you like the value you agree with Shares and Assets Valuation (SAV) to last for a defined period?

No Yes

If Yes, how long would you like the defined period to last?

Not to exceed 6 months

If you've previously agreed a value for a defined period, what was the date of that agreement? DD MM YYYY

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Notes

You can apply to us to agree the value for a defined period. If this is agreed, it will not be for more than 6 months initially. If you wish to do this, you should attach to the form written confirmation that you're unaware of any circumstances that will affect the value of the shares during the proposed defined period. If you've agreed a defined period and wish to extend it, you'll then have to provide similar written confirmation.

The conditions that apply once an application to agree a value for a defined period has been accepted, are set out in more detail. For more information, go to www.gov.uk/guidance/get-a-share-scheme-valuation-from-hmrc

If another valuation occasion arises during the defined period, you must inform SAV immediately of any change in circumstances that might affect the value of the shares.

If the value of the shares is affected, the defined period will end and the share value agreed will no longer be valid.

What to do now

Send the completed form and your supporting documentation by post or email to:

Shares and Assets Valuation
HM Revenue and Customs
BX9 1BJ

Email: savexternal.mailbox@hmrc.gov.uk

Completing and returning this form to Shares and Assets Valuation does not mean that you have notified HM Revenue and Customs of shares awarded under a SIP.

More information

For more information about Schedule 2 Share Incentive Plans, go to www.gov.uk/hmrc-internal-manuals/employee-tax-advantaged-share-scheme-user-manual