

THE TAKEOVER PANEL

DOCUMENT CHARGES

The scale of charges payable on offer documents, set out on page DOC 1 of the City Code on Takeovers and Mergers ("the Code"), will be revised with effect from 1 August 2001. The scale was last revised in 1990. The changes relate principally to an extension to the bands, and therefore an increase in charges, at the upper end of the scale. The new scale will be:

Value of the offer	Charge	Charge as a maximum% of the value of the offer
£ million	£	%
1 to 5	2,000	0.20
Over 5 to 10	8,500	0.17
Over 10 to 25	14,000	0.14
Over 25 to 50	27,500	0.11
Over 50 to 100	50,000	0.10
Over 100 to 250	75,000	0.08
Over 250 to 500	100,000	0.04
Over 500 to 1,000	125,000	0.03
Over 1,000	175,000	0.02

Currently, a standard document charge of £2,000 is payable on all whitewash documents when, if a mandatory offer would be necessary but for the whitewash, its value would be £1 million or more. The following scale of charges is now being introduced:

Value	Charge
£ million	£
1 to 5	2,500
Over 5 to 10	5,000
Over 10	10,000

All other provisions relating to the document charges as set out in the Code will continue to apply. In particular, the financial adviser to the offeror (or, if there is no financial adviser, the offeror) is responsible for the payment of the document charge to the Panel except in the case of a whitewash document when the financial adviser to the offeree company is responsible. Payments should be sent to the Panel when documents are posted.

The revised charges will be payable on all offer and whitewash documents posted on or after 1 August 2001.

13 July 2001