
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations exempt from stamp duty and stamp duty reserve tax (“SDRT”) certain transfers of, or agreements to transfer traded securities made in the course of trading in those securities on the SmartPool Multilateral Trading Facility (“the Facility”). The transfers and agreements exempted are those involving European Central Counterparty Limited (“EuroCCP”) (and nominees of that clearing house), through whom transactions on the Facility are cleared, or clearing participants in EuroCCP (and their nominees).

Regulation 1 provides for citation, commencement and effect and regulation 2 contains definitions.

Regulation 3 prescribes the Facility as a recognised investment exchange and EuroCCP as a recognised clearing house for the purpose of the exemption and regulation 4 prescribes the circumstances in which stamp duty and SDRT will not be charged.

Regulation 5 makes consequential provision requiring traded securities which are agreed to be transferred in the prescribed circumstances to be dealt with in a separate designated account.

A full and final Impact Assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.