

# SEPARATOR SHEET

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JUPITER SPLIT TRUST PLC



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**RE-SCAN**

A copy of this document, which comprises a prospectus relating to Jupiter Split Trust, prepared in accordance with the listing rules made pursuant to section 142(6) of the Financial Services Act 1986, has been delivered to the Registrar of Companies in England and Wales for registration in accordance with section 149 of that Act.

Application has been made to the London Stock Exchange for the Jupiter Split Trust Shares and the Jupiter Split Trust Package Units to be issued pursuant to the proposals described herein to be admitted to the Official List.

The Directors, whose names are set out on page 8 of this document, accept responsibility for the information contained herein save that the only responsibility accepted by them in respect of the information contained in this document relating to River Plate has been to ensure that such information has been correctly compiled from published sources and is fairly reproduced and presented. Subject as aforesaid, to the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The application list for the Jupiter Split Trust Package Units being offered pursuant to the Offer for Subscription will open at 10.00 am on 13th December 1995 and may be closed at any time thereafter. **It is expected that dealings will commence on 3rd January 1996.** The procedure for application and a detachable Application Form are set out at the end of this document.

UBS Limited and James Capel & Co. Limited, which are both regulated by The Securities and Futures Authority Limited, are acting for Jupiter Split Trust in connection with the Proposals and no one else and will not be responsible to anyone other than Jupiter Split Trust for providing the protections afforded to customers of UBS Limited or James Capel & Co. Limited (as the case may be) nor for affording advice in relation to the Proposals.

# **JUPITER SPLIT TRUST PLC**

*(Incorporated in England and Wales under the Companies Act 1985, with registered number 3123443)*

## **PROSPECTUS**

**relating to the issue of up to 23.5 million Annuity shares,  
up to 98 million Zero Dividend shares, up to 66.5 million  
Income shares and up to 47 million Capital shares  
in connection with the Placing and Offer for Subscription  
sponsored by UBS Limited and James Capel & Co. Limited  
and the Offers by UBS Limited and James Capel & Co. Limited  
on behalf of  
Jupiter Split Trust PLC  
for Zero Dividend shares,  
Income shares and Capital shares  
of  
The River Plate and General Investment Trust PLC**

As at the date of this document, the Company has no loan capital (whether outstanding or created but unissued), term loans or other borrowings or indebtedness in the nature of borrowings, including bank overdrafts and liabilities under acceptances or acceptance credits, hire purchase or finance lease commitments, mortgages, charges, guarantees or contingent liabilities.

This document is not for distribution in the United States, Canada or Australia. The Annuity shares, the Zero Dividend shares, the Income shares and the Capital shares have not been and will not be registered under the United States Securities Act of 1933, as amended, nor under securities laws of any state of the United States nor under any securities laws of Canada nor has a prospectus in relation to such shares been lodged with or registered by the Australian Securities Commission and accordingly such securities may not be offered, sold, resold or delivered, directly or indirectly, in or into the United States, Canada or Australia or to a U.S. person or resident of Canada or Australia.

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## EXPECTED TIMETABLE

Latest time for receipt of application forms under the Offer for Subscription	10.00 am on 13th December 1995
First closing date of the Offers	3.00 pm on 14th December 1995
Calculation of FAV as at 14th December 1995*	By 20th December 1995
Offers expected to be declared unconditional in all respects (subject to listing becoming effective)	2nd January 1996
Final closing date of the Offers	3.00 pm on 2nd January 1996
Despatch of certificates for Jupiter Split Trust Package Units issued under the Offer for Subscription	2nd January 1996
Dealings expected to commence in Jupiter Split Trust Shares and Jupiter Split Trust Package Units	3rd January 1996
Despatch of cheques and certificates for Jupiter Split Trust Shares issued under the Offers	By 24th January 1996

\* assuming that the Income Offer is declared unconditional as to acceptances on the first closing date

## KEY INFORMATION

The following information is extracted from and should be read in conjunction with this document.

### The Company

- Jupiter Split Trust is a new split capital investment trust to be listed on the London Stock Exchange. Jupiter Split Trust's assets are to be managed by Jupiter Asset Management.
- The Company will be managed so as to qualify as an approved investment trust.

### Investment Objective

- The Company's investment objective is to provide growth of income and capital from a quality portfolio predominantly comprising UK equity and equity related securities.
- The portfolio will be selected with the intention of producing a yield of approximately 1.25 times that of the FT-SE Actuaries All-Share Index, equivalent to a target portfolio yield of approximately 5.0 per cent. The yield target on the portfolio is low in comparison to most other split capital investment trusts and, in the Directors' opinion, should provide Jupiter Split Trust with greater opportunities to achieve sustained capital and income growth.

### Attractions of the UK Equity Market

- The combination of a favourable outlook for inflation, falling unemployment and rising corporate profits and dividends appear to provide a sound background for the UK Equity Market.

### Jupiter Asset Management

- Jupiter Split Trust's assets will be managed by Jupiter Asset Management. Mr. William Littlewood and Mr. Heathcoat Amory will be joint managers and they will head a team specialising in higher yielding securities and income growth companies primarily in the UK.
- Mr. Littlewood also manages Jupiter Income Trust which has been the top performing unit trust in its sector since he assumed management responsibility for the trust in December 1990.

### Capital Structure

- Following implementation of the Proposals, the capital structure of the Company will comprise Annuity shares, Zero Dividend shares, Income shares and Capital shares. This capital structure has been designed to minimise the risks often associated with split capital investment trusts, whilst at the same time maintaining the distinct advantages of income and capital gearing. Jupiter Split Trust has a planned life to 31st October 2004.
- The Annuity shares have been designed to provide a high fixed income, having an annual dividend of 13.2p (net) per share. The capital entitlement of an Annuity share upon a winding up will be 0.01p.

- The Zero Dividend shares carry no entitlement to income, but have an initial entitlement on a return of capital of 100p per share which increases from 1st January 1996 by approximately 0.72 per cent. monthly until it reaches approximately 213.84p per share at the Winding-Up Date. This represents a Gross Redemption Yield of 9.0 per cent.
- It is intended that the Income shares will provide a high initial dividend which will increase over the life of the Company. Income shareholders will be entitled to receive the whole of the net distributable income of the Company after satisfying the prior entitlement of the Annuity shares. The initial entitlement of an Income share on a return of capital will be 25p which will increase to 100p on the Winding-Up Date assuming an asset growth rate (before expenses) of at least 2.6 per cent. per annum is achieved.
- The Capital shares are designed to give holders the benefits arising from the growth of the Company's total assets to the Winding-Up Date and a geared exposure to the UK Equity Market. They carry no right to dividends.
- Full details of the rights attaching to each class of share are set out in Part III of this document.

#### **Offers for River Plate**

- The Offers have been designed to enable those existing River Plate Shareholders who wish to retain all or part of their investment in a similarly managed investment trust to receive similar classes of shares in Jupiter Split Trust in exchange for their respective holdings of River Plate Shares. Save that in the case of the Income Offer the consideration comprises partly income and partly cash.
- The Mix and Match Arrangements under the Offers allow River Plate Shareholders to accept, subject to certain restrictions, the Offers in respect of their existing River Plate Shares in exchange for a chosen mix of Jupiter Split Trust Shares.
- The Cash Alternatives under the Offers enable River Plate Shareholders to receive cash for all or part of their existing River Plate Shares.

#### **Placing and Offer for Subscription**

- The Proposals include a Placing and Offer for Subscription which will raise additional capital for investment by the Company.
- The Placing and Offer for Subscription are not conditional upon the Offers becoming or being declared unconditional in all respects. The number of Jupiter Split Trust Shares which are the subject of the Placing varies depending upon whether the Offers become unconditional in all respects and the level of acceptances under the Offers. If the Offers become unconditional in all respects, the initial market capitalisation of the Company (on the basis of the issue prices under the Placing) will be £175 million (before taking into account the Jupiter Split Trust Package Units issued under the Offer for Subscription).
- If the Offers do not become or are not declared unconditional in all respects, the initial market capitalisation will be £175 million or such lesser number as UBS, James Capel and Jupiter Asset Management may jointly determine in their absolute discretion. Such discretion will be exercised, if at all, after consultation with the placees procured by UBS and James Capel. The Placing has been fully underwritten by UBS and James Capel subject to the exercise of discretion to reduce the size of the market capitalisation as mentioned above.
- The Offer for Subscription is an offer to the public of up to 1,000,000 Jupiter Split Trust Package Units, each comprising 6 Annuity shares, 25 Zero Dividend shares, 12 Capital shares and 17 Income shares. The subscription price of each Jupiter Split Trust Package Unit is £60. The Offer for Subscription has not been underwritten.

#### **Personal Equity Plans**

- The Company intends to manage its affairs so that the full subscription amount for a general PEP (currently £6,000) may be invested in Jupiter Split Trust Shares and/or Jupiter Split Trust Package Units.

## DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise:

"Act"	the Companies Act 1985, as amended by the Companies Act 1989;
"Annuity shares"	Annuity preference shares of 0.01p each in Jupiter Split Trust;
"Application Form"	the application form for Jupiter Split Trust Package Units available under the Offer for Subscription;
"Capital Offer"	the offer for the River Plate Capital shares made by UBS and James Capel on behalf of Jupiter Split Trust, and where the context admits, any subsequent revision, variation, extension or renewal thereof;
"Capital Share Cash Alternative"	the alternative whereby accepting River Plate Capital shareholders may elect to receive cash in respect of their River Plate Capital shares;
"Capital shares"	capital shares of 5p each in Jupiter Split Trust;
"Cash Alternatives"	the Income Share Cash Alternative, the Capital Share Cash Alternative and the Zero Dividend Share Cash Alternative;
"Company" or "Jupiter Split Trust"	Jupiter Split Trust PLC, a newly incorporated company;
"Cover"	in respect of the Zero Dividend shares at a given date, the number of times by which the share capital and reserves of the Company as at that date exceed the aggregate amount to which the holders of such shares as a class would be entitled on the Winding-Up Date, after account is taken of the Company's liabilities and the repayment entitlement of any prior ranking capital at the given date but before taking account of any expenses charged to capital account;
"Daily Official List"	the Daily Official List of the London Stock Exchange
"FAV"	the formula asset value (in pence), calculated in accordance with the formula set out in Appendix II to the Offer Document, attributable to each River Plate Capital share;
"FT-SE Actuaries All-Share Index"	the index of stock market movements compiled by Financial Times Limited in conjunction with the Institute of Actuaries and the Faculty of Actuaries;
"Gross Redemption Yield", "GRY" or "total return"	in respect of a share, the rate of interest at which the total discounted values of future payments of income and capital equate to the issue price of the share, and for this purpose the gross income arising from any dividend paid is computed as the aggregate of the dividend and where applicable the associated tax credit;
"Income Offer"	the offer for the River Plate Income shares made by UBS and James Capel on behalf of Jupiter Split Trust and, where the context admits, any subsequent revision, variation, extension or renewal thereof;

"Income Share Cash Alternative"	the alternative whereby accepting River Plate Income shareholders may elect to receive cash in respect of their River Plate Income shares;
"Income shares"	income shares of 5p each in Jupiter Split Trust;
"James Capel"	James Capel & Co. Limited;
"Jupiter"	Jupiter Tyndall Group PLC;
"Jupiter Asset Management" or "the Manager"	Jupiter Asset Management Limited;
"Jupiter Split Trust Directors" or "Directors"	the board of directors of Jupiter Split Trust;
"Jupiter Split Trust Package Units"	package units in Jupiter Split Trust, each comprising 25 Zero Dividend shares, 12 Capital shares, 17 Income shares and 6 Annuity shares;
"Jupiter Split Trust Shares"	Annuity shares, Zero Dividend shares, Capital shares and Income shares;
"Listing"	the listing of Jupiter Split Trust Shares and Jupiter Split Trust Package Units on the Official List of the London Stock Exchange becoming effective;
"London Stock Exchange"	The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited;
"Mix and Match Arrangements"	the arrangement whereby accepting River Plate Shareholders may, subject to certain restrictions, elect to vary the form of consideration receivable under the Offers, as described in the Offer Document;
"Offer Document"	the accompanying offer document dated 23rd November 1995 relating to the Offers;
"Offer for Subscription"	the offer for subscription by UBS and James Capel on behalf of Jupiter Split Trust, as described in this document;
"Offers"	the Income Offer, the Capital Offer and the Zero Offer;
"PEP"	Personal Equity Plan;
"Placing"	the placing by UBS and James Capel on behalf of Jupiter Split Trust of Jupiter Split Trust Shares;
"Proposals"	the Offers, the Placing and the Offer for Subscription;
"Relevant Date"	the date on which the Income Offer becomes or is declared unconditional as to acceptances;
"Retail Price Index"	the General Index of Retail Prices (All Items) as compiled and published by the Central Statistical Office;

"River Plate"	The River Plate and General Investment Trust PLC;
"River Plate Capital shares"	the existing issued or unconditionally allotted and fully paid capital shares of 25p each in River Plate and any further such shares which are unconditionally allotted or issued while the Capital Offer remains open for acceptance (or such earlier date as Jupiter Split Trust may decide);
"River Plate Debenture Stock"	the 4% irredeemable debenture stock in River Plate;
"River Plate Income shares"	the existing issued or unconditionally allotted and fully paid income shares of 25p each in River Plate and any further such shares which are unconditionally allotted or issued while the Income Offer remains open for acceptance (or such earlier date as Jupiter Split Trust may decide);
"River Plate Preferred Stock"	the 5% cumulative preferred stock in River Plate;
"River Plate Shares"	the River Plate Zero Dividend shares, the River Plate Income shares and the River Plate Capital shares;
"River Plate Shareholders"	holders of River Plate Shares;
"River Plate Warrants"	the existing issued warrants of River Plate, each of which entitles the holders to subscribe for one Old Capital share at 250p per share;
"River Plate Zero Dividend shares"	the existing issued or unconditionally allotted and fully paid zero dividend preference shares of 25p each in River Plate and any further such shares which are unconditionally allotted or issued while the Zero Offer remains open for acceptance (or such earlier date as Jupiter Split Trust may decide);
"UBS"	UBS Limited;
"UK"	United Kingdom;
"UK Equity Market"	the equity stock market in the UK;
"Winding-Up Date"	31st October 2004;
"Zero Dividend shares"	zero dividend preference shares of 0.01p each in Jupiter Split Trust;
"Zero Offer"	the offer for the River Plate Zero Dividend shares made by UBS and James Capel on behalf of Jupiter Split Trust and, where the context admits, any subsequent revision, variation, extension or renewal thereof;
"Zero Dividend Share Cash Alternative"	the alternative whereby accepting River Plate Zero Dividend shareholders may elect to receive cash in respect of their River Plate Zero Dividend shares;



# **DIRECTORS AND ADVISERS**

## **Directors**

Geoffrey Howard-Spink (Chairman)  
Pierre Charles Armand de Blonay (Swiss)  
John Lincoln Duffield  
Michael Fitzgerald Heathcoat Amory  
Sir Richard Ernest Butler Lloyd Bt

## **Manager, Secretary and registered office of the Company**

Jupiter Asset Management Limited  
Knightsbridge House  
197 Knightsbridge  
London SW7 1RB

## **Joint Sponsor and Stockbroker**

UBS Limited  
100 Liverpool Street  
London EC2M 2RH

## **Joint Sponsor and Stockbroker**

James Capel & Co. Limited  
Thames Exchange  
10 Queen Street Place  
London EC4R 1BL

## **Solicitors to the Company**

Nabarro Nathanson  
50 Stratton Street  
London W1X 6NX

## **Solicitors to the Joint Sponsors**

Travers Smith Braithwaite  
10 Snow Hill  
London EC1A 2AL

## **Auditors**

Ernst & Young  
Chartered Accountants  
Rolls House  
7 Rolls Buildings  
Fetter Lane  
London EC4A 1NH

## **Registrars**

The Royal Bank of Scotland plc  
Registrars Department  
PO Box 82  
Caxton House  
Redcliffe Way  
Bristol BS99 7NH

## **Receiving Bankers**

The Royal Bank of Scotland plc  
Registrars Department  
New Issues  
3rd Floor  
67 Lombard Street  
London EC3P 3DL

## **Custodian**

The Royal Bank of Scotland plc  
67 Lombard Street  
London EC3P 3DL

# PART I

## Introduction

Jupiter Split Trust is a new split capital investment trust, the objective of which will be to provide a high and rising income and capital growth from a quality portfolio predominantly comprising UK equities and equity related securities.

The Company will direct its affairs so as to qualify as an approved investment trust. Applications have been made for Jupiter Split Trust Shares and Jupiter Split Trust Package Units to be listed on the London Stock Exchange.

## The Proposals

River Plate is one of the oldest investment trusts listed on the London Stock Exchange having been formed as The River Plate and General Investment Trust Company Limited in April 1888. It became a split capital investment trust in October 1987 when it issued one of the UK's first classes of zero dividend preferences shares.

River Plate has a fixed life to 31st October 1996 at which stage it is due to be voluntarily liquidated. The Jupiter Split Trust Directors believe that a number of shareholders in River Plate may not wish to see the company liquidated at that time. In addition, as River Plate approaches the end of its fixed life, liquidity in certain classes of the company's shares is likely to be reduced. As a result, Jupiter Split Trust is making the Offers which give River Plate Shareholders the opportunity of exchanging their River Plate Shares for shares in Jupiter Split Trust, or, in the case of the Income Offer, for shares and cash, or receiving cash under the Cash Alternatives.

The opportunity is also being taken, through the Placing and Offer for Subscription, to raise additional capital for investment by the Company. If the Offers become or are declared unconditional in all respects the initial market capitalisation of the Company (based on the issue prices under the Placing) will be £175 million (before taking account of the Jupiter Split Trust Package Units issued under the Offer for Subscription).

If the Offers do not become or are not declared unconditional in all respects, the initial market capitalisation of the Company will be £175 million or such lesser number as UBS, James Capel and Jupiter Asset Management may jointly determine in their absolute discretion. Such discretion will be exercised, if at all, after consultation with the placees procured by UBS and James Capel. The Placing has been fully underwritten by UBS and James Capel subject to the exercise of discretion to reduce the size of the market capitalisation as mentioned above.

Further details of the Placing and Offer for Subscription are set out on page 18.

The Company is planned to have a fixed life to 31st October 2004 and its investments together with those of River Plate will be managed by Jupiter Asset Management. Jupiter Split Trust will have a comparatively low overall yield objective of approximately 1.25 times the yield on the FT-SE Actuaries All-Share Index. The Directors believe that this should allow the Company to compare favourably with its peer group of split capital trusts where the average portfolio yield is approximately 1.5 times the yield on the FT-SE Actuaries All-Share Index. The Directors also believe that the lower the portfolio yield requirement, the greater the number of investments which are available to the Manager and the greater the opportunity to achieve capital and income growth.

## **Market and Investment Background**

Jupiter Split Trust Directors consider that the UK Equity Market is currently attractive to investors for the following principal reasons:

### *Sustained economic growth*

Since the withdrawal of sterling from the ERM in September 1992, UK Government policy has been focused on achieving steady economic growth while keeping inflation within a target range of between 1 per cent. and 4 per cent. per annum. To date these objectives have been achieved and the Directors believe that the UK Government's current economic policy, if maintained, will continue to stimulate an attractive and stable level of economic growth.

The current market forecasts for GDP growth are around 2.7 per cent. for both the years 1995 and 1996 (Source: "Consensus Forecasts"; Consensus Economics Inc. – 13th November 1995). Despite some evidence of a build up in inflationary pressures from rising commodity prices, the Directors anticipate that inflation will remain stable due to continued restraint in consumer spending, tight control of monetary policy and continuing low levels of activity in the property market. The recent decline in the public sector borrowing requirement, while below Government expectations, should over time lead to a reduced funding pressure on the UK economy.

### *Attractions of the UK Equity Market*

The combination of a favourable outlook for inflation, falling unemployment and rising corporate profits and dividends appears to provide a sound background for the UK Equity Market. The Directors believe that in the last two years many UK companies have refinanced their balance sheets and, with increased profits being generated, cashflows are now on a rising trend. This is supporting higher dividend payments to shareholders and is also providing companies with the flexibility to expand their businesses either by investment or acquisition. Given these conditions and the favourable outlook for growth in earnings and dividends currently forecast for UK companies, the Directors believe that the UK Equity Market should provide investors with a period of sustained growth in the medium term.

## **Jupiter Asset Management**

Jupiter Split Trust's assets will be managed by Jupiter Asset Management. Mr. William Littlewood and Mr. Michael Heathcoat Amory will be joint managers and they will head a team specialising in higher yielding securities and income growth companies primarily in the UK.

Mr. Heathcoat Amory, who is a director of Jupiter Asset Management, has been involved in the management of River Plate for over 20 years. Mr. Littlewood, aged 30, is also a director of Jupiter Asset Management and has been responsible since December 1990 for the management of Jupiter Income Trust, an authorised unit trust with assets of approximately £100 million as at 19th October 1995. Since Mr. Littlewood assumed responsibility for this trust it has been the top performing unit trust in its sector. The performance of Jupiter Income Trust is set out in Table I overleaf.

**Table I—Comparative performance of Jupiter Income Trust**  
**Period to 1st November 1995**

	1 year	2 years	3 years	4 years	Since 01/01/91
Jupiter Income Trust	131.33	138.59	210.70	240.57	305.61
Ranking in UK Equity Income Unit Trust sector	1	1	2	1	1
Performance of second placed unit trust in sector	125.51	126.17	—	200.45	231.57
FT-SE Actuaries All-Share Index	116.60	118.01	151.80	159.77	197.71
Micropal UK Equity Income Unit Trusts	112.96	111.58	156.09	154.46	182.15
Number in sector	107	98	96	94	100

Source: Micropal

### **Jupiter Split Trust's Capital Structure**

The Company will have four classes of share capital in issue following implementation of the Proposals – Annuity shares, Zero Dividend shares, Income shares and Capital shares which will be in issue in the following proportions expressed as percentages of the total number of Jupiter Split Trust Shares in issue: Annuity shares – 10.00 per cent.; Zero Dividend shares – 41.67 per cent.; Income shares – 28.33 per cent. and Capital shares – 20.00 per cent. The Directors consider that the four classes of share capital individually offer potential shareholders a wide variety of investment options; these options can be expanded by the combination of any two or more share classes.

The Company will have a fixed life to 31st October 2004, after which time it will be voluntarily wound up unless the requisite shareholders' consents are obtained. The Directors intend, however, to examine, closer to the Winding-Up Date, means by which shareholders can effectively continue their investment and avoid, if possible, crystallisation of liabilities to capital gains tax. The limited life of the Company is designed to ensure that all shareholders, and in particular the Capital shareholders, will ultimately be able to realise the underlying net asset value of their shares.

A brief description follows of each class of share and the rights attaching to each class. Further details of these rights are set out in detail in Part III.

Prospective investors should note that the Gross Redemption Yields referred to below are computed on the basis that the gross income arising from a dividend is the aggregate of the dividend and the associated tax credit. Whether or not an investor will be able to claim repayment of the tax credit or utilise the tax credit to set against his own tax liabilities will depend upon the particular circumstances of that investor.

### **Annuity shares**

Each Annuity share will carry the right to an annual cumulative dividend equal to 13.2p (net). The dividend will be payable half-yearly on 31st March and 30th September in each year in equal instalments. On a return of capital, the holders of Annuity shares are entitled to 0.01p per

share held. Holders of Annuity shares will not be entitled to vote at general meetings of Jupiter Split Trust except in certain circumstances. However, the voluntary winding-up of the Company before 31st October 2004 would require the separate class consent of the holders of Annuity shares.

#### *Zero Dividend shares*

Zero Dividend shares offer the holders a predetermined rate of capital growth but no entitlement to income. Each Zero Dividend share will initially be entitled on a return of capital to 100p and this will be increased by approximately 0.72 per cent. monthly from 1st January 1996 until it reaches the final entitlement of approximately 213.84p on the Winding-Up Date.

The Gross Redemption Yield on the Zero Dividend shares is 9.00 per cent. Immediately following the implementation of the Proposals, the Cover in relation to the Zero Dividend shares is expected to be approximately 1.08.

The Zero Dividend shares will not carry voting rights at general meetings of the Company.

#### *Income shares*

The Income shares are intended to provide holders with a high initial dividend that will increase over the life of the Company, depending on the growth in the total assets and gross revenue of the Company, together with a predetermined level of capital repayment at the Winding-Up Date. Income shareholders will be entitled to receive the whole of the net distributable income of the Company, after satisfying the prior entitlement of the Annuity shares.

Table II shows, for illustrative purposes only, the projected Gross Redemption Yield of an Income share assuming different growth rates in the Company's total assets and gross revenue to 31st October 2004:

**Table II—Gross Redemption Yield of an Income Share**

Growth rate per annum of total assets and gross revenue (%)	0	2.5	5	7.5	10
Gross Redemption Yield (%)	-0.2	10.7	12.4	14.0	15.6

*The projections and statistics set out above are calculated on the basis of the assumptions set out in Part II of this document. They are for illustrative purposes only and do not represent forecasts.*

It is intended that two interim dividends will be paid on the Income shares in January and July each year and that the Income shares will be quoted ex-dividend in June and December of each year.

It is expected that dividends payable on the Income shares for the financial period to 31st December 1996 based on an initial asset growth of 5 per cent. per annum, will in aggregate be 7.24p (net) per share, equivalent to a prospective gross yield of 9.1 per cent. based on the issue price of 100p per share under the Placing.

The initial entitlement of an Income share on a return of capital will be 25p and this will be increased by approximately 0.71p per share on 31st January 1996 and on the last day of each subsequent month up to and including the Winding-Up Date by which time each Income share will be entitled to 100p assuming an asset growth rate (before expenses) of at least 2.6 per cent. per annum is achieved.

Income shareholders will have a right to vote at general meetings of the Company and will, on a poll, be entitled in aggregate to the same number of votes as that to which holders of Capital shares are entitled at such meetings.

### **Capital shares**

The Capital shares are designed to give holders the benefit arising from the growth in the Company's total assets to the Winding-Up Date. They do not participate in any dividend or in any revenue reserve.

On a return of capital, Capital shares will be entitled to all of the Company's surplus assets after satisfying the entitlements of all other classes of shares. The initial estimated net asset value of each Capital share is 236.7p. On the basis of an issue price of 100p per share, being the price at which the Capital shares are being offered under the Placing, this represents a discount of approximately 58 per cent. to the initial net asset value.

Table III shows the projected net asset value on the Winding-Up Date and the Gross Redemption Yield of a Capital share assuming various annual growth rates in the Company's total assets and gross revenue to the Winding-Up Date:

**Table III – Net asset value and Gross Redemption Yield of a Capital share**

Growth rate per annum of total assets and gross revenue (%)	0	2.5	5	7.5	10
Net asset value per Capital share (p)	0	0	133.7	300.4	500.3
Gross Redemption Yield (%)	-100	-100	3.3	13.3	20.0

*The projections and statistics set out above are calculated on the basis of the assumptions set out in Part II of this document. They are for illustrative purposes only and do not represent forecasts.*

Since Mr. Littlewood assumed the management of the Jupiter Income Trust, the capital performance of that trust has averaged an increase in excess of 20 per cent. per annum.

Capital shareholders will have the right to vote at general meetings of the Company and will, on a poll, be entitled in aggregate to the same number of votes as that to which holders of Income shares are entitled at such meetings.

### **Investment Policy**

The Company's investment policy will be to invest predominantly in UK equities and equity related securities (such as convertible securities). It is intended that Jupiter Split Trust will have a yield objective of approximately 1.25 times the yield on the FT-SE Actuaries All-Share Index. Overseas investments may also be purchased when considered appropriate. The Company may also hedge currency exposures and purchase unlisted securities, although it is not the current intention of investment managers to do so in the near future.

The Company's investment policy will be adhered to for at least three years following Listing and no material change to the policy will be made without the consent of shareholders in general meeting.

The Directors intend to conduct the affairs of the Company so that it will satisfy the conditions for approval as an investment trust laid down in Section 842 Income and Corporation Taxes Act 1988 and to apply annually to the Inland Revenue for such approval. Approval is granted retrospectively. Under current legislation, the Company will be exempt from UK tax on capital gains realised during each accounting period for which approval is obtained.

### **Management and Administration Agreements**

The Company has entered into a Management Agreement with Jupiter Asset Management terminable on two years' notice whereby Jupiter Asset Management will receive a fee monthly in arrears at a rate of 0.75 per cent. per annum of the Company's total consolidated assets less consolidated current liabilities. The management fee will be apportioned equally between capital account and revenue account. Jupiter Asset Management will also be entitled to receive a performance fee equal to 15 per cent. of any increase in the Company's total consolidated assets less consolidated current liabilities above a 10 per cent. increase during any accounting period of the Company, provided that such total assets of the Company have increased since the end of the most recent accounting period for which a performance fee was paid. The performance fee, if any, will be charged to the capital account.

The Company has also entered into an Administration Agreement with Jupiter Administration Services Limited. The initial fee is £62,500 per annum and this will be increased yearly for each of the years beginning 1st January 1997 by reference to any increases in the Retail Price Index.

Further details of the Management and Administration Agreements between the Company and Jupiter Asset Management are set out in Part V of this document.

### **Directors**

The Board of Jupiter Split Trust comprises the following, all of whom are non-executive:

**Geoffrey Howard-Spink** (Chairman), aged 50, was one of the founders in 1981 of Lowe Group Limited, one of the UK's biggest advertising groups. He is strategic planning director for the Lowe Group. He is a director of Taiwan Investment Trust PLC and other companies.

**Pierre Charles Armand de Blonay**, aged 59, is an independent financial consultant advising institutions and private clients. He was previously a managing director of Kidder, Peabody where he was responsible for its Swiss brokerage and asset management operations. He is a director of East European Food Fund SICAF.

**John Lincoln Duffield**, aged 56, is Chairman of Jupiter Asset Management. He is a director of the following companies listed on the London Stock Exchange: China Investment Trust PLC, First Philippine Investment Trust PLC, The Hong Kong Investment Trust PLC, The Investment Trust of Investment Trusts PLC, Jupiter European Investment Trust PLC, Korea Liberalisation Fund Limited, North American Gas Investment Trust PLC, Primadona PLC, The River Plate and General Investment Trust PLC and Taiwan Investment Trust PLC. He is also a director of a number of other companies.

**Michael Fitzgerald Heathcoat Amory**, aged 54, is managing director of Jupiter Asset Management Limited, a director of The River Plate and General Investment Trust PLC and Chairman of Jupiter International Green Investment Trust PLC. He is also a director of China Investment Trust PLC, Exmoor Dual Investment Trust PLC, The Hong Kong Investment Trust PLC, Masthead Insurance Underwriting PLC, Primadona PLC and other companies.

**Sir Richard Ernest Butler Lloyd, Bt.** aged 67, is Chairman of Vickers PLC and Chairman of Argos plc. He is also Deputy Chairman of Hill Samuel Bank Limited and a director of Siebe plc, Simon Engineering plc and Korea Liberalisation Fund Limited.

## **Risk Factors**

### *(a) Annuity shares*

The ability of the Company to meet the dividend entitlement of the Annuity shareholders is dependent upon there being sufficient distributable reserves in Jupiter Split Trust.

### *(b) Zero Dividend shares*

These shares will rank ahead of the Income and Capital shares for the repayment of their capital entitlement on a winding-up of the Company and accordingly a lower risk of a loss of capital attaches to them than to the Income and Capital shares. As mentioned above, following the implementation of the Proposals, the Cover for the Zero Dividend shares is expected to be approximately 1.08. The market price of the Zero Dividend shares is likely to vary with changes in interest rates and Cover which in turn reflects movements in the UK Equity Market. In particular, the market price of these shares will be sensitive to movements in underlying bond yields to a greater extent than a dividend paying preference share with a similar maturity date.

### *(c) Income shares*

Dividend growth on the Income shares will depend primarily on dividend growth in the underlying portfolio; dividend cuts by companies within the portfolio could therefore result in reductions in the dividends payable on the Income shares. On a return of capital, the Income shares rank behind the Annuity shares and the Zero Dividend shares.

### *(d) Capital shares*

Due to the prior capital entitlement of the other shares on a winding up of the Company, the value of the Capital shares is likely to experience movements which are greater than movements in the UK Equity Market as a whole. This level of gearing affords the potential for higher returns than those on ungeared investments but also results in greater risk.

## **Taxation**

Information concerning the taxation of the Company and investors in Jupiter Split Trust Shares is contained in paragraph 4 of Part V of this document.

**If any potential investor is in any doubt regarding the taxation consequences of his acquiring, holding or disposing of Jupiter Split Trust Shares or Jupiter Split Trust Package Units, he should seek advice from his own independent professional adviser.**

## **Personal Equity Plans**

The Directors intend to conduct the affairs of the Company so as to be a fully qualifying investment trust for PEP purposes. Under current legislation, the Jupiter Split Trust Shares and the Jupiter Split Trust Package Units will qualify for inclusion in general PEPs.

At present, PEP legislation allows a qualifying individual to invest up to £6,000 in each tax year in one general PEP. A husband and wife may each invest up to £6,000.



Individuals who apply for and are allotted Jupiter Split Trust Package Units under the Offer for Subscription may, within 42 days of allotment, renounce all or part of their allotment into PEPs offered by plan managers up to the limit of £6,000 worth of Jupiter Split Trust Shares and Jupiter Split Trust Package Units, provided that they have not already taken out a general PEP in the current tax year.

Applicants intending to transfer their allotments of Jupiter Split Trust Package Units into a PEP should obtain a PEP application form from their plan manager and comply with that manager's instructions in relation to the form.

Further information on the taxation consequences of holding Jupiter Split Trust Shares and Jupiter Split Trust Package Units within a general PEP is contained in paragraph 4 of Part V of this document.

## Terms of the Offers

### *The Offers*

Full details of the Offers are set out in the Offer Document which accompanies this document. The Offers are being made on the following basis:

For every 100 River Plate Zero Dividend shares	95.5 Zero Dividend shares
For every 100 River Plate Income shares	80 Income shares and £20 in cash
For every 100 River Plate Capital shares	such number of Capital shares as have an aggregate value (at £1 per Capital share) of FAV multiplied by 100

and so in proportion for any number of River Plate Shares held.

In addition, holders of River Plate Income shares will be entitled to retain any dividend or other distribution of the distributable profits of River Plate for the period prior to 1st November 1995 which the River Plate board may declare or recommend prior to 14th December 1995.

The value of the consideration under the Capital Offer cannot be precisely determined until the FAV is calculated as at the Relevant Date. Using the latest figures published by River Plate, the Jupiter Split Trust Directors estimate that the FAV would have been approximately 74p as at 31st October 1995. If this were the FAV as at the Relevant Date, the Capital Offer would be 74 Capital shares for every 100 River Plate Capital shares. The FAV is subject to a maximum of 130p.

On the basis of the issue prices of the Jupiter Split Trust Shares under the Placing and assuming a FAV of 74p, the Offers value the River Plate Shares in aggregate at approximately £112 million.

### *Cash Alternatives*

River Plate Shareholders who validly accept any of the Offers may elect to receive cash in respect of all or part of their River Plate Shares at the following rates:

For every River Plate Zero Dividend share	95.5p in cash
For every River Plate Income share	100p in cash (comprising 20p in cash under the basic terms of the Income Offer and 80p in cash under the Income Share Cash Alternative)
For every River Plate Capital share	a cash amount equal to the FAV.

The Cash Alternatives are conditional upon the Income Offer becoming or being declared unconditional in all respects.

### *Mix and Match Arrangements*

River Plate Shareholders who validly accept any of the Offers will also be able to elect under the Mix and Match Arrangements to receive (a) different class(es) of Jupiter Split Trust Shares from that to which they would otherwise be entitled under the basic terms of the relevant Offer on the following basis:

For every Zero Dividend share	one Income share or one Capital share
For every Income share	one Capital share or one Zero Dividend share
For every Capital share	one Income share or one Zero Dividend share.

The total number of Jupiter Split Trust Shares in each class to be issued under the Offers will not however, be varied as a result of the Mix and Match Arrangements. The ability of Jupiter Split Trust to satisfy such elections will therefore depend on the extent to which other accepting River Plate Shareholders make offsetting elections. Elections under the Mix and Match Arrangements for any class of Jupiter Split Trust Shares for which insufficient offsetting elections are made will be scaled down *pro rata* and the excess elections will be deemed to be elections under the relevant Cash Alternative.

Fractional entitlements to Jupiter Split Trust Shares will not be issued either under the Offers or the Mix and Match Arrangements but instead will be rounded down. The River Plate Shares will be acquired by Jupiter Split Trust fully paid and free from all liens, equities, charges and encumbrances and other interests and together with all rights now or hereafter attaching thereto, including the right to receive and retain all dividends and other distributions declared, made or paid hereafter in respect of the River Plate Shares other than the any dividend or other distribution of the distributable profits of River Plate for the period prior to 1st November 1995 which the River Plate directors may declare or recommend prior to 14th December 1995. The Offers are conditional, *inter alia*, on the listing of the Jupiter Split Trust Shares to be issued under the Proposals and on the placing agreement which has been entered into by the Company with UBS and James Capel in connection with the Placing becoming unconditional and not being terminated prior to such Listing.

### **Intentions to accept the Offers**

Certain institutional shareholders in River Plate have indicated their intention to accept the Offers in respect of their holdings of River Plate Shares which represent in aggregate 33.94 per cent. of the River Plate Zero Dividend shares, 36.62 per cent. of the River Plate Income shares and 34.86 per cent. of the River Plate Capital shares in issue respectively. These shares represent in total 35.74 per cent. of the voting rights normally exercisable at a general meeting of River Plate.

### **Relationship between Jupiter Split Trust and River Plate**

If Jupiter Split Trust receives valid acceptances under the Offers in respect of 90 per cent. or more of the shares in each class of River Plate Shares, it intends compulsorily to acquire all remaining River Plate Shares at the earliest opportunity. If, however, Jupiter Split Trust receives valid acceptances under the Offers in respect of less than 90 per cent. of the shares in any class and the Offers are declared or become unconditional in all respects, then although River Plate will become a subsidiary of Jupiter Split Trust, Jupiter Split Trust will ensure that River Plate keeps a majority of independent directors on its board. It will also endeavour to retain the listing of each class of the River Plate Shares on the London Stock Exchange and maintain River Plate's Inland Revenue approved investment trust status pending its winding up which will take place on 31st October 1996 as provided in its Articles of Association.

The information set out in Part IV relating to River Plate has been included on the basis that, if the Offers become or are declared unconditional in all respects, River Plate will become a subsidiary of Jupiter Split Trust.

### **Placing and Offer for Subscription**

The Proposals include a Placing and Offer for Subscription which will raise additional capital for investment. The number of Jupiter Split Trust Shares which are the subject of the Placing varies depending on whether the Offers become or are declared unconditional in all respects and the level of acceptances. If the Offers become or are declared unconditional in all respects, the initial market capitalisation of the Company (based on the issue prices under the Placing) will be £175 million (before taking account of the Jupiter Split Trust Package Units issued under the Offer for Subscription).

Up to 1 million Jupiter Split Trust Package Units, each comprising 6 Annuity shares, 25 Zero Dividend shares, 17 Income shares and 12 Capital shares are available under the Offer for Subscription. The Offer for Subscription has not been underwritten.

If the Offers do not become or are not declared unconditional in all respects, the initial market capitalisation of the Company will be £175 million or such lesser number as UBS, James Capel and Jupiter Asset Management may jointly determine in their absolute discretion. Such discretion will be exercised, if at all, after consultation with the placees procured by UBS and James Capel. The Placing has been fully underwritten by UBS and James Capel subject to the exercise of discretion to reduce the size of the market capitalisation as mentioned above.

The issue price for the Jupiter Split Trust Shares available under the Placing is 100p per Annuity share, 100p per Zero Dividend share, 100p per Income share and 100p per Capital share. The issue price under the Offer for Subscription is £60 per Jupiter Split Trust Package Unit which equates to the aggregate of the issue prices payable under the Placing in respect of the same number of Jupiter Split Trust Shares.

Authorised intermediaries will be paid a commission of 1 per cent. on the value of applications bearing their stamp submitted under the Offer for Subscription.

Further details of the agreement which the Company has entered into with UBS and James Capel in connection with the Placing are set out in paragraph 5.1 of Part V of this document. Further details of the Offer for Subscription are set out in Part VI of this document and the Application Form.

### **Dealings and Listing**

Application has been made to the London Stock Exchange for the admission to the Official List of the Jupiter Split Trust Shares and the Jupiter Split Trust Package Units issued and to be issued pursuant to the Proposals. It is expected that Listing will occur and that dealings in Jupiter Split Trust Shares and Jupiter Split Trust Package Units will commence on 3rd January 1996. No temporary documents of title will be issued.

## PART II

### Principal Assumptions

The assumptions set out below have been used in the preparation of the information regarding the projected financial returns produced by Jupiter Split Trust Shares, as described in this document.

- A. The market capitalisation of the Company (at the issue prices under the Placing) will be £175 million.
- B. The expenses relating to the implementation of the Proposals are borne by the Company and do not exceed £7 million.
- C. The rate of Advance Corporation Tax remains at 20 per cent. in relation to grossed up dividends, the standard rate of Corporation Tax remains at 33 per cent., no taxation on capital gains will be payable by the Company or River Plate and no changes occur in relevant taxation law and practice.
- D. The Company is wound up on 31st October 2004 and its net assets are distributed to its shareholders.
- E. The management fees of the Company are charged equally to the capital and revenue accounts while the administration and other expenses are fully charged to the revenue account. The fixed capital growth of 9 per cent. per annum compound, attributable to the Zero Dividend Shares is allocated fully to the capital account.
- F. Payment of the capital entitlements of each class of shareholder in the Company occurs upon liquidation at the Winding-Up Date, with expenses in connection therewith and any diminution of net assets arising therefrom being deemed to be immaterial.
- G. The gross revenues and assets before expenses of the Company (for the purposes of calculating net asset values) both grow at the annual compound rates as stated in Part I of this document.
- H. All income available for distribution is distributed in full.
- I. Jupiter Split Trust's initial portfolio gross income yield is approximately 5 per cent.
- J. Unfranked investment income arising from Jupiter Split Trust's portfolio covers the management fees and administration and other expenses as incurred.
- K. No River Plate Warrants are exercised.
- L. The Gross Redemption Yield for the Zero Dividend shares is 9 per cent. and the Annuity shares pay a dividend of 13.2p (net) per share per annum, payable in two equal semi-annual instalments.
- M. Gross Redemption Yields are computed on the basis that the gross income arising from a dividend is the aggregate of the dividend and the associated tax credit. Whether or not an investor will be able to claim repayment of the tax credit or utilise the tax credit to set against his own tax liabilities will depend upon the particular circumstances of that investor.
- N. The increase in yield achievable through purchasing stocks at a relatively low cost and selling them when relatively expensive, compensates for the loss of income resulting from capital depreciation arising from expenses charged to capital.

- O. No overseas dividends are received.
- P. The net proceeds from the Placing and Offer for Subscription are invested on 5th January 1996.
- Q. Jupiter Split Trust's financial year end remains 31st December until it is wound up on 31st October 2004.
- R. Administration and other expenses of the Company are approximately £240,000 per annum.
- S. The annual management fee of the Company is calculated by reference to the asset position as at the end of each financial year.

## PART III

### The Memorandum and Articles of Association

The Memorandum and Articles of Association of Jupiter Split Trust provides that the Company's principal objects are to carry on the business of an investment trust company or investment company in all its branches. The objects of the Company are set out in Clause 4 of the Memorandum of Association.

The Articles of Association of Jupiter Split Trust contain, *inter alia*, provisions to the following effect:

#### 1. Variation of Rights

If at any time the capital is divided into different classes of share the rights attached to any class may, subject to the provisions of relevant legislation, whether or not Jupiter Split Trust is being wound-up, be varied with the consent in writing of the holders of not less than three quarters in nominal value of the issued shares of the class in question or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of such class (but not otherwise). The quorum for such a class meeting shall be two persons, holding or representing by proxy not less than one third in nominal value of the issued shares of the class except that, if at any adjourned class meeting a quorum is not present, one member holding shares of the class or his proxy shall be a quorum.

#### 2. Transfer of Shares

Shares in Jupiter Split Trust may be transferred by an instrument of transfer in any usual form or in any other form which the Board may approve. The instrument of transfer shall be signed by or on behalf of the transferor and, in the case of the transfer of a partly paid share, by the transferee. Although the Articles of Association contain no restriction on the free transferability of fully paid shares, the Directors have a discretion to refuse to register shares which are not fully paid up provided that such discretion may not be exercised in such a way as to prevent dealings in the shares of the class in question from taking place on an open and proper basis. Jupiter Split Trust shall not be bound to register a transfer of shares in favour of more than four persons jointly.

#### 3. Changes in Capital

Jupiter Split Trust may by ordinary resolution increase its share capital, consolidate and divide its shares or any of them into shares of larger amount, sub-divide its shares or any of them into shares of smaller amount, and cancel any shares not taken or agreed to be taken by any member at the date of the passing of the resolution. Jupiter Split Trust may reduce its share capital, any share premium account and any capital redemption or other undistributable reserve in any manner authorised by law. Subject to the requirements of the Companies Act 1985 ("Act"), Jupiter Split Trust may purchase its own shares.

#### 4. Rights attaching to the Annuity shares, Zero Dividend shares, Income shares and Capital shares

The holders of the Annuity shares, the Zero Dividend shares, the Income shares and the Capital shares shall have respectively the following rights:-

(a) As to dividends:

The profits which the Company may determine to distribute in respect of any financial year shall be applied:

- (i) first, in paying to the holders of the Annuity shares a fixed cumulative preferential dividend of 6.6p (net) per share on 31st March and 30th September each year until and including 30th September 2004 but the Annuity share holders shall not have the right to any dividend for any period after 30th September 2004 or to any further participation in the profits of Jupiter Split Trust except in the case of the winding up of Jupiter Split Trust as more particularly described below;
- (ii) second, in paying to the holders of the Income shares two dividends on each Income share held by them respectively, for the financial period to 31st December 1996 and for each subsequent financial year, which dividends shall be paid pro rata to holdings in July of the relevant financial year; and in January immediately following the end of the relevant financial year; and shall be of an aggregate amount equal to:-
  - (aa) all the profits of the Company for the financial year in question available for distribution by way of dividend subject to sums carried to reserve before recommending dividends and adjustments in computing profits available for distribution, having satisfied the dividend entitlements referred to in (i) above; and
  - (bb) such amount as the Board may recommend to be paid as dividend, not exceeding the aggregate of all amounts which it may have carried to reserve in respect of previous financial years ending on or after 31st December 1996 and not previously made available for distribution under this paragraph (bb).

PROVIDED THAT in the case of the financial period from 1st January to 31st October 2004, the amount payable under paragraph (bb) shall be the maximum that the Board could recommend lawfully thereunder and the amounts payable under paragraphs (aa) and (bb) shall be calculated without regard to any amount carried to reserves. Unless the Directors have been released from their obligations under the Articles of Association to take steps to wind up the company, a dividend equal to the Directors' estimate of what the dividend would be in the absence of this provision and of a liquidation of Jupiter Split Trust, shall be paid on 31st October, 2004.

The report of the auditors of the Company for the time being (acting as experts and not as arbitrators) as to the amount available for dividend or for transfer to and from reserves shall, subject to the Act, be conclusive.

The holders of the Capital shares and the Zero Dividend shares shall have no right to receive dividends out of the profits of Jupiter Split Trust.

(b) As to capital:

On a return of assets on liquidation or otherwise, the surplus assets of Jupiter Split Trust remaining after payment of its liabilities shall be applied:

- (i) first, in paying to the holders of the Annuity shares an amount equal to 0.01p per Annuity share together with an amount equal to any arrears or deficiency

of the fixed dividend payable thereon calculated to the date of the return of capital;

- (ii) second, in paying to the holders of the Zero Dividend shares an amount equal to 100p per Zero Dividend share increased at a rate of 0.71961368 per cent per month commencing on 1st January 1996 (compounded on the last day of each month, the first such increase occurring on 31st January 1996 and the last on 31st October 2004) reaching a maximum payment of 213.8402435p per Zero Dividend share (and which payment shall, in the case of any Zero Dividend shares, be subject to a proportionate reduction to the extent that such share is not paid up in full);
- (iii) third, after payment in full of (i) and (ii) above, there shall be paid to the holders of the Income shares an amount equal to 25p per Income share, increased by 0.707547170 on 31st January 1996 and on the last day of each subsequent month up to and including 31st October 2004, plus the amount which would, had a balance sheet of Jupiter Split Trust been prepared and adopted on the date of Jupiter Split Trust commencing liquidation (or the date of payment if not in the course of a liquidation), have stood to the credit of revenue reserve as at that date (and which payment shall, in the case of any Income shares, be subject to a proportionate reduction to the extent that such share is not paid up in full); and
- (iv) fourth, in paying to the holders of the Capital shares a sum equal to the aggregate of all surplus assets of the Company after making or providing for all payments due to the holders of Annuity shares, Zero Dividend shares and Income shares (and which payment shall, in the case of any Capital share, be subject to a proportionate reduction to the extent such share is not paid up in full).

(c) As to voting:

Subject to any terms as to voting upon which any shares may be issued, or may for the time being be held, and to the provisions of the Articles of Association:-

(i) Annuity shares

(aa) the holders of Annuity shares shall have the right to receive notice of any General Meetings of Jupiter Split Trust but shall not have the right to attend and vote thereat unless at the date of the notice convening the meeting the dividend on the Annuity shares is six months or more in arrears and so that for this purpose only the dividend on the Annuity shares shall be deemed to fall due half yearly on 30th September and 31st March in respect of the half years ending on the immediately preceding 30th June and 31st December in which case they shall have the right to attend the meeting and to vote. Where by virtue of these provisions the holders of Annuity shares are entitled to vote, each holder of Annuity shares present in person shall on a show of hands shall have one vote and, on a poll, shall have one vote for every Annuity share held by him.

(bb) Jupiter Split Trust shall not, at any time prior to 1st November 2004, without the sanction of an extraordinary resolution of the holders of Annuity shares passed at a separate general meeting of such holders:

- (1) create or allot any further share capital, or grant any rights to subscribe for or convert any securities into shares in the



Company, in each case where such share capital ranks for dividends or other distributions in priority to the Annuity shares then in issue; or

- (2) create or allot any further share capital, or grant any rights to subscribe for or convert any securities into shares in the Company, in each case, where such share capital ranks *pari passu* with the Annuity shares then in issue save where the Auditors of the Company have reported to the Directors within 60 days prior to the proposed transaction that, were the new shares which would result from such transaction (the "further shares") to be issued at the date of the Report, the Annuity shares in issue (immediately thereafter) would have income cover no lower than the income cover immediately prior to such transaction and, in any event, income cover of not less than 2½ times. For this purpose "income cover" shall mean the net income of the Company after taxation and after deducting the dividend entitlements of any shares ranking in priority to the Annuity shares and dividing the result by the aggregate annual dividend entitlement of the Annuity shares. In calculating such cover, the Auditors shall:
  - (a) use the figures set forth in the most recently published audited accounts of Jupiter Split Trust;
  - (b) assume that the further shares had been issued at the start of the financial year dealt with in such accounts;
  - (c) assume that the minimum gross consideration which would be received were the further shares to be issued would produce income pro rata to the income produced by the gross value of the investments and cash of the Company for the period ended on the most recently published audited accounts of the Company;
  - (d) make appropriate adjustments for any issue of shares (other than shares) which have been made since the start of the said financial year or will have been made by or at the time the further shares are issued;
  - (e) and make such other adjustments as they consider appropriate; or
- (3) pass a resolution to reduce the capital of the Company in any manner; or
- (4) pass a resolution for the voluntary for the winding-up of the Company, such winding-up to take effect prior to 31st October 2004; or
- (5) pass a resolution for the capitalisation of any profits or reserves of the Company; or
- (6) change the Company's financial year end from 31st December; or

- (7) change materially or cease to pursue the investment policy of the Company.

For the avoidance of doubt the creation or allotment of further share capital or the grant of rights to subscribe for or convert any securities into share capital permitted under paragraphs (1) and (2) above or which ranks for capital (but not dividends) in priority to the Annuity shares shall be deemed not to vary the class rights of the Annuity shares;

(ii) Zero Dividend shares

- (aa) Zero Dividend shares shall not entitle the holders to receive notice of or attend or vote at any general meeting;

- (bb) Jupiter Split Trust shall not, without the previous sanction of an extraordinary resolution of the holders of the Zero Dividend shares passed at a separate general meeting of such holders:

- (1) create or allot any further share capital, or grant any rights to subscribe for or convert any securities into shares in the Company, in each case where such share capital ranks on a return of capital in priority to or *pari passu* with the Zero Dividend shares then in issue save where the auditors of the Company have reported to the Directors within 60 days prior to the proposed transaction that, were the new shares which would result from such transaction (the "further shares") to be issued at the date of the report, the Cover in the Zero Dividend shares in issue (immediately thereafter) would be no lower than the Cover immediately prior to such transaction and, in any event, Cover of not less than one time. In calculating the Cover, the auditors shall:

- (a) use the figures set forth in the most recently published audited accounts of Jupiter Split Trust;
- (b) assume that the further shares had been issued at the start of the financial year dealt with in such accounts;
- (c) adjust the total share capital and reserves at the start and end of the said financial year by adding (in each case) the minimum gross consideration which would be received were the further shares to be issued;
- (d) aggregate the capital entitlements of the existing Zero Dividend shares derived from the said accounts and the capital entitlements of the further shares;
- (e) calculate whether the aggregated capital entitlements from (d) above would represent at the end of the said financial year more than the total share capital and reserves (as adjusted under (c) above from that shown by the said accounts);

- (f) make appropriate adjustments for any issue of shares (other than the further shares) which have been made since the start of the said financial year or will have been made by or at the time the further shares are issued;
- (g) and make such other adjustments as they consider appropriate; or
- (2) pass a resolution releasing the Directors from their obligation under Article 138 of the Articles of Association to convene an extraordinary general meeting at which a resolution will be proposed requiring Jupiter Split Trust to be wound up voluntarily; or
- (3) pass a resolution to reduce the capital of Jupiter Split Trust in any manner; or
- (4) pass a resolution for the voluntary winding up of the Company, such winding up to take effect prior to 31st October 2004, or
- (5) pass a resolution varying or otherwise vary the effect of the said Article 138.

For the avoidance of doubt, the creation or allotment of further share capital or the grant of rights to subscribe for or convert any securities into share capital permitted under (1) above shall be deemed not to vary the class rights of the Zero Dividend shares;

- (cc) notwithstanding the provisions of paragraphs (aa) and (bb) above, in the event that all the holders of the Zero Dividend shares receive an unconditional offer (whether from the Company or any other person) after 1st August 2004 and before the extraordinary general meeting is due to be called at which a resolution will be proposed requiring the Company to be wound up voluntarily which offer would give such holders not later than 7 days after the date on which the said extraordinary general meeting is due to be called an amount in cash not less than that to which they would be entitled on a winding up at the date of such offer, then (whether or not such offer is accepted in any particular case) holders of such shares shall not thereafter be entitled to vote at any general meeting and the previous sanction of an extraordinary resolution of holders of Zero Dividend shares shall not be required in any case by the Articles; and where such previous sanction is required in any case by the Act, each holder of such shares present in person or by proxy and entitled to vote at such meeting who votes in favour of any resolution recommended by the Directors shall have, on a poll, such number of votes in respect of each Zero Dividend share held by him so that the aggregate number of votes cast by holders of Zero Dividend shares for the resolution will be three times the aggregate number of votes which are cast by all members against the resolution and each holder present in person or by proxy and entitled to vote who votes against such resolution shall have, on a poll, one vote for every share held by him, save that these provisions relating to general meetings and class resolutions shall cease as regards any shareholder if any material term of the contract resulting from his acceptance of such offer is broken by the other party;

(iii) Income shares

- (aa) Subject to paragraph (cc) below, each holder of an Income share present at a General Meeting shall upon a show of hands have one vote and upon a poll every such holder present in person or by proxy shall have 12 votes in respect of every Income share held by him;
- (bb) the Company shall not, without the previous sanction of an extraordinary resolution of the holders of the Income shares passed at a separate general meeting of such holders:
  - (1) create or allot any further share capital, or grant any rights to subscribe for or convert any securities into shares in the Company, in each case, where such capital ranks in priority to or *pari passu* with the Income shares then in issue save where the auditors of the Company have reported to the Directors within 60 days prior to the proposed transaction that, were the new shares which would result from such transaction (the "further shares") to be issued at the date of the Report, the Income shares in issue (immediately thereafter) would have income cover no lower than the income cover immediately prior to such transaction. For this purpose "income cover" shall mean the net income of the Company after taxation and after deducting the dividend entitlements of any shares ranking in priority to the Income shares and dividing the result by the aggregate dividend paid to the holders of the Income shares in respect of the last financial year of the Company. In calculating such cover the Auditors shall:
    - (a) use the figures set forth in the most recently published audited accounts of the Company;
    - (b) assume that the further shares had been issued at the start of the financial year dealt with in such accounts;
    - (c) assume that the minimum gross consideration which would be received were the further shares to be issued would produce income *pro rata* to the income produced by the gross value of the investments and cash of the Company for the period covered by the most recently published audited accounts of the Company;
    - (d) make appropriate adjustments for any issue of shares (other than shares) which have been made since the start of the said financial year or will have been made by or at the time the further shares are issued;
    - (e) and make such other adjustments as they consider appropriate; or
  - (2) pass a resolution in accordance with Article 138 releasing the Directors from their obligation to convene an Extraordinary General Meeting at which a resolution will be proposed requiring the Company to be wound-up voluntarily; or

- (3) pass a resolution for the voluntary winding-up of the Company, such winding-up to take effect prior to 31st October 2004; or
- (4) pass a resolution for the capitalisation of any profits or reserves of the Company; or
- (5) change the Company's financial year end from 31st December; or
- (6) pass a resolution varying or otherwise vary the effect of Article 138.

For the avoidance of doubt it is hereby confirmed that the creation or allotment of further share capital or the grant of rights to subscribe for or convert any securities into share capital permitted under paragraph (1) above shall be deemed not to vary the class rights of the Income shares;

- (cc) notwithstanding the provisions of paragraphs (aa) and (bb) above, in the event that all the holders of the Income shares receive an unconditional offer (whether from the Company or any other person) after 1st August 2004 and before the Extraordinary General Meeting is due to be called at which a resolution will be proposed requiring the company to be wound-up voluntarily, which offer would give such holders not later than 7 days after the date on which the said Extraordinary General Meeting is due to be called an amount in cash not less than that to which they would be entitled on a winding-up at the date of such offer, then (whether or not such offer is accepted in any particular case) holders of such shares shall not thereafter be entitled to vote at any General Meeting and the previous sanction of an Extraordinary Resolution of holders of Income shares shall not be required in any case by the Articles; and where such previous sanction is required in any case by the Act, each holder of such Income shares present in person or by proxy and entitled to vote at such meeting who votes in favour of any resolution recommended by the Directors, shall have, on a poll, such number of votes in respect of each Income share held by him so that the aggregate number of votes cast by holders of Income shares for the resolution will be three times the aggregate number of votes which are cast by all members against the resolution and each holder present in person or by proxy and entitled to vote and who votes against such resolution shall have, on a poll, one vote for every share held by him, save that these provisions relating to general meetings and class resolutions shall cease as regards any shareholder if any material term of the contract resulting from his acceptance of such offer is broken by the other party.

(iv) Capital shares

- (aa) Each holder of a Capital share present at a General Meeting shall upon a show of hands have one vote and upon a poll each such holder present in person or by proxy shall have 17 votes in respect of every Capital share held by him;

(bb) the Company shall not, without the previous sanction of an extraordinary resolution of the holders of the Capital shares passed at a separate general meeting of such holders:

- (1) pass a resolution releasing the Directors from their obligation under Article 138 of the Articles of Association to convene an extraordinary general meeting at which a resolution will be proposed requiring the Company to be wound up voluntarily; or
- (2) pass a resolution to reduce the capital of Jupiter Split Trust in any manner; or
- (3) pass a resolution for the voluntary winding up of Jupiter Split Trust, such winding up to take effect prior to 31st October 2004; or
- (4) change the Company's financial year end from 31st December; or
- (5) pass a resolution varying or otherwise vary the effect of the said Article 138.

For the avoidance of doubt it is hereby confirmed that the creation or allotment of further share capital or the grant of rights to subscribe for or convert any securities into share capital shall be deemed not to vary the class rights of the Capital shares.

## 5. Directors

- (a) The Directors shall be entitled to remuneration for their services as Directors, and such remuneration shall be deemed to accrue from day to day. The amount thereof shall be divided amongst the Directors in such manner as they shall agree or failing agreement, equally. The amount of such remuneration shall be determined by the Directors but, until otherwise resolved by ordinary resolution of the Company, shall not exceed in aggregate £110,000 per annum.
- (b) Any Director who holds any executive office (including for this purpose the office of chairman or deputy chairman whether or not such office is held in an executive capacity), or who serves on any committee of the Directors, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine.
- (c) The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or general meetings or otherwise in or about the business of the Company.
- (d) The Directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits or allowances to (or to any person in respect of) any Director or ex-Director and, for the purpose of providing any such pensions or other benefits or allowances, to contribute to any scheme or fund or to pay premiums.
- (e) A Director may be party to or in any way interested in any contract or arrangement or transaction to which the Company is a party or in which the Company is in any way interested and he may hold and be remunerated in respect of any office or place of profit

(other than the office of Auditor of the Company or any subsidiary thereof) under the Company or any other company in which the Company is in any way interested and he (or any firm of which he is a member) may act in a professional capacity for the Company or any such other company and be remunerated therefore and in any such case as aforesaid (save as otherwise agreed) he may retain for his own absolute use and benefit all profits and advantages accruing to him thereunder or in consequence thereof.

- (f) A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the board at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting of the board after he knows that he is or has become so interested.
- (g) A Director shall not vote on or be counted in the quorum at a meeting in relation to any resolution in respect of any contract or arrangement or any other proposal whatsoever in which he has (together with any interest of any person connected with him, as defined by Section 346 of the Act) any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company, except in respect of any resolution concerning any of the following matters:
  - (i) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;
  - (ii) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
  - (iii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
  - (iv) any contract concerning any other company in which he and any persons connected with him within the meaning of Section 346 of the Act is interested directly or indirectly and whether as an officer or shareholder or otherwise howsoever provided that he (together with the persons connected with him) is not the holder of or beneficially interested in one per cent, or more of the issued shares of any class of such company or of the voting rights available to members of the relevant company;
  - (v) any contract, arrangement, transaction or other proposal for the benefit of employees of the Company or any of its subsidiaries under which he benefits in a similar manner to employees and which does not accord to any Director as such any privilege or advantage not generally accorded to employees as to whom any such scheme or arrangement relates; and
  - (vi) any contract concerning the adoption, modification or operation of any policy of insurance, which the Company proposes to maintain or purchase for the benefit of the Directors or for the benefit of persons, including the Directors.
- (h) Where proposals are under consideration concerning the appointment of two or more Directors to offices or employments with the Company or any company in which the Company is interested each of the Directors concerned (if not debarred from voting) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

- (i) If any question shall arise at any time as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting such question shall be referred to the chairman of the meeting and his ruling shall be conclusive except in a case where the nature or extent of the interests of such Director has not been fairly disclosed.
- (j) One third of the Directors for the time being shall retire from office by rotation at each Annual General Meeting but may present themselves for re-election at such meeting.
- (k) The restriction on appointment of Directors over the age of 70 contained in the Act shall not apply, and there shall be no requirement for a Director to vacate office upon attaining the age of 70.

## **6. Borrowings**

- (a) The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- (b) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure (so far, as regards subsidiaries, as by such exercise they can secure) that the aggregate amount, for the time being, that remains outstanding of all moneys borrowed by the group (which expression means and includes the Company and its subsidiaries for the time being) and, for the time being, owing to persons outside the group shall not at any time without the previous sanction of any ordinary resolution of the Company exceed an amount equal to the aggregate of the amount paid up on the share capital of the Company for the time being issued and the amounts standing to the credit of reserves of the group (including any share premium account, capital redemption reserve and capital reserve and the amounts standing to the credit of the profit and loss account) all as shown by the latest audited balance sheet of the group but adjusted as may be necessary in respect of any variation in the paid-up share capital of the Company and the reserves of the group since the date of such balance sheet and further adjusted as the Auditors shall consider appropriate, and until the first audited balance sheet of the group shall have been prepared the borrowing limit for the purposes of the Articles shall be £10 million.

## **7. Dividends**

Subject to the rights attaching to any class of Jupiter Split Trust Shares, the Company in General Meeting may by ordinary resolution declare dividends but no dividend shall exceed the amount recommended by the Directors. Appreciations of capital assets or realised profits resulting from sales of capital assets or any other money in the nature of accretion to capital shall not be treated as profits available for dividend or other distribution. When, in the opinion of the Directors, the profits of the Company permit, the Directors may, subject as aforesaid, at any time pay such interim dividends as they think proper and may also pay any dividend payable at a fixed rate on the fixed date or dates prescribed for payment thereof by the terms of issue. No dividend or interim dividend shall be paid otherwise than in accordance with the provisions of the Act.

## **8. Unclaimed Dividends**

Any dividend unclaimed for a period of 12 years from its date of declaration shall be forfeited and shall revert to the Company.



## **9. Reserves**

- (a) To the extent permitted by law and subject to the rights attaching to any class of Jupiter Split Trust Shares, the Directors may from time to time, before recommending any dividend, but without being under any obligation to do so, reserve or retain out of the profits of the Company available for dividend or other distribution such sums as in their judgement are necessary or expedient to be, at the discretion of the Directors, applied in equalising dividends or providing against losses on or depreciation in value of any property or investments or securities of the Company or to be used as a sinking fund to pay off any loan capital, or for the purpose of strengthening the credit and position of the Company.
- (b) The amount payable to the holders of Income shares on a return of assets or liquidation or otherwise out of the surplus assets of the Company shall be charged to capital account.
- (c) Any surplus over book value derived from the sale or realisation of any capital asset and any other sums representing capital profits shall not be available for dividend or any other distribution but shall be credited to capital reserve and treated for all purposes as capital monies.
- (d) The amount payable to the holders of the Zero Dividend shares on a return of assets, liquidation or otherwise shall be charged to capital reserve.

## **10. Winding-up**

- (a) On 31st October 2004 or, if that is not a business day, on the preceding business day, the Directors shall convene an extraordinary general meeting of the Company at which a Special Resolution will be proposed pursuant to Section 84 of the Insolvency Act 1986 (or any statutory amendment or modification thereof) requiring the Company to be wound up voluntarily, unless they have earlier been released from their obligation to do so by a special resolution of the Company, such special resolution having been passed not earlier than 1st August 2004;
- (b) At any General Meeting called pursuant to the above paragraph to consider a resolution to wind up the Company voluntarily, each holder of Income shares or Capital shares present in person or by proxy and entitled to vote who votes in favour of such resolution and, if there is also proposed a resolution to sanction any arrangement under Section 110 of the Insolvency Act 1986 then as long as this provides for the holders of the Zero Dividend shares and Income shares to receive their entitlement on such winding up in cash (ignoring any option any of these may be given to elect to receive their entitlement otherwise than in cash), that resolution, shall have, on a poll, such number of votes in respect of each such share held by him so that the aggregate number of votes cast by the holders of all shares in favour of the resolutions shall be three times the aggregate number of votes which are cast by all members against the resolutions and each holder present in person or by proxy and entitled to vote and who votes against such resolutions shall have, on a poll, one vote for every share held by him.
- (c) The liquidator may, with the sanction of an extraordinary resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of property of different kinds, and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon trusts for the benefit of members as the liquidator shall think fit, but so that no member shall be compelled to accept any shares or other property in respect of which there is any liability.

## **PART IV**

### **Financial Information on River Plate**

#### **A. Unaudited Interim Results for River Plate**

Set out below is the text of the River Plate interim report for the six months to 30th April 1995.

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#### **Chairman's Statement**

The Company's total assets fell by 2.1 per cent. to £106.2 million in the six months to 30th April 1995. This compares to rises of 2.8 per cent. and 3.8 per cent. in the FT-SE Actuaries All-Share Index and the Topsis Index respectively.

It is always difficult for higher yielding portfolios to perform well in periods of rising interest rates. The Company's performance, over this period, however, was also adversely affected by the write down of the Barings preference shares to nil and the poor performance of the holding in PWS Holdings whose ordinary shares fell by 45 per cent. over the period.

Net revenue for the six months under review was £2.39 million, unchanged from the six months to 30th April 1994. The directors are declaring an unchanged interim dividend of 3.0p net per Income share.

There are signs that interest rates rises both here and in the United States are about to stabilise; we view the second half of the Company's financial year with some confidence.

**Peter D. Hill-Wood**

### **Capital Structure**

#### **Zero Dividend Preference Shares**

##### **IN ISSUE: 40 MILLION**

30th April 1995: Net Asset Value 84.19p per share Price 88.5p per share.

The Zero Dividend Preference shares are designed to offer the shareholder a predetermined rate of capital growth. These shares are not entitled to income.

A Zero Dividend Preference shareholder had a capital entitlement of 84.19p per share at 30th April 1995. This entitlement increases on the last day of each month at an approximate annual rate of 12.2834 per cent., compounded on 31st October each year to the Winding up Date by which time the entitlement will amount to 100p.

The repayment entitlement of 100p at the Winding up Date was 2.6 times covered at 30th April 1995 and the Gross Redemption Yield, the annualised return, was 8.5 per cent. per annum.

## **Income Shares**

**IN ISSUE: 53,772,643**

30th April 1995: Net Asset Value 89.57p per share Price 103.5p per share.

The Income shares are designed to provide holders with a high initial dividend yield that will increase over the life of the Company, together with a predetermined level of capital repayment at the winding up Date.

Income shareholders are entitled to receive the whole of the net distributable income of the Company after satisfying the prior entitlement of the Preferred stock, until the winding up Date. Thus any growth in the Company's net revenue will accrue to the Income shareholders.

Dividends are declared twice a year. In each year, the interim dividend is payable in July and the final dividend in January.

An Income shareholder had a net asset value of 89.57p per share at 30th April 1995, and on the last day of each subsequent month this will further increase by 0.6944p per share up to and including the Winding up Date of 31st October 1996 by which time each Income shareholder will be entitled to 100p plus any undistributed income earned in the period since October 1987.

The repayment entitlement of 100p at the Winding up Date was 1.2 times covered at 30th April 1995.

## **Capital Shares**

**IN ISSUE: 26,846,005**

30th April 1995: Net Asset Value 88.6p per share Price 59p per share.

The Capital shares are designed to give holders the benefit of a geared return arising from any growth in the Company's total assets. Capital shareholders are entitled to all the Company's surplus assets after the predetermined entitlements of all other classes of shares are met.

Capital shareholders are not entitled to income.

If the total assets of the Company remained unchanged from 30th April 1995 to the Winding up Date, the Capital shares entitlement to repayment would be 40.0p. In order for the Capital shares to be repaid the current share price of 59p, the total assets would have to grow by 3.2 per cent. per annum.

## **Warrants**

**IN ISSUE: 5,369,192**

30th April 1995: Price 2p per Warrant.

Warrantholders are entitled to subscribe for one Capital share at 250p at any time up to the Winding up Date.

In order for the Capital shares to have a value of 250p at the Winding up Date, the total assets of the Company would have to grow by 32.8 per cent. per annum.

## **Winding Up Date**

The Company is expected to be wound up on 31st October 1996.

## Twenty Largest Investments

As at 30th April 1995

Company	Valuation £'000
Shell Transport & Trading	2,944
British Telecom	2,720
Jupiter European Investment Trust	2,211
General Electric	2,132
British Gas	1,809
BAT Industries	1,640
Williams Holdings 8p Convertible Preference	1,554
Provident Financial	1,413
Hillsdown Holdings	1,380
Zeneca Group	1,355
Kunick 8.25p Convertible Preference	1,320
Mezzanine Capital and Income Trust Income shares	1,304
First Philippine Investment Trust	1,260
Scottish Hydro-Electric	1,099
Abbey National	1,045
McCarthy & Stone 7% Convertible Unsec. Loan 1999/2004	1,008
PWS Holdings	983
Gerrard & National Holdings	970
Carlton Communications 5.5p (net) Convertible Preference	965
British Aerospace 7.75p Convertible Preference	959
28.3% of total assets	<u>30,071</u>

## Consolidated Revenue Account

For the six months to 30th April

(Unaudited)

	1995 £'000	1994 £'000
Investment Income	3,158	3,138
Deposit Interest	100	59
Underwriting Commission	47	94
Subsidiary's Profit on Dealing	41	121
Gross Revenue	<u>3,346</u>	<u>3,412</u>
Expenses and Interest Charges	(357)	(417)
Net Revenue before Taxation	<u>2,989</u>	<u>2,995</u>
Taxation	(597)	(605)
Net Revenue after Taxation	<u>2,392</u>	<u>2,390</u>
Preferred Stock Dividend	(5)	(5)
Earned for Income shares	<u>2,387</u>	<u>2,385</u>
Interim Dividend 3.0p net per Income share (1994 3.0p)	(1,613)	(1,613)
Retained Earnings	<u>774</u>	<u>772</u>
Earnings per Income share	4.44p	4.44p

## Interim Dividend

The directors have declared an interim dividend in respect of the year ending 31st October 1995 of 3.0p net per Income share (1994: 3.0p). This dividend will be payable on 31st July 1995 to Income shareholders on the register on 29th June 1995.

# Consolidated Balance Sheet

As at 30th April  
(Unaudited)

	1995 £'000	1994 £'000
Investments at Market Value:		
Listed in Great Britain	97,532	104,898
Listed Overseas	4,487	7,721
Unlisted (at Directors' Valuation)	736	1,176
	<u>102,755</u>	<u>113,795</u>
Net current assets	3,408	2,163
Total assets less current liabilities	<u>106,163</u>	<u>115,958</u>
Creditors:		
Amounts falling due after more than one year		
4% Debenture Stock	250	250
Capital and Reserves:		
Called up Share Capital	30,430	30,430
Share Premium Account	5,829	5,829
Capital Reserve	61,013	55,305
Revaluation Reserve	6,295	21,892
Revenue Reserve	2,346	2,252
	<u>106,163</u>	<u>115,958</u>
Shareholders' Funds:		
Equity	23,786	41,930
Non-equity	82,127	73,778
	<u>105,913</u>	<u>115,708</u>
Net asset value per Capital share	88.6p	156.2p

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## B. Audited Accounts of River Plate for the three years ended 31 October 1994

Set out below is a summary of financial information relating to River Plate, extracted without material adjustment from the audited financial statements of River Plate and its subsidiaries (the "Group") for the three years ended 31st October 1994. The information contained in this Part IV does not constitute statutory accounts within the meaning of section 240 of the Act. Statutory accounts for the years to which the financial information set out below refers, have been delivered to the Registrar of Companies.

The reports under section 235 of the Act in respect of each such statutory account for the three years ended 31st October 1994 and each such report was unqualified and did not contain a statement under section 237(2) or (3) of the Act.

### Consolidated Revenue Account

	Notes	For 3 years ended 31st October					
		1994	1993	1993	1992	1992	1992
		£'000	£'000	£'000	£'000	£'000	£'000
REVENUE							
Investment income	2		6,783		6,596		6,933
Bank interest receivable			116		121		143
Underwriting commission			147		212		111
Subsidiary's profit on dealing account			168		166		10
Gross revenue			7,214		7,095		7,197
ADMINISTRATIVE EXPENSES							
Management expenses		695		669		561	
Directors' fees	3	50		52		36	
Auditor's remuneration		14		14		17	
Auditor's non-audit remuneration		8	(767)	4	(739)	5	(619)
			6,447		6,356		6,578
Interest payable	4		(15)		(19)		(23)
Revenue before taxation			6,432		6,337		6,555
Taxation	5		(1,302)		(1,517)		(1,705)
Revenue after taxation	15		5,130		4,820		4,850
Preferred stock dividend			(10)		(10)		(10)
Earned for Income shares			5,120		4,810		4,840
Income share Dividends (non-equity)							
1994	1993	1992					
Interim net 3.0p	3.0p	3.0p	1,613	1,613	1,613		
Proposed final net 6.35p	5.9p	5.9p	3,415	3,173	3,173		
9.35p	8.9p	8.9p	(5,028)	(4,786)	(4,786)		
TRANSFER TO REVENUE RESERVE (attributable to Income shareholders)	15		92	24	54		
EARNINGS PER INCOME SHARE	6		9.52p	8.95p	9.00p		

## Consolidated Balance Sheet

	Notes	1994		At 31st October 1993		1992	
		£'000	£'000	£'000	£'000	£'000	£'000
<b>FIXED ASSET INVESTMENTS</b>	<b>7</b>						
Listed in Great Britain			99,691		108,632		71,717
Listed abroad			5,458		4,475		9,663
Unlisted			1,118		1,217		2,314
			<u>106,267</u>		<u>114,324</u>		<u>83,694</u>
<b>CURRENT ASSETS</b>							
Debtors	8	2,010		2,822		4,720	
Investments (listed in the UK)	9	305		352		278	
Cash at bank and in hand		<u>3,792</u>		<u>2,383</u>		<u>19</u>	
		6,107		5,557		5,017	
<b>CREDITORS: amounts falling due within one year</b>	<b>10</b>		<u>(3,892)</u>		<u>(5,754)</u>		<u>(5,516)</u>
Net current assets/(liabilities)			<u>2,215</u>		<u>(197)</u>		<u>(499)</u>
Total assets less current liabilities			<u>108,482</u>		<u>114,127</u>		<u>83,195</u>
<b>CREDITORS: amounts falling due after more than one year</b>							
4% Debenture stock	11		250		250		250
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>							
Deferred taxation	12		3		3		3
<b>CAPITAL AND RESERVES</b>							
Called up share capital	13	30,430		30,430		30,430	
Share premium account		5,829		5,829		5,829	
Capital reserve	14	58,304		50,516		44,675	
Revaluation reserve	14	12,095		25,620		553	
Revenue reserve	15	<u>1,571</u>		<u>1,479</u>		<u>1,455</u>	
			<u>108,229</u>		<u>113,874</u>		<u>82,942</u>
			<u>108,482</u>		<u>114,127</u>		<u>83,195</u>
<b>SHAREHOLDERS FUNDS:</b>							
Equity			31,080		44,765		—
Non-equity	16		77,149		69,109		—
Net asset value per Capital share	6		115.8p		166.7p		79.8p

## Company Balance Sheet

	Notes	1994		At 31st October 1993		1992	
		£'000	£'000	£'000	£'000	£'000	£'000
<b>FIXED ASSET INVESTMENTS</b>	7						
Listed in Great Britain			99,691		108,632		71,717
Listed abroad			5,458		4,475		9,663
Unlisted			1,097		1,189		2,234
			<u>106,246</u>		<u>114,296</u>		<u>83,614</u>
<b>INTEREST IN SUBSIDIARIES</b>	7						
Shares and loan stocks			28		35		87
at cost less provision			<u>106,274</u>		<u>114,331</u>		<u>83,701</u>
<b>CURRENT ASSETS</b>							
Debtors	8	2,168		3,167		4,781	
Cash at bank and in hand			3,663		2,130		—
			<u>5,831</u>		<u>5,297</u>		<u>4,781</u>
<b>CREDITORS: amounts falling due within one year</b>	10	(3,819)		(5,693)		(5,476)	
Net current assets/(liabilities)			<u>2,012</u>		<u>(396)</u>		<u>(695)</u>
<b>Total assets less current liabilities</b>			<u>108,286</u>		<u>113,935</u>		<u>83,006</u>
<b>CREDITORS: amounts falling due after more than one year</b>							
4% Debenture stock	11		250		250		250
<b>PROVISION FOR LIABILITIES AND CHARGES</b>							
Deferred taxation	12		3		3		3
<b>CAPITAL AND RESERVES</b>							
Called up share capital	13	30,430		30,430		30,430	
Share premium account		5,829		5,829		5,829	
Capital reserve	14	58,304		50,516		44,675	
Revaluation reserve	14	12,095		25,620		553	
Revenue reserve	15	1,375		1,287		1,266	
			<u>108,033</u>		<u>113,682</u>		<u>82,753</u>
			<u>108,286</u>		<u>113,935</u>		<u>83,006</u>
<b>SHAREHOLDERS FUNDS:</b>							
Equity			30,884		44,573		—
Non-equity	16		77,149		69,109		—



## Consolidated Statement of Total Recognised Gains and Losses

		<i>For the 3 years ended 31st October</i>		
		1994	1993	1992
		£'000	£'000	£'000
	<i>Note</i>			
CAPITAL PROFIT ON INVESTMENTS				
Realised and unrealised gains and losses		(5,738)	30,899	(6,335)
Foreign exchange gains and losses		<u>1</u>	<u>9</u>	<u>—</u>
CAPITAL (DEFICIT)/SURPLUS FOR THE PERIOD	17	(5,737)	30,908	(6,335)
Accrued for Zero Dividend shareholders' entitlement		(3,471)	(3,091)	—
Accrued for Income shareholders' entitlement		<u>(4,481)</u>	<u>(4,481)</u>	<u>—</u>
CAPITAL (DEFICIT)/SURPLUS FOR THE EQUITY SHAREHOLDERS		(13,689)	23,336	(6,335)
REVENUE AVAILABLE FOR DISTRIBUTION	17	<u>5,130</u>	<u>4,820</u>	<u>4,850</u>
TOTAL RECOGNISED GAINS AND LOSSES FOR THE PERIOD		<u>(8,559)</u>	<u>28,156</u>	<u>1,485</u>

## Consolidated Cash Flow Statement

		<i>For the 3 years ended 31st October</i>		
		<i>1994</i>	<i>1993</i>	<i>1992</i>
		<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
	<i>Note</i>			
NET CASH INFLOW FROM OPERATING ACTIVITIES	18	<u>6,167</u>	<u>6,505</u>	<u>6,250</u>
SERVICING OF FINANCE				
Interest paid on debenture stock		(10)	(10)	(10)
Dividends paid		<u>(4,796)</u>	<u>(4,796)</u>	<u>(4,796)</u>
NET CASH OUTFLOW FROM SERVICING OF FINANCE		<u>(4,806)</u>	<u>(4,806)</u>	<u>(4,806)</u>
TAXATION PAID		<u>(1,168)</u>	<u>(1,240)</u>	<u>(2,325)</u>
INVESTING ACTIVITIES				
Purchase of investments		(41,008)	(46,018)	(46,330)
Sale of investments		<u>42,223</u>	<u>48,330</u>	<u>45,368</u>
NET CASH INFLOW FROM INVESTING ACTIVITIES		<u>1,215</u>	<u>2,312</u>	<u>(962)</u>
Increase in cash and cash equivalents	19	<u>1,408</u>	<u>2,771</u>	<u>(1,843)</u>

# NOTES ON THE FINANCIAL STATEMENTS

## 1. ACCOUNTING POLICIES

(a) *Accounting convention:* The financial statements are prepared under the historical cost convention as modified by the revaluation of certain fixed asset investments, and in accordance with applicable accounting standards and on the basis that all activities are continuing.

(b) *Basis of consolidation:* The Group financial statements are the consolidated financial statements of the holding company and its subsidiaries. No revenue account is presented for the parent company as permitted by Section 230 of the Act.

(c) *Income:* Dividends and income from investments, including enhanced scrip and scrip dividends, are included in revenue when the investment price is quoted ex-dividend.

(d) *Investments:* Fixed asset investments (except for investments in subsidiaries) are included in the financial statements at valuation.

(i) Listed investments are valued at the middle market value at the balance sheet date.

(ii) Unlisted investments are stated at market value where an organised market exists. Other investments are included at director's valuation based upon earnings and net assets disclosed in their most recent accounts.

Realised gains and losses on sale of fixed asset investments are transferred directly to capital reserve. Investments held by the dealing subsidiary are stated at the lower of cost and market value.

The Board's policy in relation to the companies in which River Plate or its subsidiaries invest is not to exert influence upon the investee companies by way of participation in the financial and operating policy decisions of those companies. Accordingly these companies have not been treated as associated companies for accounting purposes.

(e) *Foreign currencies:* Transactions in foreign currencies are translated into sterling at the rate of exchange ruling on the dates of such transactions. At the balance sheet date, assets and liabilities denominated in a foreign currency are translated at the rate of exchange ruling at that date. Realised and unrealised exchange differences are taken directly to reserves.

(f) *Taxation:* Advance corporation tax on proposed dividends is not included as a liability in the balance sheet except to the extent that it is considered payable. Provision is made for deferred taxation arising from timing differences between the treatment of certain items for accounting and taxation purposes to the extent that it is estimated the tax will be paid.

(g) *Capital instruments:* Capital instruments are accounted for in accordance with Financial Reporting Standard No. 4. The River Plate Capital shares are classified as equity share capital, whilst the River Plate Income shares, the River Plate Preferred Stock and River Plate Zero Dividend shares are all classified as non-equity share capital. The finance cost of providing for accrued premium payable on redemption of non-equity interests is recognised in the Consolidated Statement of Total Recognised Gains and Losses.

## 2. INVESTMENT INCOME

	1994 £'000	1993 £'000	1992 £'000
Dividends from United Kingdom companies	6,163	5,894	6,006
Dividends from overseas companies	157	292	361
Interest from debt securities	463	410	566
	<u>6,783</u>	<u>6,596</u>	<u>6,933</u>
Income from listed investments included above	<u>6,773</u>	<u>6,572</u>	<u>6,890</u>

## 3. DIRECTORS' FEES

	1994 £'000	1993 £'000	1992 £'000
The emoluments of the Chairman, who is also the highest paid director	12	12	10

The emoluments of three directors (1993: three) (1992: one) fell within the range £5,000 to £10,000. The emoluments of the other three directors (1993: three) (1992: five) fell within the range £nil to £5,000. No pension contributions or performance related pay is paid to the directors by River Plate.

## 4. INTEREST PAYABLE

	1994 £'000	1993 £'000	1992 £'000
Bank overdraft	5	9	13
Debenture	10	10	10
	<u>15</u>	<u>19</u>	<u>23</u>

## 5. TAXATION

	1994 £'000	1993 £'000	1992 £'000
Corporation tax at 25% (1993 and 1992: 33%)	64	143	185
Less: Relief for overseas tax	(6)	(6)	(19)
	<u>58</u>	<u>137</u>	<u>166</u>
Tax credits on franked investment income	1,186	1,124	1,501
Deemed tax on enhanced scrip dividends	36	111	—
Notional tax on foreign income dividends	27	—	—
Deferred tax credit	—	—	(1)
Prior year adjustment	(11)	—	—
	<u>1,296</u>	<u>1,372</u>	<u>1,666</u>
Irrecoverable ACT	—	134	—
Overseas tax	6	11	23
Prior year adjustment	—	—	16
	<u>1,302</u>	<u>1,517</u>	<u>1,705</u>

## 6. EARNINGS/NET ASSET VALUE PER SHARE

The earnings per River Plate Income share calculation is based on the amount shown in the Consolidated Revenue Account as earned for 53,772,643 River Plate Income shares (1993: 53,772,643) (1992: 53,772,643). The net asset value per River Plate Capital share calculation is based on the Capital and Reserves as shown in the Consolidated Balance Sheet and 26,846,003 River Plate Capital shares (1993: 26,846,003) (1992: 26,846,003) after allowing for the predetermined entitlements of other shareholders.

## 7. FIXED ASSET INVESTMENTS

### (i) Movement on Investments

	<i>Group</i> 1994 £'000	<i>Company</i> 1994 £'000	<i>Group</i> 1993 £'000	<i>Company</i> 1993 £'000
At beginning of year:				
Market value of investments	114,324	114,331	83,694	83,701
Net unrealised appreciation	<u>(25,620)</u>	<u>(25,620)</u>	<u>(553)</u>	<u>(553)</u>
Cost of investments	88,704	88,711	83,141	83,148
Movements in the period:				
Sales at cost	(33,485)	(33,485)	(41,165)	(41,165)
Purchases	<u>38,953</u>	<u>38,953</u>	<u>46,728</u>	<u>46,728</u>
At end of year:				
Cost of investments	94,172	94,179	88,704	88,711
Net unreleased appreciation	<u>12,095</u>	<u>12,095</u>	<u>25,620</u>	<u>25,620</u>
Market value of investments	<u>106,267</u>	<u>106,274</u>	<u>114,324</u>	<u>114,331</u>

Investments in which the Group and River Plate have substantial interests are detailed in note 22.

(ii) River Plate owns the whole of the issued and voting share capital of Quest Securities Limited, an investment dealing company, and Rowansound Limited which has a royalty in a company with oil interests in the North Sea. Both are incorporated and operating in Great Britain and are registered in England.

	1994 £'000	1993 £'000
Cost	460	460
Provision brought forward	<u>(425)</u>	<u>(373)</u>
Net book value at start of year	35	87
Increase in provision in year	<u>(7)</u>	<u>(52)</u>
Net book value at end of year	<u>28</u>	<u>35</u>

## 8. DEBTORS

	Group		Company	
	1994 £'000	1993 £'000	1994 £'000	1993 £'000
Sales for future settlement	373	1,320	267	1,217
Taxation recoverable	601	736	601	736
Amounts owed by group companies	—	—	269	450
Prepayments and accrued income	1,036	766	1,031	764
	<u>2,010</u>	<u>2,822</u>	<u>2,168</u>	<u>3,167</u>

## 9. CURRENT ASSET INVESTMENTS – GROUP

	1994 £'000	1993 £'000
At lower of cost and market value		
Listed in the UK	182	196
Listed abroad	123	156
	<u>305</u>	<u>352</u>
At market value:		
Listed in the UK	254	255
Listed abroad	132	218
	<u>386</u>	<u>473</u>

## 10. CREDITORS: Amounts falling due within one year

	Group		Company	
	1994 £'000	1993 £'000	1994 £'000	1993 £'000
Purchases for future settlement	374	2,415	350	2,405
Proposed dividend	3,415	3,173	3,415	3,173
Taxation	52	53	—	—
Accruals and deferred income	51	113	48	109
Amounts owed to group companies	—	—	6	6
	<u>3,892</u>	<u>5,754</u>	<u>3,819</u>	<u>5,693</u>

11. CREDITORS: Amounts falling due after more than one year in 1994 and 1993 represented £250,000 River Plate Debenture Stock: irredeemable and secured by a floating charge on the assets of River Plate.

## 12. DEFERRED TAXATION

### GROUP AND COMPANY

	1994 £'000	1993 £'000
Balance carried forward at 31st October	<u>—</u>	<u>3</u>

Deferred taxation provided, which represents full potential amounts, comprises short term timing differences

### 13. SHARE CAPITAL

	<i>Authorised</i>		<i>Allotted, issued and fully paid</i>	
	<i>1994</i>	<i>1993</i>	<i>1994</i>	<i>1993</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
5% cumulative preferred stock	275	275	275	275
Income shares of 25p each	18,000	18,000	13,443	13,443
Capital shares of 25p each	9,000	9,000	6,712	6,712
Zero dividend preference shares of 25p each	10,000	10,000	10,000	10,000
	<u>37,275</u>	<u>37,275</u>	<u>30,430</u>	<u>30,430</u>
Number of income shares	72,000,000	72,000,000	53,772,643	53,772,643
Number of capital shares	36,000,000	36,000,000	26,846,003	26,846,003
Number of zero dividend shares	40,000,000	40,000,000	40,000,000	40,000,000

The dividend on the River Plate Preferred Stock payable under the imputation system is 3½% before taking into account tax credits applicable to United Kingdom stockholders.

At 31st October 1994 there were 5,369,194 Warrants in issue (1993: 5,369,194 Warrants). Each Warrant carries the right to subscribe for one Capital share at 250p at any time up to 31st October 1996.

Details of the capital structure as at 31st October 1994 are set out below:

#### ZERO DIVIDEND PREFERENCE SHARES

In issue: 40 million

31st October 1994: Net Asset Value 79.32p per share Price 86.5p per share.

The Zero Dividend Preference shares are designed to offer the shareholder a predetermined rate of capital growth. These shares are not entitled to income.

A Zero Dividend Preference shareholder had an initial capital entitlement of 35.25p per share at 31st October 1987. This entitlement increases on the last day of each month at an approximate annual rate of 12.2834 per cent. compounded on 31st October each year to the Winding up date of 31st October 1996 by which time the entitlement will amount to 100p. At 31st October 1994 this entitlement had increased to 79.3174p per share.

Zero Dividend Preference shareholders are not entitled to vote, except in certain restricted circumstances.

The repayment entitlement of 100p at the Winding up Date was 2.7 times covered at 31st October 1994 and the Gross Redemption Yield, the annualised return, was 7.5 per cent. per annum.

#### INCOME SHARES

In issue: 53,772,643

31st October 1994: Net Asset Value 83.96p per share Price 107.5p per share.

The Income shares are designed to provide holders with a high initial dividend yield that will increase over the life of the Company, together with a predetermined level of capital repayment on the Winding up Date.

Income shareholders are entitled to receive the whole of the net distributable income of the Company after satisfying the prior entitlement of the Preferred stock, until the Winding up Date. Thus any growth in the Company's net revenue will accrue to the Income shareholders.

Dividends are declared twice a year. In each year, the interim dividend is payable in July and the final dividend in January.

An Income shareholder had a net asset value of 25p per share on 31st October 1987. This entitlement had increased by 31st October 1994 to 83.3333p per share, and on the last day of each subsequent month will further increase by 0.6944p per share up to and including the Winding up Date of 31st October 1996 by which time each Income shareholder will be entitled to 100p. This represents an increase of 8.3333p per annum. The revenue reserve applicable to the Income shares was equivalent to 0.63p per share as at 31st October 1994.

Each Income shareholders is entitled on a poll at a General Meeting to one vote for every eight Income shares held.

The repayment entitlement of the Income share is fully covered by the assets as at 31st October 1994.

## CAPITAL SHARES

In issue: 26,846,003

31st October 1994: Net Asset Value 115.8p per share    Price 77p per share.

The Capital shares are designed to give holders the benefit of a geared return arising from any growth in the Company's total assets to the Winding up Date.

Capital shareholders are not entitled to income.

Capital shareholders are entitled to all the Company's surplus assets after the predetermined entitlements of all other class shares are met. Thus any growth in the Company's total assets (in excess of that required to meet the predetermined increases in the capital entitlements of the other classes of shares) will accrue to the Capital shareholders.

Each Capital shareholder is entitled on a poll at a General Meeting to one vote for every four Capital shares held.

If the total assets of the Company remained unchanged from 31st October 1994 to the Winding up Date, the Capital shares entitlement to repayment would be 51.6p. In order for the Capital share to be repaid the current share price of 77p, the total assets would have to grow by 3.1 per cent. per annum.

## WARRANTS

In issue: 5,369,194

31st October 1994: Price 2p per Warrant.

Warrantholders are entitled to subscribe for one Capital share at 250p at any time up to the Winding up Date, subject to certain terms and conditions.

In order for the Capital shares to have a value of 250p at the Winding up Date, the total assets of the Company would have to grow by 22.1 per cent per annum.

## WINDING UP

The Company is expected to be wound up on 31st October 1996. Your board intends to examine, closer to the winding up date, means by which shareholders can effectively continue their investment and avoid, if possible, crystallisation of any liabilities to capital gains tax.

The limited life of the Company was designed to ensure that all shareholders, and in particular the Capital shareholders will realise the underlying net asset value of their shares.



## 14. OTHER RESERVES

### CAPITAL RESERVE

	1994 Group & Company	1993 Group & Company
At start of year	50,516	44,675
Profit on realisation of investments	7,787	5,832
Profit on foreign currencies	1	9
At end of year	<u>58,304</u>	<u>50,516</u>
REVALUATION RESERVE		
At start of year	25,620	553
Movements during year	(13,525)	25,067
At end of year	<u>12,095</u>	<u>25,620</u>

## 15. REVENUE RESERVE

	1994		1993	
	Group £'000	Company £'000	Group £'000	Company £'000
At 1st November 1994	1,479	1,287	1,455	1,266
Transfer from revenue account	92	88	24	21
At 31st October 1995	<u>1,571</u>	<u>1,375</u>	<u>1,479</u>	<u>1,287</u>

The revenue reserves of River Plate are held to the benefit of:

	1994 £'000	1993 £'000
Income shareholders	337	249
Capital shareholders	1,038	1,038
	<u>1,375</u>	<u>1,287</u>

As permitted by Section 230 of the Act, River Plate has not presented its own revenue account. The consolidated revenue after taxation for the year dealt with by River Plate was £5,116,000 (1993: £4,817,000).

# 16. NON-EQUITY SHAREHOLDERS' FUNDS

	Income Shares £'000	Zero Dividend Preference Shares £'000	5% Preference Shares £'000	Group & Company Total £'000
Nominal Value	13,443	10,000	275	23,718
Reserves to be applied on redemption	27,135	18,256	—	45,391
At 31st October 1993	40,578	28,256	275	69,109
Accrual for reserves to be applied on redemption	4,481	3,471	—	7,952
Retained earnings	88	—	—	88
At 31st October 1994	<u>45,147</u>	<u>31,727</u>	<u>275</u>	<u>77,149</u>

The reserves that would arise on redemption are represented by the above shareholders entitlements to the share premium account, capital reserve and revaluation reserve. The entitlement of the income shareholders also includes the retained earnings of River Plate since the reorganisation (note 15).

An accrual for this entitlement (excluding the current year retained earnings of River Plate) is recognised in the Consolidated Statement of Total Recognised Gains and Losses.

# 17. RECONCILIATION OF MOVEMENT IN CONSOLIDATED SHAREHOLDERS' FUNDS

	1994 £'000	1993 £'000
Revenue available for distribution	5,130	4,820
Dividends	(5,038)	(4,796)
	92	24
Capital gains and losses	(5,737)	30,908
Net addition to shareholders' funds	(5,645)	30,932
Opening shareholders' funds	113,874	82,942
Closing shareholders' funds	<u>108,229</u>	<u>113,874</u>

# 18. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1994 £'000	1993 £'000	1992 £'000
Revenue from ordinary activities before taxation	6,432	6,337	6,555
Decrease/(Increase) in prepayments and accrued income	(270)	206	(241)
(Decrease)/Increase in accruals and deferred income	(62)	66	(12)
Interest paid on debenture	10	10	10
Current asset investment dealings	57	(114)	(62)
	<u>6,167</u>	<u>6,505</u>	<u>6,250</u>

## 19. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	1994 £'000	1993 £'000	1992 £'000
At beginning of year	2,383	1,446	4,460
Net cash inflow / (outflow)	1,408	928	(3,014)
Profit on foreign currencies	1	9	—
At end of year	<u>3,792</u>	<u>2,383</u>	<u>1,446</u>

## 20. CONTINGENT LIABILITIES

There was a contingent liability of £1,773,400 (1993: £2,769,300) for River Plate and £47,000 (1993: Nil) for the subsidiaries in respect of investments not fully called up and underwriting commitments.

There are joint and several guarantees to River Plate's bankers for £2,000,000 (1993: £2,000,000) in respect of group overdraft facilities.

## 21. INTEREST IN CONTRACTS

Mr M F Heathcoat Amory and Mr J L Duffield are directors of Jupiter Tyndall Group PLC, the parent company of Jupiter Asset Management, the managers to River Plate. Mr T C Pilkington is a director of the Manager.

Under an agreement dated 21st December 1988 between the Manager and River Plate, the annual fee payable by River Plate for investment and administration services is 0.5 per cent for each financial year of River Plate until the 31st October 1996.

The services under the management agreement can be terminated by either party on giving three years' notice of termination. In the event of wrongful termination the Manager would be entitled to receive liquidated damages equivalent to two times the total fee paid in the preceding year.

No other transactions or arrangements involving the directors of River Plate or its subsidiaries require to be disclosed in accordance with Section 232 and Part I of Schedule 6 of the Companies Act 1985.

## 22. SUBSTANTIAL INTERESTS

	<i>Issued capital and debt securities</i>	<i>% held</i>	<i>Total Capital and reserves</i>
Jupiter European Investment Trust PLC	47,615,544 Ordinary shares of 25p each	6.11	£25,176,533
PWS Holdings PLC	30,106,982 Ordinary shares of 10p each	17.6	£733,000
<b>Incorporated and operating in Great Britain and registered in England</b> <i>Unlisted</i>			
National and Foreign Securities Trust Ltd	260,990 Ordinary shares of £1 each	28.7	£615,169
<b>Incorporated and operating in U.S.A.</b> <i>Unlisted</i>			
Protim Holdings Inc.	19,600 Common stock of \$0.10 each	49.9	\$894,543 (unaudited)

The above information is based on the last published accounts of the companies concerned.

## TWENTY LARGEST INVESTMENTS

The following were the 20 largest investments of River Plate as at 31st October 1994

<i>Company</i>	<i>Valuation £'000</i>
Shell Transport & Trading	2,936
British Gas	2,624
Jupiter European Investment Trust Ordinary shares	2,560
British Telecom	2,361
General Electric	1,936
PWS Holdings	1,782
Williams Holdings 8p Convertible Preference	1,626
First Philippine Investment Trust	1,558
BAT Industries	1,535
Mezannine Capital and Income Trust Income shares	1,464
Provident Financial	1,330
Seaboard	1,296
Zeneca Group	1,291
Kunick 8.25p Convertible Preference	1,275
Jupiter Tyndall Group	1,251
Eastern Group	1,194
Scottish Power	1,167
HSBC Holdings	1,089
Gerrard & National Holdings	1,031
McCarthy & Stone 7% Convertible Unsecured Loan Stock 2004	952
	<hr/>
29.7% of total assets	32,258
	<hr/>

## PART V

### Additional Information

#### 1. History and Share Capital

- 1.1 Assuming that the Offers become or are declared unconditional in all respects and the Placing and Offer for Subscription is fully subscribed the share capital of the Company will be as follows immediately following implementation of the Proposals:

£	Authorised No. of shares		Issued and to be issued fully paid	
			£	No. of shares
2,520	25,200,000	Annuity shares of 0.01p each	2,350	23,500,000
10,500	105,000,000	Zero Dividend shares of 0.01p each	9,792	97,916,667
3,570,000	71,400,000	Income shares of 5p each	3,329,167	66,583,333
2,520,000	50,400,000	Capital shares of 5p each	2,350,000	47,000,000
<hr/> 6,103,020			<hr/> 5,691,309	

- 1.2 The Company was incorporated and registered in England and Wales on 2nd November 1995 under the Act with the name Jupiter Split Trust PLC (with registered number 3123443) as a public company limited by shares. Its authorised share capital upon incorporation was £50,000 divided into 50,000 ordinary shares of £1 each of which 2 ordinary shares of £1 each were issued to the subscribers. Since the date of incorporation the Company has not traded and no accounts have been made up.
- 1.3 By a resolution passed on 16th November 1995 each of the original 50,000 ordinary shares of £1 was sub-divided into 20 ordinary shares of 5p each.
- 1.4 By resolutions passed on 22nd November 1995:
- 1.4.1 the authorised share capital of the Company was increased from £50,000 to £6,103,020 by the creation of 25,200,000 Annuity shares, 105,000,000 Zero Dividend shares, 71,400,000 Income shares and 49,400,000 Capital shares.
- 1.4.2 each ordinary share of 5p was converted into a Capital share;
- 1.4.3 the Directors were generally and unconditionally authorised in accordance with Section 80 of the Act to exercise all the powers of the Company to allot relevant securities (as defined in that section) up to an aggregate nominal value of £6,053,020 (providing that following the implementation of the Proposals, the Directors shall not exercise such unused authority to the extent that it exceeds an amount equal to one third of the nominal value of the issued share capital of the Company immediately following the implementation of the Proposals, such authority to expire at the conclusion of the Annual General Meeting of the Company to be held in the year 2000 or, if earlier, on 21st November 2000 save that such authority would allow the Company to make offers or agreements before the expiry of the authority which would or might require relevant securities to be allotted after such expiry;
- 1.4.4 the Directors were empowered pursuant to Section 95(1) of the Act to allot equity securities (as defined in Section 94(2) of the Act) pursuant to the authority referred to in paragraph 1.4.3 above as if Section 89(1) of the Act did not apply to such allotment

and the Company may at any time before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry. Such authority is limited to allotments made in connection with the Placing and Offer for Subscription up to an aggregate nominal value of £6,053,020 and will expire on 21st November 1996 unless earlier revoked or extended;

- 1.4.5 the Directors were empowered until the conclusion of the first Annual General Meeting of the Company or, if earlier, 21st February 1997 to allot equity securities (as defined in Section 94(2) of the Act) pursuant to the authority referred to in paragraph 1.4.3 above as if Section 89(1) of the Act did not apply to such allotment up to an aggregate nominal value equal to the lesser of (i) 5 per cent. of the issued share capital of the Company immediately following the implementation of the Proposals and (ii) the authorised but unissued share capital of the Company immediately following the implementation of the Proposals and the Company may at any time before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry.
- 1.5 On 16th November 1995, the 40 issued Ordinary shares of 5p each which were created upon the sub-division of the subscriber shares were transferred as to 20 Ordinary shares to UBS and as to 20 Ordinary shares to UBS Securities Nominees Limited.
- 1.6 On 16th November 1995, 999,960 Ordinary shares of 5p each were allotted to UBS Limited against its irrevocable undertaking to pay up or procure payment of such shares as to one quarter of their nominal value by not later than 31st January 1996 and (conditional upon Listing occurring) to pay the balance of the nominal value and a capital contribution of 95p in respect of each share within two business days of the date of Listing. These shares together with the 40 shares transferred to UBS and UBS Securities Nominees Limited as referred to in paragraph 1.5 were reclassified as Capital shares on 22nd November 1995 and are included in the Placing.
- 1.7 On 17th November 1995, the Company was issued with a certificate under Section 117 of the Act stating that it was entitled to do business and exercise its borrowing powers.
- 1.8 No share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.
- 1.9 Assuming the Offers become or are declared unconditional in all respects and the Offer for Subscription is fully subscribed 1,700,000 Annuity shares, 7,083,333 Zero Dividend shares, 4,816,667 Income shares and 3,400,000 Capital shares (representing approximately 6.75 per cent. of the Annuity shares, 6.75 per cent. of the Zero Dividend shares, 6.75 per cent. of the Income shares and 6.75 per cent. of the Capital shares of the Company) would remain unissued and not reserved immediately following the implementation of the Proposals.
- 1.10 The Directors are not aware of any persons who directly, or indirectly exercise or could exercise control over the Company.
- 1.11 Save as disclosed in this paragraph 1, there has been no issue of shares or loan capital of the Company since its incorporation and the Directors have no present intention to issue any shares except in connection with the Proposals. No issue will be made which would effectively alter the control of the Company without prior approval of shareholders in general meeting.
- 1.12 Save as disclosed in paragraph 5.1, no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share or loan capital of the Company since its incorporation.

- 1.13 The provisions of Section 89(1) of the Act (to the extent not disapplied pursuant to Section 95 of the Act) confer on shareholders certain rights of pre-emption in respect of the allotment of equity securities (as defined in Section 94(2) of the Act) which are, or are to be, paid up in cash and will apply to the authorised but unissued share capital of the Company except to the extent disapplied by the resolutions referred to in sub-paragraphs 1.4.4 and 1.4.5 above.

## **2. Directors' Interests**

- 2.1 As at the date of this document no Director has an interest in the share capital of the Company which is required to be notified pursuant to Section 324 or Section 328 of the Act or which is required to be entered in the register maintained under Section 325 of the Act and no person connected with any Director (within the meaning of Section 346 of the Act) has an interest in the capital of the Company.

G. Howard-Spink and J. L. Duffield have each expressed an intention to acquire 15,000 Capital shares under the Placing.

M. F. Heathcoat Amory intends to accept the basic terms of the Offers in respect of his beneficial holdings of 24,592 River Plate Capital shares and 32,618 River Plate Income shares.

<b>Name</b>	<b>No. of Capital shares</b>
G Howard-Spink	15,000
J L Duffield	15,000

The business address of each of the Directors (all of whom are non-executive) is Knightsbridge House, 197 Knightsbridge, London SW7 1RB.

- 2.2 No director has a service agreement with the Company and no such agreement is proposed.
- 2.3 J.L. Duffield is Chief Executive of Jupiter which owns Jupiter Asset Management. He is also a director of the Manager. As such, he is interested in the Management and Administration Agreements which are referred to in paragraphs 5.3 and 5.4 below and in the sub-underwriting of the Capital shares to be issued pursuant to the Proposals referred to in paragraph 5.1.5 below.
- 2.4 Save as disclosed in paragraph 2.3 above, none of the Directors is or has been interested in any transaction with the Company which was or is unusual in its nature or conditions or significant to the business of the Company which was effected by the Company since its incorporation.
- 2.5 It is estimated that the aggregate emoluments of the Directors payable by the Company for the financial period ending 31st December 1996 will be approximately £50,000. The Directors' emoluments will not be affected by the implementation of the Proposals.
- 2.6 No loan has been granted to, nor any guarantee provided for the benefit of any director by the Company.

## **3. Substantial Shareholders**

Save as disclosed in paragraph 5.1.6 below, the Directors are not aware of any persons who either on the date of this document or immediately upon the implementation of the Proposals are expected to own 3 per cent. or more of the issued share capital of Jupiter Split Trust.

#### 4. Taxation

The following information summarises advice received by the Directors on the law and practice currently in force in the UK. This summary is not comprehensive, relates to the position of persons who are absolute beneficial owners of Jupiter Split Trust Shares and may not apply to certain classes of person such as dealers in securities. References in this paragraph 4 to Jupiter Split Trust Shares or any class thereof, should also be understood as references, so far as applicable, to Jupiter Split Trust Package Units. **Prospective investors should consult their professional advisors on the possible tax consequences of their acquiring, holding or disposing of Jupiter Split Trust Shares, under the laws of their country of residence, citizenship or domicile.**

##### *The Company*

The Company will be resident in the United Kingdom for UK tax purposes. It is the intention of the Directors to ensure that the Company will satisfy the conditions for approval as an investment trust set out in section 842 of the Income and Corporation Taxes Act 1988. Such approval is granted retrospectively for a complete accounting period and the Company will, accordingly, apply at the appropriate time for such approval in respect of each accounting period. The Company will be exempt from UK taxation on all chargeable gains realised by it during each accounting period for which such approval is obtained.

The income of Jupiter Split Trust will be principally derived from dividends paid on shares held by the Company in other UK resident companies. Such income will constitute franked investment income in respect of which the Company will not be liable to pay corporation tax. The tax credit attaching thereto may be applied by Jupiter Split Trust in franking its own liability for advance corporation tax ("ACT") on dividends paid by it.

Jupiter Split Trust may receive foreign income dividends ("FIDs") from UK resident companies. The Company would not be liable to pay corporation tax on any FIDs received. The Company would, however, be liable to account for ACT on any dividend paid by it that fell to be treated as derived from FIDs received by it, unless the Company exercised its right to elect to treat such dividend as a FID. A decision to exercise such an election would be made by the directors at the appropriate times.

The other income of Jupiter Split Trust will be subject to United Kingdom corporation tax, after relief for allowable expenses and interest charges. Income arising from overseas investments may be subject to foreign tax at the relevant country's applicable rate. Although Jupiter Split Trust may be able to claim double taxation relief in respect of any such tax withheld, it may as a result, not be able to off-set the full amount of any ACT paid in respect of dividends to shareholders against any remaining mainstream corporation tax liability, so that the net income available for distribution for any period could be reduced.

Foreign taxes may (in the absence of relief under double taxation treaties) be levied on capital gains made by the Company and such foreign taxes will not be available as a credit against the liability of Jupiter Split Trust to UK tax.

##### *Shareholders*

##### **United Kingdom capital gains tax**

The sale or other disposal of Jupiter Split Trust Shares may give rise to the realisation of a gain or loss for the purposes of UK taxation of chargeable gains. An investor in the Company who is resident or ordinarily resident in the United Kingdom for UK tax purposes and who so realises a gain in respect of any Jupiter Split Trust Shares may, subject to the investor's individual circumstances, be liable to UK capital gains tax or corporation tax on that gain but (see "Personal equity plans" below).



### **Dividends (other than Foreign Income Dividends)**

There is no UK withholding tax on dividends, but whenever Jupiter Split Trust pays a dividend it will be liable to account to the Inland Revenue for ACT in respect of the dividend. The rate of ACT is currently equal to one-quarter of the dividend. ACT paid by Jupiter Split Trust can be set off against its liability to corporation tax, subject to certain limits and restrictions. The Company will not be required to pay ACT on any dividend paid by it to the extent that the Company has received corresponding amounts of franked investment income.

A holder of an Annuity share or Income share who is an individual resident for tax purposes in the UK and who receives a dividend paid by Jupiter Split Trust will be entitled to a tax credit of an amount equal to one-quarter of the dividend. The individual will be taxable on the total of the dividend and the related tax credit, which will be regarded as the top slice of the individual's income. The tax credit will, however, be treated as discharging the individual's liability to income tax in respect of the dividend, unless and except to the extent that the dividend and related tax credit exceed the individual's threshold for the higher rate of income tax, in which case the individual will, to that extent, be liable to tax on the dividend and related tax credit at a rate equal to the excess of the higher rate (currently 40 per cent.) over the lower rate (currently 20 per cent.). If the tax credit exceeds the individual's liability to income tax on the total of the dividend and tax credit, he will be able to claim payment of the excess.

Subject to certain exceptions a holder of an Annuity or Income share which is a company resident for tax purposes in the UK and which receives a dividend paid by the Company will be entitled to a tax credit in respect of the dividend. The company shareholder will not be taxable on the dividend, and the dividend and related tax credit will be treated as franked investment income. The value of the tax credit would be an amount equal to one quarter of the dividend.

There are certain categories of companies resident for tax purposes in the UK who, depending on the nature of their business and the manner in which their investment in Annuity or Income shares is held and accounted for, will be liable to corporation tax on any dividend paid by the Company. Of these, certain types of company, notably life assurance companies carrying on pension or overseas life assurance business, may be able in certain restricted circumstances to treat for tax purposes any fall in the value of the Annuity share as an expense deductible from the amount of the dividend received. Special rules may apply to such companies with regard to whether the dividend is or may be treated as franked investment income and the utilisation of the tax credit. In general different investors will be taxed differently in relation to a holding of Annuity shares and the above remarks are not comprehensive in their scope.

The taxation position of a shareholder who is not resident in the UK may depend on the provisions of any applicable double taxation treaty. Shareholders who are not resident for tax purposes in the UK should consult their own tax advisors concerning their tax liabilities on dividends received, whether they are entitled to claim any part of the tax credit and, if so, the procedure for doing so.

### **Foreign Income Dividends**

There is no UK withholding tax on FIDs. If the Company were to elect to treat a dividend paid by it as a FID, it would not be liable to account for ACT in respect of the FID to the extent that the FID could be treated as derived from FIDs received from companies in which the Company had invested.

An individual resident for tax purposes in the UK who receives a FID paid by the Company will not be entitled to a tax credit in respect of the FID. The individual will be treated as having received a gross payment of an amount which, when reduced by income tax at the lower rate, is equal to the FID. If, and to the extent that, the grossed-up dividend falls above the threshold for

the higher rate of income tax, the individual will, to that extent, pay tax on the grossed-up FID at a rate equal to the excess of the higher rate over the lower rate but will not otherwise be liable to income tax in respect of the FID.

A company resident for tax purposes in the UK who receives a FID paid by the Company will not be taxable on the FID and will not be entitled to treat the FID as franked investment income.

FIDs paid by the Company will not carry any tax credit and, consequently, no holder of Annuity or Income shares who is not liable to tax or not resident for tax purposes in the UK who receives a FID from the Company will be entitled to make a claim for payment of a tax credit in relation to the FID.

### **The new regime for taxation of gilts and bonds**

The Chancellor of the Exchequer announced on 10th July 1995 that a new regime for the taxation of gilt-edged securities and corporate bonds will be introduced from 1st April 1996 for corporate investors and 6th April 1996 for certain individual investors with large holdings (though transitional provisions may apply in respect of gilt-edged securities or corporate bonds acquired prior to these dates). The Inland Revenue's Press Release issued on 10th July 1995 stated that the Government had "decided that all non-equity shares – including zero coupon preference shares – should be outside the new regime: but the position may be reviewed if serious distortions result". If the boundaries of the new regime were ever to be extended to include the Zero Dividend shares, it is possible that corporate investors and individual investors could find that the predetermined growth in the capital value of the Zero Dividend share could be treated as income subject to tax as it accrues. Further information on the new regime is expected to become available on Budget Day, 28th November 1995.

### **Personal equity plans**

Under current legislation, Jupiter Split Trust Shares and Jupiter Split Trust Package Units will constitute qualifying investments for the purposes of inclusion in a general PEP under The Personal Equity Plan Regulations 1989 (as amended). If, as the Directors intend, more than 50 per cent. by value of the investment held by the Company will be UK equities or qualifying European Union shares, the full subscription limit for general PEP (£6,000 for the 1995/96 tax year) may be invested in Jupiter Split Trust Shares and Jupiter Split Trust Package Units.

Jupiter Split Trust Shares Package Units allotted under the Offer for Subscription may be transferred into a general PEP within 42 days of their allotment or allocation (inclusive of the date of allotment or allocation). However, Jupiter Split Trust Shares allotted under the Placing or the Offers are not eligible for a transfer into a PEP.

Returns from shares held within a PEP are free of income tax and capital gains tax. Subject to the terms of the particular PEP, all tax credits on dividends from shares within a PEP may be reclaimed and may be reinvested or distributed. No capital gains tax applies to gains realised on investments held in a PEP (although any losses resulting from investments within a PEP are not allowable for capital gains tax purposes).

### **Stamp Duty and Stamp Duty Reserve Tax**

No UK stamp duty or stamp duty reserve tax will be payable on the issue of Jupiter Split Trust Shares.

The transfer of Jupiter Split Trust Shares will be liable to UK *ad valorem* stamp duty (or, if an unconditional agreement to transfer such shares is not completed by duly stamped transfer within two months, to stamp duty reserve tax) at the rate of 50p for each £100 or part of £100 or value of the consideration paid for the relevant transfer.

**The above comments are intended as a general guide to the current position. In considering their taxation position, potential investors should consult their professional advisers.**

## **5. Material Contracts**

The following are the only contracts entered into by Jupiter Split Trust (not being contracts entered into in the ordinary course of business) since its incorporation which are or may be material:

### **5.1 Placing Arrangements**

- 5.1.1 By an agreement ("the Placing Agreement") dated 23rd November 1995 between UBS (1) James Capel (2) the Manager (3) the Company (4) and the Directors (5), UBS and James Capel have agreed as agent for the Company (except in the case of 1,000,000 Capital shares in issue which comprise part of the Jupiter Split Trust Shares being placed which will be sold for UBS's own account), to use reasonable endeavours to procure placees for or, failing which, themselves to acquire Jupiter Split Trust Shares ("the Placing Shares") at 100p per Annuity share, 100p per Zero Dividend share, 100p per Income share and 100p per Capital share.
- 5.1.2 If the Offers become or are declared unconditional in all respects, the Placing Shares will comprise 17,500,000 Annuity shares, 72,916,667 Zero Dividend shares, 49,583,333 Income shares and 35,000,000 Capital shares less the Zero Dividend shares, the Income shares and the Capital shares issued under the Offers. If the Offers do not become or are not declared unconditional in all respects, subject to the exercise of the discretion mentioned on page 18, the number of placing shares will remain the same.
- 5.1.3 The obligations of UBS and James Capel are conditional, *inter alia*, upon the admission of the Placing Shares to the Official List of the London Stock Exchange becoming effective by no later than 8.30 a.m. on 3rd January 1996 (or such later time and/or date as UBS, James Capel and the Company may agree being not later than 15th January 1996) and the Placing Agreement not being terminated by UBS and James Capel prior to such admission.
- 5.1.4 The Placing Agreement contains certain warranties and indemnities given by the Company and the Manager in favour of UBS and James Capel and may be terminated by UBS and James Capel in certain circumstances. The Manager has agreed to pay any stamp duty or stamp duty reserve tax payable on the transfer of the 1,000,000 issued Capital shares which are being sold for UBS's account under the Placing.
- 5.1.5 Subject to the conditions of the Placing being satisfied, the Company will pay to UBS and James Capel the following commissions which will be in satisfaction of UBS's and James Capel's underwriting obligations under both the Placing Agreement and the Cash Underpinning Agreements (as defined in paragraph 5.2 below):

if the Offers become or are declared unconditional in all respects:

- (i) a commission of 1 per cent. on the aggregate value at 100p per share of 17,500,000 Annuity shares; and

- (ii) a commission of 2 per cent. on the aggregate value at 100p per share of 72,916,667 Zero Dividend shares; and
- (iii) a commission of 3 per cent. on the aggregate value at 100p per share of 49,583,333 Income shares; and
- (iv) a commission of 4 per cent. on the aggregate value at 100p per share of 35,000,000 Capital shares; or

if the Offers do not become or are not declared unconditional in all respects or lapse or are withdrawn:

commissions at the same rates on the aggregate value at 100p per share of the Jupiter Split Trust shares of each class issued under the Placing in each case together with any VAT due thereon. Out of these commissions, UBS and James Capel will pay all sub-placées commissions. A corporate finance fee is also payable to each of UBS and James Capel, the amount of which is dependent on the initial market capitalisation of the Company at the issue prices under the Placing immediately following implementation of the Proposals (subject to a minimum fee of £250,000). Other than sub-placées and sub-underwriters commissions, the Company agrees to pay all other costs and expenses of or incidental to the Proposals.

5.1.6 Jupiter Asset Management has agreed with UBS and James Capel, as their agent, to use its reasonable endeavours to procure persons to acquire up to 35,000,000 of the Capital shares to be issued pursuant to the Proposals at 100p per share, failing which, itself to acquire up to such number of shares at that price. In consideration for this Jupiter Asset Management will receive the following commissions:

- (i) if the Offers become or are declared unconditional in all respects a commission of 1 per cent. on the aggregate value at 100p per share of 35,000,000 Capital shares and a commission of 3 per cent. on the aggregate value at 100p per share of those Capital shares which Jupiter Asset Management agrees to acquire for its own account; and
- (ii) if the Offers do not become or are not declared unconditional in all respects a commission of one per cent. on the aggregate value at 100p per share of those Capital shares which are issued to Jupiter Asset Management or persons procured by it and a commission of 3 per cent. on the aggregate value at 100p per share of those Capital shares which it acquires for its own account in each case together with any VAT due thereon.

## 5.2 Cash Underpinning Agreement

5.2.1 By an agreement ("the Cash Underpinning Agreement") dated 23rd November 1995 between UBS (1), James Capel (2), the Manager (3), Jupiter Split Trust (4) and the Directors (5), UBS and James Capel have agreed to procure persons to acquire or, in default, themselves to acquire in equal proportions the Jupiter Split Trust Shares to which River Plate Shareholders who validly elect for the Cash Alternatives would otherwise be entitled under the Offers if they had not so elected, at 100p per Zero Dividend share, 100p per Income share and 100p per Capital share.

5.2.2 Out of the commissions referred to in paragraph 5.1.4 above UBS and James Capel will pay all sub-underwriting commissions. The Company will pay all other costs and expenses of or incidental to the Offers.

5.2.3 The Cash Underpinning Agreement contains certain warranties and indemnities by the Company and the Manager in favour of UBS and James Capel.

### **5.3 Management Agreement**

- 5.3.1 By an agreement (the "Management Agreement") dated 23rd November 1995 between the Company and Jupiter Asset Management, the Manager has been appointed (conditionally upon Listing becoming effective) investment manager of the Company.
- 5.3.2 The Manager will, subject to the policy directions and guidelines from time to time notified to it by the Directors, provide Jupiter Split Trust with investment management services on a discretionary basis. The Manager is at liberty to act as investment manager to any other person or persons.
- 5.3.3 Under the Management Agreement the Manager will receive a management fee payable monthly in arrears, at the rate of 0.75 per cent. per annum of the value of the total consolidated assets of Jupiter Split Trust after deduction of current liabilities (other than borrowings) and minority interests and excluding the value of any of the assets and liabilities of River Plate. The Manager will also be entitled to receive a performance fee equal to 15 per cent. of any increase in the total assets of the Company (as defined hereafter) above a 10 per cent. increase during any accounting period of the Company, provided that the value of the total assets of the Company (as so defined) have increased since the end of the last accounting period for which a performance fee was paid. For the purpose of the performance fee, the total assets are the total consolidated assets of the Company after deduction of consolidated current liabilities (other than borrowings) and minority interests but adjusted to reflect any issue or conversion of share capital and after deducting certain borrowings and adding back all expenses of the Company incurred or accrued in respect of that accounting period as more particularly described in the Management Agreement. The Management Agreement is terminable by either party giving not less than two years' prior notice to the other at any time. Fees payable under the Management Agreement are subject to VAT, if applicable.
- 5.3.4 The Company will also be entitled to terminate the Management Agreement without notice or payment of compensation if, inter alia, the Manager is in material breach of an obligation under the Management Agreement which it fails to rectify within 30 days after having been given notice requiring it to do so.
- 5.3.5 The Company has agreed to indemnify the Manager against any liability it incurs in performing its obligations under the Management Agreement provided such liability is not due (inter alia) to the wilful default, negligence or fraud of the Manager.

### **5.4 Administration Agreement**

By an agreement (the "Administration Agreement") dated 23rd November 1995 between Jupiter Split Trust and Jupiter Administration Services Limited ("JASL"), a wholly owned subsidiary of Jupiter, JASL has been appointed to perform certain secretarial, accounting and administration services for the Company. JASL will receive a fee of £62,500 (exclusive of VAT) per annum, index linked after the first year to increases in the Retail Price Index. The Administration Agreement is terminable by either party giving not less than two year's prior notice to the other at any time. Fees payable under the Administration Agreement are subject to VAT, if applicable.

## **6. General**

- 6.1 Jupiter Split Trust is not involved in any legal or arbitration proceedings which may have or have had since its incorporation, a significant effect on the Company's financial position nor is the Company aware of any such proceedings pending or threatened.

- 6.2 The Company has not traded and has not prepared any accounts since its incorporation on 2nd November 1995.
- 6.3 The expenses payable by the Company in connection with the Proposals are estimated to be approximately £6.83 million (exclusive of VAT).
- 6.4 The Jupiter Split Trust Shares will not be available in whole or in part to the public (other than through the Offer for Subscription) and will be issued in registered form and represented by definitive certificates.
- 6.5 The registrars and receiving bankers of Jupiter Split Trust are The Royal Bank of Scotland plc Registrars.
- 6.6 The issue price of 100p for each Annuity share represents a premium of 99.99p over the nominal value of 0.01p for each such Annuity share. The issue price of 100p for each Zero Dividend share represents a premium of 99.99p over the nominal value of 0.01p for each such Zero Dividend share. The issue price of 100p for each Income share represents a premium of 95p over the nominal value of 5p for each such Income share. The issue price of 95p for each Capital share represents a premium of 95p over the nominal value of 5p for each such Capital share.
- 6.7 The principal place of business of the Company in the United Kingdom is Knightsbridge House, 197 Knightsbridge, London SW7 1RB.
- 6.8 UBS and James Capel are each a member of The Securities and Futures Authority Limited and the London Stock Exchange. The registered office of UBS is 100 Liverpool Street, London EC2M 2RH and the registered office of James Capel is Thames Exchange, 10 Queen Street Place, London EC4R 1BL.
- 6.9 UBS, James Capel and the Manager are or may be promoters of the Company. Save as disclosed herein, no amount or benefit has been paid or given to any promoters and none is intended to be paid or given.
- 6.10 On the assumption that the Offers become or are declared unconditional in all respects, the Offer for Subscription is fully subscribed and no further shares are issued in River Plate the proceeds of the Placing and Offer for Subscription (net of expenses and the cash consideration payable by the Company under the Income Offer but disregarding commissions payable under the Offer for Subscription) will amount to approximately £168.17 million and will be invested in accordance with the investment objectives and policy set out in Part I of this document.
- 6.11 The Company has had no employees since its incorporation.
- 6.12 Not less than 5 per cent. of the Jupiter Split Trust Shares now being issued pursuant to the Placing will be offered to independent market makers.
- 6.13 A statement of the indebtedness of the Company and River Plate on a combined basis will be published within 28 days of the Offers becoming or being declared unconditional in all respects in the form of a supplementary prospectus.

## **7. Documents Available for Inspection**

Copies of the following documents will be available for inspection during normal business hours at the registered office of the Company and at the offices of Nabarro Nathanson 50 Stratton Street London W1X 6NX while the Offers remain open for acceptance:

- 7.1 the Memorandum and Articles of Association of Jupiter Split Trust and River Plate; and
- 7.2 the material contracts referred to in paragraph 5 above;
- 7.3 the audited consolidated accounts of River Plate for the three years ended 31st October 1994 and the interim accounts for the six months ended 30th April 1995;
- 7.4 the written consents of UBS and James Capel referred to in paragraph VI of Appendix IV to the Offer Document;
- 7.5 the Offer Document and Forms of Acceptance;
- 7.6 Micropal statistics on the performance of Jupiter Income Trust;
- 7.7 the booklet entitled Consensus Forecasts – Consensus Economics Inc. – 13th November 1995; and
- 7.8 this document.

23rd November 1995

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## PART VI

### Terms and Conditions of Application

1. The contracts created by the acceptance of applications under the Offer for Subscription will be conditional on the Placing Agreement referred to in paragraph 5.1 of Part V of this Prospectus becoming unconditional and not being terminated in accordance with its terms. Cheques or bankers' drafts for amounts payable on application may be presented for payment before such condition is satisfied and the application moneys will be retained by The Royal Bank of Scotland plc Registrars in a separate account until such condition is satisfied. If any application is rejected, or if any contract created by acceptance does not become unconditional, or if any application is accepted for fewer Jupiter Split Trust Package Units than the number applied for, the application moneys or the balance of the amount paid on application (as the case may be) will be returned without interest by post to the address of the first named applicant or, where the Money Laundering Regulations 1993 have not been complied with to the satisfaction of The Royal Bank of Scotland plc Registrars, to the bank or society on which the particular cheque or banker's draft was drawn, at the risk of the applicant or any other person on whose account the cheque or banker's draft was drawn.
2. Subject to these terms and conditions, UBS and James Capel each reserves the right in consultation with Jupiter Asset Management and the Company to reject in whole or in part or to scale down any applications including without limitation, applications where the Money Laundering Regulations 1993 have not been complied with to the satisfaction of The Royal Bank of Scotland plc Registrars.
3. The Offer for Subscription is being made by UBS and James Capel as agent of the Company. Applications must be made on the accompanying Application Form. By completing and delivering an Application Form you agree with the Company, UBS and James Capel that by doing so you (and, if you sign an Application Form on behalf of somebody else or a corporation, that person or corporation and in the case of paragraph 3(e) below, you):—
  - (a) offer to subscribe for the number of Jupiter Split Trust Shares which the Jupiter Split Trust Package Units in your Application Form represent (or any smaller number for which such application is accepted) at £60 per Package Unit subject to this Prospectus, these terms and conditions and the Memorandum and Articles of Association of the Company;
  - (b) authorise The Royal Bank of Scotland plc Registrars to send definitive share certificates for the Jupiter Split Trust Package Units for which your application is accepted and/or a crossed cheque for any moneys returnable, by post, to your address (or, in the case of joint applicants, that of the first-named applicant) as set out in your Application Form and to procure that your name (together with the name(s) of any joint applicant(s)) is/are placed on the register of members of the Company in respect of such shares;
  - (c) in consideration of UBS and James Capel agreeing that they will not, prior to 15th January 1996, offer any Jupiter Split Trust Shares or Jupiter Split Trust Package Units to any persons other than by means of the procedures set out in this Prospectus or pursuant to the Offers:—
    - (i) agree that your application may not be revoked until after 15th January 1996 and will constitute a collateral contract between you and UBS and James Capel which will become binding upon despatch by post or delivery of your Application Form duly completed to The Royal Bank of Scotland plc Registrars at the address specified in paragraph 9 below;



- (ii) warrant that your remittance will be honoured on first presentation, and agree that, if such remittance is not so honoured, you will not be entitled to receive any share certificate(s) in respect of the Jupiter Split Trust Package Units applied for or receive any rights or distributions in respect of the Jupiter Split Trust Shares represented by such package units unless and until you make payment in cleared funds for such units and such payment is accepted by UBS and James Capel in their capacity as agents to the Company (which acceptance shall be in the absolute discretion of UBS and James Capel and may be on the basis that you indemnify UBS, James Capel and the Company against all costs, damages and losses, expenses and liabilities arising out of or in connection with the failure of your remittance to be honoured on first presentation) and that, at any time prior to unconditional acceptance by UBS and James Capel of such late payment in respect of such Jupiter Split Trust Package Units, UBS, James Capel or the Company may, without prejudice to any rights, avoid the agreement to issue Jupiter Split Trust Package Units and may reallocate such package units to some other person, in which case you will not be entitled to any refund or repayment in respect of such units applied for (other than the return, at your risk and without interest, of such late payment) but you will be liable to indemnify the Company in respect of the difference between the issue price of £60 per Jupiter Split Trust Package Unit and any amount net of expenses realised on re-allocation of such Jupiter Split Trust Package Units applied for;
- (iii) agree that any definitive share certificates to which you may become entitled and moneys returnable to you, may be retained pending clearance of your remittance or pending investigation of any suspected breach of these terms and conditions or any verification of identity which is, or which The Royal Bank of Scotland plc Registrars considers may be required for the purpose of the Money Laundering Regulations 1993 and that such moneys will not bear interest;
- (iv) agree with UBS, James Capel and the Company promptly on request to disclose in writing to UBS, James Capel and the Company any information which they request in connection with your application and authorise them to disclose any information relating to your application as they consider appropriate;
- (v) agree, on request by The Royal Bank of Scotland plc Registrars, to disclose promptly in writing to its satisfaction evidence of a person's identity so as to comply with the Money Laundering Regulations 1993;
- (d) agree that all applications, acceptances of applications and contracts resulting therefrom will be governed by, and construed in accordance with, English law and that you submit to the jurisdiction of the English courts and agree that nothing shall limit the right of the Company or UBS or James Capel to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances or contracts in any other manner permitted by law or in any court of competent jurisdiction;
- (e) warrant that, if you sign the Application Form on behalf of another party or on behalf of a corporation, you have due authority to do so and that such other person or corporation will be bound accordingly and, where required by the section herein entitled "Guide to the Application Form", undertake to enclose your power of attorney or a copy thereof duly certified by a solicitor;
- (f) agree that, in respect of those Jupiter Split Trust Package Units for which your application has been received and processed and is not rejected, allocation of such Jupiter Split Trust Package Units shall be constituted, at the discretion of UBS and James Capel, on their own behalfs and on behalf of the Company, by notice to the London Stock Exchange of the basis of allocation (in which case such acceptance shall be on that basis).

- (g) agree that all documents in connection with the Offer for Subscription and any returned moneys will be sent at your risk and may be sent to you at your address (or, in the case of joint applicants, the address of the first-named applicant) as set out in the Application Form;
- (h) agree that having had the opportunity to read this Prospectus, you shall be deemed to have had notice of all information and representations concerning the Company and the Offer for Subscription contained herein;
- (i) confirm that in making your application neither you nor any person on whose behalf you are applying is relying on any information or representation in relation to the Company other than those contained in this Prospectus and you accordingly agree that no person responsible solely or jointly for this Prospectus or any part thereof will have any liability for any such other information or representation;
- (j) warrant that you are not a U.S. person (as defined in Regulation S under the United States Securities Act 1933, as amended) and are not applying on behalf of, or with a view to re-offer, sale, transfer or delivery to, or for the benefit of, any such person and will not, as principal or agent, offer, sell, transfer or deliver, directly or indirectly, to any U.S. person, any Jupiter Split Trust Shares or Jupiter Split Trust Package Units being acquired in the United States or as a result of a purchase order originating in the United States and agree that the Company may treat as invalid any Application Form that appears to the Company or its agents to have been executed in or despatched from the United States or that provides an address in the United States for delivery of share certificates;
- (k) warrant that you are not a Canadian person and are not acquiring Jupiter Split Trust Shares or Jupiter Split Trust Package Units for the account of any Canadian person or with a view to re-offer or re-sale in Canada or to any Canadian person (as used herein "Canadian person" means any individual resident in Canada, any corporation, partnership or firm organised under or governed by the laws of Canada or any political sub-division thereof (except for a branch of such entity located outside Canada) any branch in Canada and any investment fund, estate or trust organised under or governed by the laws of Canada or any political sub-division thereof);
- (l) warrant that you are not a resident of Australia and are not acquiring Jupiter Split Trust Shares or Jupiter Split Trust Package Units for the account of a resident of Australia or with a view to re-offer, sale or delivery thereof in Australia or to or for the account of a resident of Australia;
- (m) warrant that you are not, or are not applying on behalf of a person who is, under 18 years of age on the date of the application (except you may apply for the benefit of a minor as described in paragraph 1 of the "Guide to the Application Form");
- (n) warrant that you are not applying on behalf of a person or persons engaged in money laundering;
- (o) warrant that in connection with your application, and without limiting or being limited by paragraphs (j), (k) and (l), you have observed the laws of all relevant territories, obtained any requisite governmental or other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory, other than UK stamp duty or stamp duty reserve tax, and that you have not taken any action or omitted to take any action which will or may result in the Company or UBS or James Capel or the directors of any of them acting in breach of the regulatory or legal requirements of any territory in connection with the Offer for Subscription or your application;

- (p) agree that UBS and James Capel will not treat you as its customer by virtue of such application being accepted and that accordingly UBS and James Capel will not be responsible to you for providing protections afforded to their respective customers or advising you on the suitability of Jupiter Split Trust Package Units or Jupiter Split Trust Shares as an investment or otherwise;
  - (q) agree that your Application Form is sent to The Royal Bank of Scotland plc Registrars but addressed to UBS, James Capel and the Company;
  - (r) warrant that no other application is being made by you for your own account or, so far as you are aware, by another person on your behalf or for your benefit, or, if you are applying as agent or nominee for another person, no other application is being made by or on behalf of or for the benefit of that other person.
4. No person receiving a copy of this Prospectus, or an Application Form, in any territory other than the United Kingdom, Channel Islands or the Isle of Man may treat the same as constituting an invitation or offer to him, nor should he in any event use such Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to him, or such Application Form could lawfully be used, without contravention of any registration or other legal requirements. It is a condition of any application by any person outside the United Kingdom, Channel Islands or the Isle of Man wishing to make an application hereunder that he has satisfied himself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory. UBS, James Capel and the Company reserve the right in their absolute discretion to reject any application made by a person outside the United Kingdom, Channel Islands or the Isle of Man.
  5. The basis of allocation in respect of applications made on the Application Form will be determined by UBS and James Capel in their total discretion. In determining the basis of allocation the right is reserved by UBS and James Capel in their total discretion to scale down all or any applications and to treat as valid any application not in all respects made in accordance with the "Guide to the Application Form".
  6. The Jupiter Split Trust Shares and the Jupiter Split Trust Package Units have not been and will not be, registered under the United States Securities Act of 1933 as amended and, subject to certain exceptions, may not be offered or sold or delivered within the United States or to, or for the account or benefit of US persons. In addition, until 40 days after the commencement of the Offer for Subscription, an offer or sale of Jupiter Split Trust Shares or Jupiter Split Trust Package Units within the United States by any dealer (as defined in the US Securities Act 1933, as amended) whether or not participating in the Offer for Subscription may violate the registration requirements of the said US Securities Act.
  7. The dates and times referred to in this Part VI may be altered by UBS and James Capel so as to be consistent with the Placing Agreement referred to above (as the same may be altered from time to time in accordance with its terms).
  8. If the valuation of your application exceeds £10,000 or is one of a series of linked applications, the aggregate value of which exceeds that amount, the verification of identity requirements of the Money Laundering Regulations 1993 will apply and verification of the identity of the applicant will be required. A failure to provide the necessary evidence of identity may result in the rejection of your application or in delays in the despatch of share certificates or the return of application monies.

9. Application Forms must be posted or delivered by hand to The Royal Bank of Scotland plc Registrars Department, New Issues Section, P.O. Box 859, The Lombard Centre, Consort House, East Street, Bedminster, Bristol BS99 1XZ, or by hand only to The Royal Bank of Scotland plc, Registrars Department, New Issues Section, 3rd Floor, 67 Lombard Street, London EC3P 3DL so as to arrive no later than 10.00 a.m. on 13th December 1995. Persons posting Application Forms are advised to use first class post and allow at least two clear working days for delivery. Applications must be for a minimum of 20 Jupiter Split Trust Package Units and thereafter in multiples of 10 Jupiter Split Trust Package Units.
10. Authorised intermediaries will be paid a commission of 1 per cent. on the value of applications bearing their stamp submitted under the Offer for Subscription.

## **AVAILABILITY OF THE PROSPECTUS AND APPLICATION FORM**

Copies of the Prospectus and Application Form can be obtained during normal business hours up to and including 13th December 1995 from any of the following:

James Capel & Co Limited, Thames Exchange, 10 Queen Street Place, London EC4R 1BL

UBS Limited, 100 Liverpool Street, London EC2M 2RH

In addition, copies of the Prospectus and Application Form can be obtained, for collection only, up to and including 27th November 1995 from The Company Announcements Office, the London Stock Exchange, Stock Exchange, Stock Exchange Tower, Capel Court Entrance, off Bartholomew Lane, London EC2.

## GUIDE TO THE APPLICATION FORM

The following notes should be read in conjunction with the Application Form.

**1. Insert your full name and address in BLOCK CAPITALS in Box 1.**

Applications may not be made by anyone aged under 18 but you may apply as a parent, grandparent or guardian of a child under 18 for the benefit of that child. To do this, you should write your name and address in Box 1 and put the initials of the "minor" in the "Minor's Initials" box. Then insert "Parent", "Grandparent" or "Guardian" in the "Applicant's status" box. If you make an application for a child in this way, you may also apply separately for your own benefit.

**2. Insert in Box 2 the number (in figures) of Jupiter Split Trust Package Units for which you are applying.** Applications must be for a minimum of 20 Jupiter Split Trust Package Units and, thereafter, in multiples of 10 Jupiter Split Trust Package Units.

**3. Insert in Box 3 the amount (in figures) of your cheque or banker's draft.**

The amount of your cheque or banker's draft should be £60 per Jupiter Split Trust Package Unit multiplied by the number of units inserted in Box 2.

**4. Sign and date the Application Form in Box 4.**

The Application Form may be signed by someone else on your behalf if duly authorised by power of attorney to do so, but the original power(s) of attorney or a duly certified copy thereof must be enclosed for inspection and will be returned in due course. A corporation should sign under the hand of a duly authorised officer whose representative capacity must be stated.

**5. Attach with a pin your cheque or banker's draft to your completed Application Form at Box 5. Your cheque or banker's draft must be made payable to "The Royal Bank of Scotland plc- A/C JST Share Offer" for the full amount payable on application as inserted in Box 3 and should be crossed "A/C Payee only".**

No receipt will be issued for this payment, which must be solely for this application. Payments must be made by cheque or banker's draft only; no other methods of payment will be accepted.

Your cheque or banker's draft must be drawn in sterling on an account at a branch (which must be in the United Kingdom, the Channel Islands or the Isle of Man) of a bank or building society which is either a settlement member of the Cheque & Credit Clearing Company Limited or the CHAPS Clearing Company Limited or a member of either of the Committees of Scottish or Belfast Clearing Houses or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided for any such members and must bear the appropriate sorting code number in the top right hand corner.

Application may be accompanied by a cheque drawn by someone other than the applicant(s), but any monies to be returned will be sent by crossed cheque in favour of the person named in Box 1. However, where verification is required pursuant to the Money Laundering Regulations 1993 and verification is not provided within a reasonable time, monies to be returned will be sent by crossed cheque in favour of the drawer to the office of the bank or building society shown on the remittance.

If an application for Jupiter Split Trust Package Units with a value at the issue price of £60 per Package Unit of more than £10,000 (or is one of a series of linked applications, the aggregate value of which exceeds this amount) is accompanied by a cheque or banker's draft drawn by someone other than the applicant named in Box 1 (eg a building society cheque), please ensure that one of the following documents is enclosed with your Application Form; a certified copy of the applicant's passport or driving licence or a recent original bank or building society statement in the applicant's name. A copy passport or driving licence should be certified by a solicitor or bank. Original documents will be returned by post at the applicant's risk. These documents are required by way of verification pursuant to the Money Laundering Regulations 1993.

**6. You may apply jointly with up to three other persons**

If you do so, you must then arrange for the Application Form to be completed by or on behalf of each joint applicant (to a maximum of three other persons). Their full names should be inserted in BLOCK CAPITALS in Box 6. Definitive share certificates in the names of the joint applicants will be sent to the applicant named in Box 1.

**Box 6 must be signed by or on behalf of each joint applicant (other than the first applicant who should sign in Box 4 and complete Box 1).**

If anyone is signing on behalf of any joint applicant(s), that person may only do so if duly authorised by power of attorney and the original power(s) of attorney or a duly certified copy thereof must be enclosed with the Application Form. Photocopied Application Forms will not be accepted.

**Application Forms, together with the cheque or banker's draft, must be posted or delivered by hand to The Royal Bank of Scotland plc, Registrar's Department, New Issues Section, 3rd Floor, 67 Lombard Street, London EC3P 3DL so as to be received no later than 10.00 a.m. on 13th December 1995. If you post your Application Form, you are recommended to use first class post and to allow at least two working days for delivery.**

# APPLICATION FORM

## for Jupiter Split Trust Package Units

Applications and cheques must be received by 10.00 a.m. on 13th December 1995. Before completing this Application Form you should read the Terms and Conditions of Application in Part VI of the Prospectus and the "Guide to the Application Form".

Please send the completed Form to The Royal Bank of Scotland plc, Registrars Department, 3rd Floor, 67 Lombard Street, London EC3P 3DC by hand or by post.

### REGISTRATION DETAILS

BLOCK CAPITALS PLEASE

①

Title: Mr/Mrs/Miss/Ms/Other	Full Forename(s)
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Surname	Minor's Initials	Applicant's status
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Permanent Address
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Postcode
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②

I/We offer to subscribe for  Jupiter Split Trust Package Units at the price of £60 per Package Unit on the Terms and Conditions of Application set out in the Prospectus dated 23rd November 1995.

③

I/We enclose a cheque or banker's draft made payable to "The Royal Bank of Scotland plc — A/C JST Share Offer" and crossed "A/C Payee only" for

£ <input style="width: 100px;" type="text"/>
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④

Signature	Date <span style="float: right;">1995</span>
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⑤

Pin your cheque or banker's draft here.

⑥

For joint applications please complete the following:—			
Title	Full Forename(s)	Surname	Signature

Authorised Intermediaries Stamp

