

original seen

No. 8851 of 2010

IN THE HIGH COURT OF JUSTICE

CHANCERY DIVISION

COMPANIES COURT

MRS JUSTICE PROUDMAN

FRIDAY 17 DECEMBER 2010



IN THE MATTER OF BLUEBAY ASSET MANAGEMENT PLC

- and -

IN THE MATTER OF THE COMPANIES ACT 2006



ORDER

UPON THE ADJOURNED APPLICATION by Part 8 Claim Form of the above named BlueBay Asset Management plc (the "**Company**") the Claimant named in the Claim Form issued in this Court in the above matters on 28 October 2010

AND UPON HEARING Counsel for the Company

AND UPON READING the Claim Form and the evidence

AND UPON Royal Bank of Canada appearing by Counsel for the Company (being its Counsel for this purpose) consenting to the scheme of arrangement (the "**Scheme**") under Part 26 of the Companies Act 2006 dated 5 November 2010 hereinafter sanctioned and undertaking to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to the Scheme

AND UPON THE COMPANY UNDERTAKING to deliver to the Registrar of Companies immediately following the delivery to him of the Statement of Capital set forth in the Second Schedule hereto a further statement of capital in respect of the allotment of shares to Royal Bank of Canada and/or its nominees upon the application of the reserve arising in the books of the Company as a result of the reduction of capital being applied in paying up in full new ordinary shares in the capital of the Company

THIS COURT HEREBY sanctions the Scheme as set out in Schedule 1 to this Order

THIS COURT HEREBY confirms, in accordance with the provisions of the above mentioned Act, the reduction of the capital in connection with the Scheme resolved on and effected by a special resolution passed at a general meeting of the Company held on 29 November 2010



AND THE COURT HEREBY APPROVES the statement of capital set out in Schedule 2 to this Order

IT IS ORDERED THAT:

- (a) this Order be produced by the Company to the Registrar of Companies and that the Company deliver an office copy of the Order to him, together with the statement of capital;
- (b) the Registrar of Companies be directed pursuant to section 650(2)(a) of the above mentioned Act to register this Order notwithstanding that it has the effect of bringing the nominal value of the allotted share capital of the Company below the authorised minimum; and
- (c) notice of registration by the Registrar of Companies of this Order (so far as it confirms the reduction of capital of the Company) and of statement of capital be published by the Company once in The Times newspaper within 21 days after such registration.

DATED 17 December 2010

PART IV
SCHEME OF ARRANGEMENT

**IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
COMPANIES COURT**

No: 8851 of 2010

IN THE MATTER OF BLUEBAY ASSET MANAGEMENT PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

SCHEME OF ARRANGEMENT

(under Part 26 of the Companies Act 2006)

between

BLUEBAY ASSET MANAGEMENT PLC

and

THE HOLDERS OF SCHEME SHARES

(as hereinafter defined)

- (A) In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings

"BlueBay"	BlueBay Asset Management plc, a company incorporated in England and Wales (with registered number 03262598) with its registered office at 77 Grosvenor Street, London W1K 3JR
"BlueBay Shares"	ordinary shares of 0.1 pence each in the capital of BlueBay
"Business Day"	any day (excluding Saturday, Sunday or public holidays in England or Wales) on which banks are open for general banking business in the City of London
"certificated" or "in certificated form"	in relation to a share or other security, a share or other security which is not in uncertificated form (that is, not in CREST)
"Companies Act"	the Companies Act 2006, as amended
"Court"	Her Majesty's High Court of Justice in England and Wales
"Court Meeting"	the meeting of the holders of Scheme Shares convened by order of the Court pursuant to section 896 of the Companies Act to consider and, if thought fit, approve the Scheme (with or without modification), and any adjournment of that meeting
"Court Order"	the order of the Court sanctioning the Scheme and confirming the Reduction of Capital,
"CREST"	a relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI No 2001/3755)) in respect of which Euroclear is the Operator (as defined in such Regulations)
"Encumbrances"	all mortgages, pledges, liens, charges, options, encumbrances, equitable rights, rights of pre-emption, assignments, hypothecations or any other third party rights of any nature whatsoever
"Euroclear"	Euroclear UK & Ireland Limited

"Hearing Date"	the date of the hearing by the Court to sanction the Scheme and the Reduction of Capital
"holder"	a registered holder of shares and includes any person(s) entitled by transmission
"Member"	a member of BlueBay on the register of members at any relevant date
"New BlueBay Shares"	the new ordinary shares of 0.1 pence each in the capital of BlueBay to be issued and credited as fully paid pursuant to the Scheme
"Panel"	the Panel on Takeovers and Mergers
"RBC"	Royal Bank of Canada, a bank chartered under the Bank Act (Canada) whose head office is at 200 Bay Street, Toronto, Ontario, Canada
"Reduction of Capital"	the reduction of BlueBay's share capital by the cancellation of the Scheme Shares under section 641 of the Companies Act
"Scheme"	this scheme of arrangement in its present form or with or subject to any modification, addition or condition imposed by the Court and agreed by BlueBay and RBC
"Scheme Effective Date"	the date on which the Scheme becomes effective in accordance with Clause 6 of the Scheme
"Scheme Effective Time"	the time on the Scheme Effective Date at which the Scheme becomes effective
"Scheme Record Time"	6:00 p.m. on the Business Day immediately preceding the Hearing Date
"Scheme Shares"	<p>the BlueBay Shares</p> <p>(i) in issue at the date of the Scheme and which remain in issue until the Scheme Record Time,</p> <p>(ii) (if any) issued after the date of the Scheme and prior to the Voting Record Time and which remain in issue until the Scheme Record Time; and</p> <p>(iii) (if any) issued on or after the Voting Record Time and before the Scheme Record Time on terms that the holder thereof shall be bound by the Scheme or in respect of which the original or any subsequent holder thereof is or shall have agreed in writing to be bound by the Scheme and, in each case, which remain in issue until the Scheme Record Time</p> <p>excluding, in any case, any BlueBay Shares held by or on behalf of RBC at the Scheme Record Time</p>
"Statement of Capital"	the statement of capital approved by the Court and showing with respect to BlueBay's share capital, as altered by the Court Order, the information required by section 649 of the Companies Act
"uncertificated" or "uncertificated form"	in relation to a share or other security, a share or other security which is recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
"Voting Record Time"	6 00 p.m. on 27 November 2010 or, if the Court Meeting is adjourned, 6.00 p.m. on the day which is two days before such adjourned meeting

- (B) As at 2 November 2010 (the latest practicable date prior to the date of this Scheme), 198,635,000 BlueBay Shares have been issued and are credited as fully paid
- (C) As at the date of the Scheme, RBC does not own any BlueBay Shares. It is proposed that RBC will acquire one BlueBay Share prior to the Hearing Date
- (D) The purpose of the Scheme is to provide for the cancellation of the Scheme Shares in consideration for the payment of 485 pence in cash per Scheme Share to the holders of the Scheme Shares.
- (E) RBC has agreed to appear by counsel at the hearing to sanction the Scheme and to confirm the Reduction of Capital to consent to the Scheme and has agreed to be bound by, and to undertake to the Court to be bound by, the terms of the Scheme and to execute and do, or procure to be executed and done, all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purposes of giving effect to the Scheme.

The Scheme

1) Cancellation of Scheme Shares

- 1.1 The share capital of BlueBay shall be reduced by cancelling and extinguishing the Scheme Shares
- 1.2 Forthwith and contingently upon the Reduction of Capital taking effect and notwithstanding anything to the contrary in BlueBay's articles of association:
 - (a) the share capital of BlueBay shall be increased to its former amount by the issue of such number of New BlueBay Shares as shall be equal to the number of Scheme Shares cancelled pursuant to clause 1.1 of the Scheme, and
 - (b) BlueBay shall apply and capitalise the reserve arising in its books of account as a result of the cancellation of the Scheme Shares in paying up, in full at par, the New BlueBay Shares issued pursuant to clause 1.2(a) of the Scheme which shall be allotted and issued credited free from Encumbrances as fully paid to RBC

2) Consideration for the cancellation of the Scheme Shares

In consideration of the cancellation of the Scheme Shares and the allotment and issue of the New BlueBay Shares as provided in clause 1.2(b) of the Scheme, RBC shall pay to each holder of Scheme Shares (as appearing in the register of members of BlueBay at the Scheme Record Time) cash consideration on the following basis:

for each Scheme Share

485 pence in cash

3) Share certificates and cancellations in CREST

- 3.1 With effect from the Scheme Effective Time, each existing certificate representing a holding of Scheme Shares shall cease to be valid in respect of such holding and each holder of Scheme Shares shall be bound at the request of BlueBay to deliver up the same to BlueBay or to any person appointed by BlueBay to receive the same for cancellation or destroy such share certificate.
- 3.2 With effect from the Scheme Effective Time, in respect of those holders of Scheme Shares held in uncertificated form, Euroclear shall be instructed to cancel such holders' entitlement to such Scheme Shares
- 3.3 On the Scheme Effective Date, as regards all Scheme Shares, appropriate entries will be made in BlueBay's register of members to reflect their cancellation with effect from the Scheme Effective Time.

4) Settlement

- 4.1 Settlement of the consideration shall be effected as follows
 - (a) in the case of Scheme Shares which at the Scheme Record Time are in uncertificated form in CREST, the cash consideration to which such person is entitled shall be credited to such person's CREST account as soon as practicable, in any event not later than 14 days after the Scheme Effective Date;

- (b) as from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST shall be disabled and all Scheme Shares will be removed from CREST in due course thereafter; and
- ~~(c) in the case of Scheme Shares which at the Scheme Record Time are in certificated form, the cash consideration shall be paid by way of a cheque. Cheques shall be dispatched as soon as practicable, in any event not later than 14 days after the Scheme Effective Date~~
- 4.2 All deliveries of documents and cheques required to be made pursuant to the Scheme shall be effected by posting the same by first class post (or such other method as may be approved by the Panel) to the address appearing in the register of members of BlueBay at the Scheme Record Time (or, in the case of joint holders, to the address of that one of the joint holders whose name appears first in the register of members of BlueBay in respect of such joint holding). All cheques shall be in sterling and drawn on a branch of a UK clearing bank.
- 4.3 Neither RBC nor BlueBay shall be responsible for any loss or delay in the delivery of any certificates or cheques posted in accordance with clause 4.1 or 4.2, which shall be posted at the risk of the persons entitled thereto.
- 4.4 All cheques shall be made payable to the holder or, in the case of joint holders, to the first named of such holders of the Scheme Shares concerned and the encashment of any such cheque shall be a complete discharge of the obligations of RBC to pay the moneys represented thereby.
- 4.5 In respect of payments made through CREST, RBC shall procure that a payment obligation is created in accordance with the CREST payment arrangements. The creation of such a payment obligation shall be a complete discharge of RBC's obligation to pay such money.
- 5) Dividend and other mandates and instructions**
- All mandates relating to the payment of dividends on Scheme Shares and all instructions (or deemed instructions) given (or deemed given) in BlueBay in relation to notices and other communications by Members which are in force at the Scheme Effective Time shall be revoked at the Scheme Effective Time.
- 6) The Scheme Effective Time**
- 6.1 The Scheme shall become effective as soon as an office copy of the Court Order sanctioning the Scheme and the Reduction of Capital and the Statement of Capital shall have been delivered to the Registrar of Companies.
- 6.2 Unless the Scheme shall have become effective on or before the close of business on 31 March 2011 (London time), or such later date (if any) as BlueBay and RBC may agree and the Court may approve, the Scheme shall never become effective.

7) Modification

BlueBay and RBC may jointly consent on behalf of all persons concerned to any modification of or addition to the Scheme or to any condition which the Court may think fit to approve or impose.

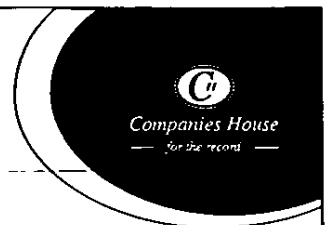
Dated 5 November 2010

SCHEDULE 2

STATEMENT OF CAPITAL

SH19

Statement of capital



A fee is payable with this form.
Please see 'How to pay' on the last page

☒ **What this form is for**
You may use this form as a statement of capital for a private limited company reducing its capital supported by a solvency statement, or for a private or public limited company reducing its capital supported by a court order

☐ **What this form is NOT for**
You cannot use this form to complete a statement of capital for a company re-registering from unlimited to limited

For further information, please refer to our guidance at www.companieshouse.gov.uk

1 Company details

Company number 03262598

Company name in full BlueBay Asset Management plc

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

Statement of capital

Section 2 (also Section 3 and Section 4 if appropriate) should reflect the company's share capital as reduced by the resolution.

2 Statement of capital (Share capital in pound sterling (£))

Please complete the table below to show any class of shares held in pound sterling
If all your issued capital is in sterling, only complete Section 2 and then go to Section 5

Class of shares (E.g. Ordinary/Preference etc.)	Amount paid up on each share ①	Amount (if any) unpaid on each share ①	Number of shares ②	Aggregate nominal value ③
Ordinary	33,697,799 01		1	£ 0 001
				£
				£
				£
Totals			1	£ 0 001

3 Statement of capital (Share capital in other currencies)

Please complete the table below to show any class of shares held in other currencies.
Please complete a separate table for each currency

Currency				
Class of shares (E.g. Ordinary / Preference etc.)	Amount paid up on each share ①	Amount (if any) unpaid on each share ①	Number of shares ②	Aggregate nominal value ③
Totals				

① Including both the nominal value and any share premium

③ Number of shares issued multiplied by nominal value of each share

② Total number of issued shares in this class.

Continuation pages
Please use a Statement of Capital continuation page if necessary

SH19

Statement of capital

Currency

Class of shares (E.g. Ordinary/Preference etc.)	Amount paid up on each share ❶	Amount (if any) unpaid on each share ❶	Number of shares ❷	Aggregate nominal value ❸
Totals				

❶ Including both the nominal value and any share premium

❷ Number of shares issued multiplied by nominal value of each share

Continuation pages
Please use a Statement of Capital continuation page if necessary

❸ Total number of issued shares in this class

4 Statement of capital (Totals)

	Please give the total number of shares and total aggregate nominal value of issued share capital	❶ Total aggregate nominal value Please list total aggregate values in different currencies separately For example £100 + €100 + \$10 etc
Total number of shares		
Total aggregate ❶ nominal value		

5 Statement of capital (Prescribed particulars of rights attached to shares)

	Please give the prescribed particulars of rights attached to shares for each class of share shown in the statement of capital share tables in Section 2 and Section 3	❶ Prescribed particulars of rights attached to shares The particulars are a particulars of any voting rights, including rights that arise only in certain circumstances, b particulars of any rights, as respects dividends, to participate in a distribution, c particulars of any rights, as respects capital, to participate in a distribution (including on winding up), and d whether the shares are to be redeemed or are liable to be redeemed at the option of the company or the shareholder and any terms or conditions relating to redemption of these shares A separate table must be used for each class of share Please use a Statement of capital continuation page if necessary
Class of share	Ordinary	
Prescribed particulars ❶	One vote per share, Rights to participate in dividends, and in a distribution, Pari passu ranking, and Non-redeemable	
Class of share		
Prescribed particulars ❶		

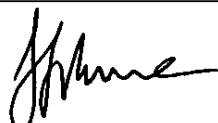
SH19

Statement of capital

Class of share		1 Prescribed particulars of rights attached to shares The particulars are a particulars of any voting rights, including rights that arise only in certain circumstances, b particulars of any rights, as respects dividends, to participate in a distribution, c particulars of any rights, as respects capital, to participate in a distribution (including on winding up), and d whether the shares are to be redeemed or are liable to be redeemed at the option of the company or the shareholder and any terms or conditions relating to redemption of these shares A separate table must be used for each class of share Please use a Statement of capital continuation page if necessary
Prescribed particulars 1		
Class of share		
Prescribed particulars 1		

6

Signature

I am signing this form on behalf of the company		1 Societas Europaea If the form is being filed on behalf of a Societas Europaea (SE), please delete 'director' and insert details of which organ of the SE the person signing has membership 1 Person authorised Under either section 270 or 274 of the Companies Act 2006
Signature	Signature X  X	
This form may be signed by Director, Secretary, Person authorised, CIC manager		

SH19

Statement of capital

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Kathryn Baillie

Company name Herbert Smith

Address Exchange House

Primrose Street

Post town London

County/Region

Postcode E C 2 A 2 H S

Country

DX

Telephone

**Checklist**

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

- ☐ The company name and number match the information held on the public Register
- ☐ You have completed the relevant sections of the statement of capital
- ☐ You have signed the form
- ☐ You have enclosed the correct fee

**Important information**

Please note that all information on this form will appear on the public record

**How to pay**

A fee of £10 is payable to Companies House to reduce the share capital by Court Order or by Solvency Statement

Make cheques or postal orders payable to 'Companies House'

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the appropriate address below

For companies registered in England and Wales
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1

**Further information**

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

No. 8851 of 2010

IN THE HIGH COURT OF JUSTICE

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MRS JUSTICE PROUDMAN

17 December 2010

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**IN THE MATTER OF THE
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ORDER

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