

**IN THE ROYAL COURT OF JERSEY**

**SAMEDI DIVISION**

**SG Kleinwort Hambros Bank (CI) Limited**

**and**

**SG Kleinwort Hambros Bank Limited, Jersey Branch**

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**SCHEME**  
**for the transfer of the banking business of**  
**SG Kleinwort Hambros Bank (CI) Limited to SG Kleinwort Hambros Bank Limited, Jersey**  
**Branch**  
**pursuant to Article 48D and the Schedule to the Banking Business (Jersey) Law 1991**

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**PART A - INTRODUCTION****1. BACKGROUND**

- 1.1 The Kleinwort Hambros group carries on the business of providing private banking, asset management, wealth management and related financial services to individual and corporate customers. This business includes the Transferring Business.
- 1.2 Kleinwort Hambros wishes to reorganise its business in Jersey so that all deposit-taking (as defined in the Banking Law), lending and other banking business and ancillary investment business currently carried on from within Jersey by SGKH(CI)L will be carried on by SGKHJB.
- 1.3 On the Effective Date, SGKH(CI)L therefore intends to transfer its deposit-taking business to SGKHJB to transform the corporate organisation whilst maintaining client service flexibility, and realise efficiencies that arise from the simplification of the organisation.
- 1.4 As part of this transfer, there will be no change to the way customers operate their accounts, and SGKH(CI)L and SGKHJB will work with local courts and regulators to ensure full compliance with local law and best practice.
- 1.5 It is, therefore, proposed that, subject to and in accordance with Article 48D and the Schedule to the Banking Law, the Transferring Business shall by the Order transfer to SGKHJB on and with effect from the Effective Date in accordance with the terms of this Scheme.
- 1.6 The reorganisation will involve the transfer as a going concern of the Transferring Business and all assets and liabilities of SGKH(CI)L related to the Transferring Business to SGKHJB with limited exceptions. The Transferring Business comprises the business relating to deposit-taking and investment business of SGKH(CI)L, referred to as the Transferring Accounts and the Transferring Investment Services, and the assets and liabilities relating to such Transferring Accounts and Transferring Investment Services, save for certain Excluded Business, Excluded Assets and Excluded Liabilities.

**2. INTERPRETATION**

The definitions and principles of interpretation set out in Schedule 1 shall apply in this Scheme.

**PART B - THE TRANSFER****3. TRANSFER OF THE TRANSFERRING BUSINESS****Transfer of the Transferring Business**

- 3.1 Each and every part of the Transferring Business shall be transferred from SGKHCIL and transferred to, and vested in, SGKHJB, on and with effect from the Effective Date, in accordance with the terms of this Scheme.
- 3.2 The Scheme shall not operate to transfer any of the Excluded Business, the Excluded Liabilities or the Excluded Assets.

**Transfer of assets and liabilities with associated Encumbrance or FX Agreement**

- 3.3 Any Transferring Asset (including any asset arising under a Customer Agreement and any associated loan, lease, letter of credit, bond, note, debenture, derivative, guarantee, indemnity or other right or benefit) which is subject to an Encumbrance granted by or in favour of SGKHCIL, shall only transfer to SGKHJB if the relevant Encumbrance transfers at the same time, and any Encumbrance granted by or in favour of SGKHCIL over any Transferring Asset shall only transfer to SGKHJB if the relevant Transferring Asset transfers at the same time.
- 3.4 Any Transferring Liability of SGKHCIL (including any liability arising under a Customer Agreement and any associated loan, lease, letter of credit, bond, note, debenture, derivative, guarantee indemnity or other liability) which is subject to an Encumbrance granted by or in favour of SGKHCIL shall only transfer to SGKHJB if the relevant Encumbrance transfers at the same time, and any Encumbrance granted by or in favour of SGKHCIL in respect of any Transferring Liability shall only transfer to SGKHJB if the relevant Transferring Liability transfers at the same time.
- 3.5 Any Transferring Account held by a Customer who has entered into an FX Agreement or on whose behalf an FX Agreement has been entered into, shall only transfer to SGKHJB if the relevant FX Agreement transfers at the same time, and any FX Agreement shall only transfer to SGKHJB if the relevant Customer's Transferring Account transfers at the same time.
- 3.6 Any assets or liabilities, including any related Encumbrance granted by or in favour of SGKHCIL, and any Transferring Accounts and FX Agreements, which do not transfer as a result of paragraphs 3.3 or 3.4 shall be held by SGKHCIL as Residual Assets or Residual Liabilities until the Residual Transfer Date applicable to them.
- 3.7 Residual Assets and Residual Liabilities and any related Encumbrance or related FX Agreement may be transferred to SGKHJB pursuant to this Scheme or by any other applicable process or procedure.
- 3.8 Any reference to obligations owed to or by SGKHCIL in the terms of any Encumbrance or FX Agreement relating to or comprising a Residual Asset shall, on and with effect from the Effective Date, have effect as if SGKHJB had always been party to the Encumbrance or FX Agreement and such obligations had always been owed to or by SGKHJB.

**Consequences of the transfer**

- 3.9 Neither the transfer of the Transferring Business nor this Scheme nor anything done or omitted to be done in connection with the transfer of the Transferring Business or this Scheme shall, whether before or after the Effective Date:
- (a) invalidate, discharge or result in the termination of any agreement, instrument, trust deed, indenture, Encumbrance, right, interest, benefit, power, obligation or title;

- (b) constitute a breach of or default, event of default, potential event of default, termination event, mandatory prepayment event, enforcement event or other similar event or condition (however described) under, or allow any person to terminate, any agreement, instrument, trust deed, indenture, Encumbrance, right, interest, benefit, power, obligation or title;
  - (c) require any registration, re-registration or filing or any amendment to any existing registration or filing in respect of any agreement, instrument, trust deed, indenture, Encumbrance, right, interest, benefit, power, obligation or title;
  - (d) require any person to perform any new or additional obligation or to take any new or additional step or action, including the giving of any notice, the obtaining of any consent, approval or determination, the accession to any agreement, the payment of any fee, cost, expense, interest or other amount, the granting of any new or additional Encumbrance or the transfer of any asset or property;
  - (e) entitle or require any person to exercise any right or remedy, to reduce, suspend, delay, alter or discharge its rights or obligations, to accelerate, terminate, suspend, delay, alter or discharge the performance of any rights or obligations or otherwise to vary, amend, disclaim, repudiate or terminate any agreement, instrument or Encumbrance; or
  - (f) affect the enforceability, priority or ranking of any Encumbrance.
- 3.10 On and with effect from the Effective Date, SGKHJB shall succeed to the Transferring Business as if in all respects, but subject to the terms of this Scheme, SGKHJB were the same person in law as SGKH(CI)L with such assets, property and liabilities as SGKH(CI)L had immediately prior to the Effective Date with respect to the relevant part of the Transferring Business.

#### **Amendment of contracts and title**

- 3.11 Subject to paragraph 3.9 and Part D, nothing in this Scheme shall prejudice any right which SGKHJB or any other person may have on the Effective Date or subsequently to vary, terminate or perfect any agreement, instrument, trust deed, indenture, Encumbrance, right, interest, benefit, power, obligation or title whether under its terms as amended by this Scheme, by law or otherwise.

#### **Transferability**

- 3.12 The transfers made pursuant to this Scheme shall have effect notwithstanding any provision to the contrary in any agreement, instrument, trust deed, indenture or arrangement and whether or not SGKH(CI)L and SGKHJB have capacity to effect the same.

### **4. TRANSFER OF ACCOUNTS**

#### **Transferring Accounts**

- 4.1 On and with effect from the Effective Date, each Transferring Account shall, by this Scheme and without any further act, instrument, agreement or consent, be transferred to and vest in SGKHJB subject to all Encumbrances (if any) affecting such Transferring Account in accordance with the terms of this Scheme.

### **5. TRANSFER OF ASSETS**

#### **Transferring Account Assets**

- 5.1 Upon the transfer of each Transferring Account, the Transferring Account Assets shall, by this Scheme and without any further act, instrument, agreement or consent, be transferred

to and vest in SGKHJB, subject to all Encumbrances (if any) affecting such Transferring Account Asset in accordance with the terms of this Scheme.

### **Residual Assets**

- 5.2 On and with effect from each Residual Transfer Date, each Residual Asset to which such Residual Transfer Date applies shall, by this Scheme and without any further act, instrument, agreement or consent, be transferred to and vest in SGKHJB, subject to all Encumbrances (if any) affecting such Residual Asset, in accordance with the terms of this Scheme.

### **Title to assets**

- 5.3 SGKHJB shall accept without investigation or requisition such title as SGKH(CI)L shall have at the Effective Date to the Transferring Assets.

## **6. TRANSFER OF LIABILITIES**

### **Transferring Account Liabilities**

- 6.1 Upon the transfer of each Transferring Account, the Transferring Account Liabilities shall, by this Scheme and without any further act, instrument, agreement or consent, be transferred to and become liabilities of SGKHJB subject to all Encumbrances (if any) affecting such liabilities and shall cease to be liabilities of SGKH(CI)L in accordance with the terms of this Scheme.

### **Residual Liabilities**

- 6.2 On and with effect from each Residual Transfer Date, each Residual Liability to which such Residual Transfer Date applies shall, by this Scheme and without any further act, instrument, agreement or consent, be transferred to and become a liability of SGKHJB subject to all Encumbrances (if any) affecting such Residual Liability and shall cease to be liabilities of SGKH(CI)L in accordance with the terms of this Scheme.

## **PART C - FURTHER PROVISIONS RELATING TO THE TRANSFER**

### **7. CONTINUITY IN CONTRACTS**

- 7.1 On and with effect from the Effective Date, each contract relating to the Transferring Business, whether in writing or not, shall have effect as if SGKHJB had always been a party to it instead of SGKH(CI)L and subject to the terms of this Scheme, each such contract shall be subject to the same terms and conditions and Encumbrances as applicable immediately prior to the Effective Date, and accordingly the rights and obligations of SGKH(CI)L in respect of any such contract shall be extinguished.

- 7.2 On and with effect from the Effective Date and subject to the terms of this Scheme:

- (a) any loan or mortgage granted or made available to any person by SGKH(CI)L in relation to the Transferring Business immediately prior to the Effective Date shall become a loan or mortgage granted or made available to such person by SGKHJB and, subject to the terms of this Scheme, SGKHJB will have all rights, powers, remedies and Encumbrances in its favour, and will be subject to the same obligations and Encumbrances against it and without affecting the enforceability, priority or ranking of any such Encumbrance, in respect of such loan or mortgage as SGKH(CI)L immediately prior to the Effective Date;
- (b) any deposit made with SGKH(CI)L by any person in relation to the Transferring Business immediately prior to the Effective Date shall become a deposit made with SGKHJB by such person, and, subject to the terms of this Scheme, SGKHJB will have the same rights, powers, remedies and Encumbrances in its favour and will be subject to the same obligations and Encumbrances against it and without affecting the enforceability, priority or ranking of any such Encumbrance, in respect of such deposit as SGKH(CI)L immediately prior to the Effective Date;

- (c) any account between SGKH(CI)L in relation to the Transferring Business and any other person shall become an account between SGKHJB and such person and, subject to the terms of this Scheme, shall be subject to the same terms and conditions and Encumbrances as applicable to it immediately prior to the Effective Date, and such account shall be deemed for all purposes to be a single continuing account irrespective of any redesignation or change in reference to that account made on or after the Effective Date, and any Encumbrance over such account immediately prior to the Effective Date shall continue to be an Encumbrance over the account on and after the Effective Date, including in circumstances where the account is redesignated or re-referenced, without the giving of any notice or the taking of any other steps;
- (d) as regards agreements in relation to the Transferring Business under which interest, principal or other sums attributable or referable thereto are payable:
  - (i) to the extent that interest, principal or other sums were payable by or a liability of SGKH(CI)L immediately prior to the Effective Date, such interest, principal or other sums shall be payable by or a liability of SGKHJB;
  - (ii) to the extent that interest, principal or other sums were payable to SGKH(CI)L immediately prior to the Effective Date, such interest, principal or other sums shall be payable to SGKHJB; and
  - (iii) SGKH(CI)L shall account to SGKHJB for any interest or principal or other sums to the extent that the same are received by SGKH(CI)L.

### 7.3 On and with effect from the Effective Date:

- (a) subject to the terms of this Scheme, any Encumbrance in respect of or constituting part of the Transferring Business held by or vested in SGKH(CI)L or a nominee or agent of or trustee for SGKH(CI)L (whether for SGKH(CI)L alone or for SGKH(CI)L and other persons), immediately prior to the Effective Date shall be held or vested in SGKHJB or, as applicable, that nominee, agent or trustee for SGKHJB as if SGKHJB or that nominee, agent or trustee had always held such Encumbrance or had the benefit of such Encumbrance and be available to and enforceable by SGKHJB or the relevant nominee, agent or trustee, both with respect to (i) any liabilities and indebtedness (including any principal, interest, fees, charges or other sums) to which the Encumbrance relates which has been incurred or which has arisen prior to the Effective Date and (ii) any liabilities and indebtedness (including any principal, interest, fees, charges or other sums) to which the Encumbrance relates which is incurred or which arises on or after the Effective Date;
- (b) in relation to any Encumbrance referred to in paragraph 7.3(a) and any liabilities thereby secured, SGKHJB, or the relevant nominee, agent or trustee, shall on and from the Effective Date, be entitled to the same rights, ranking and priorities and be subject to the same obligations and incidents as those to which SGKH(CI)L or the relevant nominee, agent or trustee, was entitled and subject immediately prior to the Effective Date and, without prejudice to the generality of the foregoing, all waivers, amendments, conditions, consents, deeds of substitution, deeds of release, ranking agreements and priority agreements relating to any such Encumbrance shall be enforceable by and binding upon SGKHJB, or the relevant nominee, agent or trustee, on and after the Effective Date to the same extent to which the same would have been enforceable by and binding upon SGKH(CI)L or the relevant nominee, agent or trustee, prior to the Effective Date; and
- (c) in relation to any Encumbrance referred to in paragraph 7.3(a) and any liabilities thereby secured, all property, certificates of title, letters of authority, notices or other documents held as collateral or otherwise for the purpose of or in connection with such Encumbrance held by SGKH(CI)L, or the relevant nominee, agent or trustee for SGKH(CI)L, shall on and from the Effective Date, be transferred and delivered to SGKHJB or the relevant nominee, agent or trustee for SGKHJB, and, to the extent that SGKH(CI)L or the relevant nominee, agent or trustee for SGKH(CI)L, does not effect such delivery on the Effective Date, such property, certificates of title, letters

of authority, notices or other documents shall be held by SGKH(CI)L or the relevant nominee, agent or trustee for SGKH(CI)L, for and on behalf of SGKHJB or the relevant nominee, agent or trustee for SGKHJB, until such delivery takes place.

- 7.4 On and with effect from the Effective Date and subject to the terms of this Scheme, any asset relating to such part of the Transferring Business as is transferred to and vesting in SGKHJB on the Effective Date and which was held by SGKH(CI)L, whether alone or jointly with others, as a trustee, custodian or in a similar fiduciary capacity shall be held by SGKHJB alone or jointly, as the case may be, and in the capacity of a trustee, custodian or similar fiduciary capacity, as the case may be, with and subject to the rights, powers, duties and obligations previously applicable to SGKH(CI)L.
- 7.5 On and with effect from the Effective Date and subject to the terms of this Scheme, any asset relating to such part of the Transferring Business transferred to and vesting in SGKHJB on the Effective Date and in which SGKH(CI)L was interested, whether alone or jointly with others, as a beneficiary or in a similar capacity shall vest in SGKHJB alone or jointly, as the case may be, and in the capacity of a beneficiary or similar capacity, as the case may be, with and subject to the rights, powers, duties and obligations previously applicable to SGKH(CI)L.
- 7.6 Subject to paragraph 7.7, on and with effect from the Effective Date and subject to the terms of this Scheme, all references in respect of such part of the Transferring Business as is transferring on the Effective Date, in a Customer Agreement to which SGKH(CI)L is party, in a contract to which SGKH(CI)L is a party or elsewhere, to SGKH(CI)L, the SGKH(CI)L Board or any director, officer, employee or agent of SGKH(CI)L shall be read as references to SGKHJB, the applicable management committee of SGKHJB, any member of such management committee, officer, employee or agent of SGKHJB respectively. In addition, all rights and/or duties exercisable or expressed to be exercisable or responsibilities to be performed by SGKH(CI)L, the SGKH(CI)L Board or any director, officer, employee or agent of SGKH(CI)L, in a Customer Agreement shall, on and with effect from the Effective Date relating to the transfer of such part of the Transferring Business as is transferring on the Effective Date and subject to the terms of this Scheme, be exercisable or required to be performed by SGKHJB, the applicable management committee of SGKHJB, any member of such management committee, officer, employee or agent of SGKHJB as appropriate.
- 7.7 On and with effect from the Effective Date, a security agreement pursuant to which a security interest has been granted under the Security Interests (Jersey) Law 1983 (the **1983 Law**) in favour of SGKHBL in respect of any SGKH Secured SGKH(CI)L Account, shall have effect as if such security interest created by assignment of title to such SGKH Secured SGKH(CI)L Account to SGKHBL, pursuant to Article 2(6) of the 1983 Law, had instead been created as a security interest created by granting control of such SGKH Secured SGKH(CI)L Account to SGKHBL, pursuant to Article 2(5) of the 1983 Law, and that accordingly (i) title to such SGKH Secured SGKH(CI)L Account shall have been re-assigned to the debtor; (ii) notice of such re-assignment shall have been given to SGKH(CI)L; (iii) references in the security agreement to the assignment of the SGKH Secured SGKH(CI)L Account shall have no effect; (iv) the security agreement shall take effect as if it had provided for SGKHBL to have control over the SGKH Secured SGKH(CI)L Account; and (v) any provision of the security agreement which may limit or restrict SGKHBL's powers of control over the SGKH Secured SGKH(CI)L Account to the extent required for the purpose of Article 2(5) of the 1983 Law shall have no effect.

## 8. **CONTINUITY OF PROCEEDINGS**

- 8.1 On and with effect from the Effective Date, any Proceedings issued, served, pending, threatened or otherwise commenced or continuing in connection with such part of the Transferring Business as is transferring on the Effective Date in respect of which SGKH(CI)L is plaintiff, claimant, applicant, defendant, respondent or other party shall be continued by, against or with SGKHJB and SGKHJB shall be entitled to all defences, claims, counterclaims, defences to counterclaims and (subject to paragraph 16) rights of set-off that were or would have been available to SGKH(CI)L in relation to those Proceedings.

- 8.2 On and with effect from the Effective Date that applies in respect of any part of the Transferring Business, any Proceedings issued, served, pending, threatened or otherwise commenced or continuing in connection with any Residual Asset or Residual Liability prior to the Residual Transfer Date applicable to such Residual Asset or Residual Liability, in respect of which SGKHC(L) is plaintiff, claimant, applicant, defendant, respondent or other party shall be continued by, against or with SGKHC(L) in accordance with the directions of SGKHJB until such Residual Transfer Date.
- 8.3 For the avoidance of doubt and subject to the terms of this Scheme and except as provided in paragraph 8.2, any Proceedings issued or served which are not to be continued by, against or with SGKHJB pursuant to paragraph 8.1 shall be continued by SGKHC(L) and SGKHC(L) shall remain entitled to all defences, claims, counterclaims, defences to counterclaims and rights of set-off that were or would have been available to it in relation to those Proceedings.
- 8.4 On and with effect from the Effective Date, any judgment, settlement, order or award obtained by or against SGKHC(L) in respect of such part of the Transferring Business as is transferring on the Effective Date and which is not fully satisfied before the Effective Date shall, to the extent to which it was enforceable by or against SGKHC(L) immediately prior thereto, become enforceable by or against SGKHJB.
9. **ADDITIONAL PROVISIONS RELATING TO THE TRANSFER**
- 9.1 On and with effect from the Effective Date and subject to the terms of this Scheme:
- (a) any negotiable instrument, cheque, warrant, draft, letter of credit or order for payment of money relating to such part of the Transferring Business as is transferring on the Effective Date, drawn on or by, or given to, or accepted or endorsed by, SGKHC(L), or payable at any place of business of SGKHC(L), whether so drawn, given, accepted, endorsed or payable before, on or after the Effective Date, shall have the same effect as if it had been drawn on or by, or given to or accepted or endorsed by SGKHJB or, as the case may be, as if the place of business at which it is payable were a place of business of SGKHJB;
  - (b) the custody of any document, record, goods or other thing held by SGKHC(L) as bailee or in other similar capacity in respect of the Transferring Business shall pass to SGKHJB and the rights and obligations of SGKHC(L) under any contract or bailment relating to any such document, record, goods or thing shall on that day become rights and obligations of SGKHJB; and
  - (c) any instruction, standing order, direct debit, direction, mandate, indemnity, power of attorney, authority, undertaking, declaration or consent given to or by SGKHC(L) in respect of the Transferring Business (whether in writing or not) shall have effect as if given to or, as the case may be, by SGKHJB.
- 9.2 On and with effect from the Effective Date SGKHJB shall have the same rights, powers and remedies (and in particular the same rights and powers as to taking or resisting legal proceedings or making or resisting applications to any authority) for ascertaining, perfecting or enforcing any Transferring Asset or Transferring Liability as if it had at all times been a Transferring Asset or Transferring Liability of SGKHJB.
- 9.3 On and with effect from the Effective Date, SGKHJB shall be entitled to rely on and enforce any consent, waiver, representation, warranty, statement or estoppel given or made to SGKHC(L) by any person in relation to the Transferring Business, as though such consent, waiver, representation, warranty, statement or estoppel had been given or made to SGKHJB and to the same extent that SGKHC(L) would have been able to rely on and enforce the same.

- 9.4 On and with effect from the Effective Date, SGKHJB shall have the same rights under any contract relating to the Transferring Business, as SGKH(CI)L had immediately prior to the Effective Date to publish, determine, ascertain, vary or amend such rates, charges, tariffs, scale of fees or other terms, and any such rates, charges, tariffs, scales of fees or other terms published, determined, ascertained, varied or amended by SGKHJB on or from the Effective Date shall apply in place of those published, determined, ascertained, varied or amended by SGKH(CI)L and any reference to the "KH Base Rate" or similar in any contract or otherwise in relation to the relevant Transferring Business shall be construed as a reference to the KH base rate published by SGKHJB following the Effective Date.

**10. PRIVACY, CONFIDENTIALITY AND DATA PROTECTION**

- 10.1 On and with effect from the Effective Date, SGKHJB shall owe to any person the same duties of confidentiality and privacy as those which SGKH(CI)L owed in relation to such Transferring Business immediately prior to the Effective Date.
- 10.2 Without prejudice to the other provisions of this Scheme, SGKHJB shall, with effect from the Effective Date:
- (a) succeed to all rights, liabilities and obligations of SGKH(CI)L in respect of Transferring Personal Data;
  - (b) become the Data Controller in respect of Transferring Personal Data, except in circumstances in which SGKH(CI)L continues to use the Transferring Personal Data after the Effective Date, in which case SGKHJB and SGKH(CI)L shall each act as a separate Data Controller; and
  - (c) be under the same duty by virtue of any law to which SGKH(CI)L was subject to respect the confidentiality and privacy of any person in relation to Transferring Personal Data and shall be bound by any specific notice or Consent given, or request made, by a Data Subject in respect of Transferring Personal Data which was binding on SGKH(CI)L and which required SGKH(CI)L not to use Transferring Personal Data for marketing purposes,

and in relation to any such Transferring Personal Data, any reference to SGKH(CI)L shall be deemed to be a reference to SGKHJB.

**11. MARKETING PREFERENCES**

Where, prior to the Effective Date, a Customer has provided Marketing Preferences to each of SGKHBL and SGKH(CI)L, SGKH(CI)L's record of the Customer's Marketing Preference shall continue to apply on and with effect from the Effective Date in respect of the Transferred Business, whether or not it is the same as any Marketing Preference of that Customer that was previously provided to SGKHBL.

**12. DATA SUBJECT REQUESTS**

Where a Data Subject has made a Data Subject Request to SGKH(CI)L before the Effective Date and SGKH(CI)L has not responded to that request before the Effective Date, SGKHJB may respond to the request, in accordance with the Data Protection Law.

**13. EVIDENCE: BOOKS AND DOCUMENTS**

- 13.1 All books and other documents which would, before the Effective Date, have been evidence in respect of any matter for or against SGKH(CI)L at the Effective Date shall be admissible in evidence in respect of the same matter for or against SGKHJB on or after the Effective Date. In this paragraph "documents" has the same meaning as in Article 1 of the Civil Evidence (Jersey) Law 2003.

- 13.2 On and from the Effective Date, the Bankers' Books Evidence (Jersey) Law 1986 shall apply to any books of SGKH(CI)L transferred to, and vested in, SGKHJB by virtue of this Scheme on the Effective Date, and to entries made in those books before the Effective Date, as if such books were the books of SGKHJB.
- 13.3 For the purpose of Article 3 of the Bankers' Books Evidence (Jersey) Law 1986, books so transferred to, and vested in, SGKHJB shall be deemed to have been the ordinary books of SGKH(CI)L at the time of the making of any entry therein which purports to have been made before the Effective Date, and any such entry shall be deemed to have been made in the usual and ordinary course of business.
- 13.4 In this paragraph "books" shall be construed in accordance with Article 1(2) of the Bankers' Books Evidence (Jersey) Law 1986.

14. **ACCESS TO RECORDS**

- 14.1 Subject to the same being treated as confidential information and being kept confidential by the persons provided access under this paragraph 14:
- (a) from the Effective Date, SGKH(CI)L shall allow SGKHJB and any persons authorised by SGKHJB access on reasonable notice to the Statutory Records; and
- (b) from the Effective Date, SGKHJB shall allow SGKH(CI)L and any persons authorised by SGKH(CI)L access on reasonable notice to the Business Records which have been transferred to SGKHJB,

in each case, save to the extent that SGKH(CI)L or SGKHJB (as appropriate) is prevented from doing so by any obligation in law (including any obligation as to confidentiality), regulation, judgment or order of any court or any competent judicial, governmental, regulatory or supervisory body.

15. **DECLARATION OF TRUST BY SGKH(CI)L**

- 15.1 If any asset (other than any Excluded Asset) of SGKH(CI)L is not transferred to and vested in SGKHJB by this Scheme by reason of such asset being a Residual Asset or for any other reason then SGKH(CI)L shall, on and with effect from the Effective Date that applies in respect of any part of the Transferring Business, (but save to the extent that giving effect to such a trust would require a consent or waiver which has not been obtained or that such a trust would not be recognised by any applicable law or unless otherwise agreed by SGKH(CI)L and SGKHJB) hold any such asset, together with any proceeds of sale or income or other right accrued or return arising in respect thereof (including, any payment, property or right within paragraph 15.3 below), as trustee upon trust for the benefit of SGKHJB absolutely.
- 15.2 Unless otherwise agreed by SGKH(CI)L and SGKHJB, SGKH(CI)L shall be subject to directions from SGKHJB in respect of any asset referred to in paragraph 15.1 on and from the Effective Date that applies in respect of any part of the Transferring Business until the relevant asset is transferred to or otherwise vested in SGKHJB or is disposed of (whereupon SGKH(CI)L shall account to SGKHJB for the proceeds thereof), and SGKHJB shall have authority to act as the attorney of SGKH(CI)L in respect of such asset.
- 15.3 In the event of any payment being made to, asset being received by, or right being conferred upon SGKH(CI)L on or after the Effective Date in respect of any Transferring Business, unless otherwise agreed by SGKH(CI)L and SGKHJB, SGKH(CI)L shall, on and with effect from the Effective Date or as soon as is reasonably practicable after its receipt if the Effective Date has already passed, pay over the full amount of such payment or (to the extent to which it is able to do so) transfer such asset or right to, or in accordance with the directions of, SGKHJB and SGKHJB shall indemnify SGKH(CI)L on demand against any reasonable costs or liability incurred in making any such payment or transfer.

**PART D - PROVISIONS RELATING TO CUSTOMERS****16. SET OFF RIGHTS OF SGKHJB**

16.1 Subject to paragraph 16.2, if SGKHJB becomes entitled to exercise Set Off Rights solely as a consequence of the Scheme, SGKHJB shall not be entitled to apply those Set Off Rights to reduce or discharge any liability arising from time to time:

- (a) under any SGKH Agreement using credit balances held pursuant to any Customer Agreement; or
- (b) under any Customer Agreement using credit balances held pursuant to any SGKH Agreement.

16.2 The restrictions set out in paragraph 16.1 shall cease to apply in relation to credit balances held pursuant to any Customer Agreement or any SGKH Agreement as follows:

- (a) where the credit balance at the Effective Date, is held for a fixed term, the date that falls one year after the expiry of that term;
- (b) where the credit balance at the Effective Date, is held on terms that a promotional rate of interest will be lost if the deposit is withdrawn before the end of a certain period, on the date that falls one year after the expiry of that period; and
- (c) in all other cases, on the End Date.

**17. CROSS DEFAULT RIGHTS**

17.1 Subject to paragraph 17.2, if SGKHJB becomes entitled to exercise Cross Default Rights solely as a consequence of the Scheme, SGKHJB shall not be entitled on and from the Effective Date, to apply those Cross Default Rights:

- (a) under any SGKH Agreement to secure any liability arising from time to time under any Customer Agreement; or
- (b) under any Customer Agreement to secure any liability arising from time to time under any SGKH Agreement or any Unsecured SGKH Agreement.

17.2 The restrictions set out in paragraph 17.1 shall cease to apply in relation to any liability arising pursuant to any Customer Agreement, any SGKH Agreement or any Unsecured SGKH Agreement on the End Date.

**18. ALL MONIES RIGHTS**

18.1 Subject to paragraph 18.2, if SGKHJB becomes entitled to exercise All Monies Rights solely as a consequence of the Scheme, SGKHJB shall not be entitled on and from the Effective Date, to apply those All Monies Rights:

- (a) under any SGKH Agreement to secure any liability arising from time to time under any Customer Agreement; or
- (b) under any Customer Agreement to secure any liability arising from time to time under any SGKH Agreement or any Unsecured SGKH Agreement.

18.2 The restrictions set out in paragraph 18.1 shall cease to apply in relation to any liability arising pursuant to any Customer Agreement, any SGKH Agreement or any Unsecured SGKH Agreement on the End Date.

**19. ACCOUNTS THAT REQUIRE REGULAR PAYMENTS**

- 19.1 Where a Customer Agreement requires a regular deposit to be made from an account held with a person other than SGKH(CI)L and, prior to the Effective Date, a Customer satisfied that requirement by making a regular deposit from an account held with SGKHBL, SGKHJB shall be required on and from the Effective Date to treat such regular deposit as continuing to satisfy that requirement set out in the Customer Agreement.

**20. CONSOLIDATION RIGHTS**

- 20.1 Subject to paragraph 20.2, if SGKHJB becomes entitled to apply Consolidation Rights solely as a consequence of the Scheme, SGKHJB shall not be entitled on and from the Effective Date to apply those Consolidation Rights which might otherwise be exercisable by SGKHJB to prevent the release of any Encumbrance given in relation to:

- (a) any SGKH Agreement until any obligations have been satisfied under any Customer Agreement; or
- (b) any Customer Agreement until any obligations have been satisfied under any SGKH Agreement.

- 20.2 The restrictions set out in paragraph 20.1 shall cease to apply in relation to any such Consolidation Rights on the End Date.

**21. OTHER RIGHTS OF SGKHJB**

- 21.1 Subject to paragraph 21.2, SGKHJB shall not be entitled on and from the Effective Date, to apply any other right, benefit, interest, discretion, authority or power which might otherwise be exercisable by SGKHJB solely as a consequence of the Scheme under or in relation to any:

- (a) SGKH Agreement to terminate, reduce, suspend, delay, alter, discharge or otherwise secure any liability arising from time to time under any Customer Agreement; or
- (b) Customer Agreement to terminate, reduce, suspend, alter, discharge or otherwise secure any liability arising from time to time under any SGKH Agreement.

- 21.2 The restrictions set out in paragraph 21.1 shall cease to apply in relation to any such right, benefit, interest, discretion, authority or power which might otherwise be exercisable by SGKHJB, on the End Date.

**22. ENTIRE AGREEMENT CLAUSES**

- 22.1 Where a Customer Agreement contains an Entire Agreement Clause, on and with effect from the Effective Date, the relevant clause shall be read and construed as if it referred only to products or services comprised in the Transferring Business, and shall not apply to, and the Customer Agreement shall not supersede, any SGKH Agreements.

- 22.2 Where an SGKH Agreement contains an Entire Agreement Clause, on and with effect from the Effective Date, the relevant clause shall be read and construed as if it referred only to products or services of SGKHBL not comprised in the Transferring Business, and shall not apply to, and the SGKH Agreement shall not supersede, any Customer Agreements.

**23. SAVINGS TO RIGHTS**

- 23.1 The provisions of paragraphs 16 to 21.2 shall not apply to diminish any right, benefit, interest, discretion, authority or power which:

- (a) immediately prior to the Effective Date, SGKHBL or its counterparty has in respect of agreements entered into by SGKH(CI)L, including any rights of SGKHBL to use credit balances on accounts held with SGKHBL to pay debts owed to SGKH(CI)L;

- (b) immediately prior to the Effective Date, SGKH(CI)L or its counterparty has in respect of SGKH Agreements; or
  - (c) SGKHBL, SGKH(CI)L or a Customer may acquire other than as a result of the Scheme, including as a result of the variation on or after the Effective Date.
- 23.2 If, on or after the Effective Date, SGKHBL acquires any rights to exercise any of the rights, benefits, interests, discretions, authorities or powers referred to in paragraphs 16 to 21.2 in relation to agreements entered into with other Kleinwort Hambros group companies (**Acquired Rights**) either:
- (a) as a result of any contractual variation; or
  - (b) through other means, other than as a result of the Scheme,
- paragraphs 16 to 21.2 shall not apply to restrict SGKHBL's rights to exercise the Acquired Rights.
- 23.3 The provisions of this Part D shall not apply to any contracts which are not Customer Agreements or SGKH Agreements.

## **PART E - MISCELLANEOUS PROVISIONS**

### **24. EFFECTIVE DATE**

- 24.1 This Scheme shall operate to transfer each and every part of the Transferring Business on the Effective Date.
- 24.2 This Scheme shall become effective, and the Effective Date shall occur simultaneously with the occurrence of the last of the following events, namely:
- (a) 00.01 hours GMT on 1 October 2022;
  - (b) the Court granting the Order sanctioning this Jersey Scheme;
  - (c) Completion under the Guernsey business transfer agreement between SGKHBL and SGKH(CI)L occurring;
  - (d) such later time and date, provided that it is at or earlier than 00.01 hours GMT on 1 February 2023, as the Court may allow on the application of SGKH(CI)L and SGKHJB,

except in the case of Residual Assets and Residual Liabilities, in respect of which the Scheme shall become effective and the Effective Date shall occur on the relevant Residual Transfer Date.

- 24.3 If SGKH(CI)L and SGKHJB agree that the transfer to SGKHJB of the Transferring Business should become effective after 00.01 hours GMT on 1 February 2023, SGKH(CI)L and SGKHJB must apply to the Court for a further order, specifying any time and date after 00.01 hours GMT on 1 February 2023 which, subject to the consent of the Court, shall then become the Effective Date for the purposes of this Scheme (except in the case of Residual Assets and Residual Liabilities when the Effective Date shall occur on the relevant Residual Transfer Date) and this Scheme shall then become operative on and from the time and date so specified, provided that:
- (a) the JFSC shall be notified in advance and as soon as reasonably practicable, and shall have the right to be heard at, any hearing of the Court at which such application is considered;
  - (b) such application shall be accompanied by a certificate from an independent auditor to the effect that the proposed Effective Date will not materially adversely affect any Customer or any existing customer of SGKH(CI)L or of SGKHJB;

- (c) a notice of the making of such Order is published on the website of SGKHC(L) within 5 days of the making of such further Order.

**25. MODIFICATIONS AND ADDITIONS**

- 25.1 SGKHC(L) and SGKHC(B) may consent for and on behalf of themselves and all other persons concerned to any modification of or addition to this Scheme or to any further condition or provision affecting the same which, in each case prior to its sanction of this Scheme, the Court may approve or impose.
- 25.2 At any time after the sanction of this Scheme, SGKHC(B) may apply to the Court for consent to amend its terms to the extent that they apply to the Transferring Business, provided that in any such case the JFSC shall be notified of, and have the right to be heard at, any hearing of the Court at which such application is considered. If such consent is granted, SGKHC(B) may amend the terms of this Scheme in accordance with such consent.
- 25.3 At any time after the sanction of this Scheme, in the case of any minor or technical amendment to the terms of this Scheme, or any amendment to correct any manifest error in its terms, the amendment may be made without the consent of the Court provided that in any such case the JFSC shall have been notified of the proposed amendment and shall have approved the same.

**26. EVIDENCE OF TRANSFER**

- 26.1 The production of a copy of the Order and of this Scheme, with any modifications made under paragraph 25, for all purposes shall be conclusive evidence of the transfer to, and vesting in, SGKHC(B) of the Transferring Business.

**27. GOVERNING LAW**

This Scheme is governed by, and shall be construed in accordance with, Jersey law.

Dated: [●] 2022

**SCHEDULE 1 - DEFINITIONS AND INTERPRETATION**

1. In this Scheme, the following defined terms have the meanings set out opposite them:

<b>All Monies Rights</b>	rights providing for a mortgage or standard security given in relation to obligations under an agreement to also secure obligations arising under other agreements;
<b>Arrangement</b>	any arrangement made with, or offered or issued by or on behalf of SGKHCIL, whether or not in writing, including any agreement, invitation to treat, offer, contract, deed, instrument, loan, note, letter of credit, facility, bond, commitment, franchise, Encumbrance, loan note, deposit, indemnity, indenture, trust document, lease or licence (including any variations, modifications, amendments, restatements or other supplements thereto);
<b>assets or property</b>	assets, property, title, claims, benefits, rights, interests, authorities, discretions and powers of any description, whether present or future or actual or contingent, including any interest (legal or equitable) in real or personal property, any thing in action, any right in contract, tort or otherwise, any asset held on trust or in a fiduciary capacity, any interest under or by virtue of a trust (howsoever arising), any interest arising under any Encumbrance and any right in respect of a judgment, order or award made in any proceedings and any power under or by virtue of a power of attorney (howsoever arising);
<b>Banking Law</b>	the Banking Business (Jersey) Law 1991;
<b>Business Records</b>	the books and records which are in the possession or under the control of SGKHCIL to the extent containing information and records (whether current or historic and whether in physical, electronic or machine readable form) relating to the Transferring Business, including confidential or secret customer information or data, information and documents or copies thereof collected or retained by SGKHCIL pursuant to its obligations under the Money Laundering (Jersey) Order 2008 but excluding the Statutory Records;
<b>Consent</b>	consent for the purposes of paragraph 1 of Schedule 2 to the Data Protection Law;
<b>Consolidation Rights</b>	rights providing for any Encumbrance given in relation to an agreement not to be released or discharged until obligations have been satisfied in relation to any other agreement;
<b>Counterparty Agreement</b>	an agreement with any third party (other than a Customer) entered into by SGKHCIL, other than agreements relating to the Excluded Business, Excluded Assets or Excluded Liabilities;
<b>Court</b>	the Royal Court of Jersey;
<b>Cross Default Rights</b>	rights providing for, or which (if exercised) might result in, the acceleration or alteration of payment obligations

or other obligations under an agreement as a result of a default under another agreement;

<b>Custody Asset</b>	any document, record, goods or other asset held in safe custody by SGKH(CI)L on behalf of a customer or former customer as bailee or in any other similar capacity (except in connection with the Excluded Business, Excluded Assets and Excluded Liabilities);
<b>Customer</b>	any person who holds a Transferring Account established with SGKH(CI)L or is provided with Transferring Investment Services by SGKH(CI)L and who either alone or jointly with others has entered into a Customer Agreement;
<b>Customer Agreement</b>	an agreement (including but not limited to any terms of business and any other document that is part of or includes the terms of business) relating to or for the provision of any service relating to a Transferring Account, Transferring Investment Service, Transferring Policy or Custody Asset, under which SGKH(CI)L has agreed to provide services, including the accepting of deposits, the making of loans or any other form of finance, whether secured or unsecured, the provision of arranged or unarranged overdrafts, foreign exchange services, the provision of cheque books, debit cards, or credit cards or the provision of safe custody, discretionary portfolio management, investment advisory, or execution only services;
<b>Data Controller</b>	has the meaning given to 'controller' under Article 1 of the Data Protection Law;
<b>Data Protection Law</b>	the Data Protection (Jersey) Law 2018;
<b>Data Subject</b>	has the meaning given under Article 2 of the Data Protection Law;
<b>Data Subject Request</b>	means a request made by a Data Subject under Part 6 of the Data Protection Law;
<b>Effective Date</b>	the time and date on which this Scheme becomes effective in accordance with paragraph 24;
<b>Encumbrance</b>	<p>(a) any mortgage, hypothec, charge, pledge, assignment by way of security, lien or any other security interest or encumbrance of any kind, whether legal or equitable, securing any obligation of any person or any other agreement or agreement having a similar effect including (i) any indemnity, guarantee, letter of credit, letter of comfort, letter of support, insurance, warranty, representation or other assurance and (ii) any fixed or floating charge, standard security or right of set off;</p> <p>(b) any intercreditor agreement, subordination agreement, postponement agreement or other ranking agreement in relation to the rights and/or obligations of any person or any security interest;</p>

- (c) any equalisation agreement, standstill agreement or similar agreement or arrangement;
- (d) any third party right or interest, whether legal or equitable, including in any real or personal property; and
- (e) any option, restriction, right of first refusal, right of pre-emption or any other type of preferential arrangement (including title transfer and retention agreements) having a similar effect;

**End Date**

1 October 2023;

**Entire Agreement Clause**

a clause contained in a Customer Agreement or SGKH Agreement which provides that the agreement represents the entire agreement between the parties in relation to all or some of the accounts or services of the type that are the subject matter of the agreement or that are referred to in the agreement, or otherwise states that the relevant Customer Agreement or SGKH Agreement (as applicable) will apply to all accounts or services provided by SGKH(CI)L or SGKHBL as appropriate;

**Excluded Assets**

- (a) the Excluded Business, to the extent it comprises an asset;
- (b) any right, assets and property of SGKH(CI)L as at the Effective Date, relating to or in respect of any part of the Excluded Business, whether or not governed by the laws of Jersey and whether or not situated in Jersey;
- (c) any contract of employment and/or contract for services entered into by SGKH(CI)L with any person, and/or any other engagement of any person by SGKH(CI)L whether or not documented in writing, as at the Effective Date;
- (d) any Intra-Group Arrangements;
- (e) the shares legally, or beneficially, owned by SGKH(CI)L in its subsidiaries and subsidiary undertakings, including the shares legally or beneficially owned by SGKH(CI)L in St. Julian's Properties Limited;
- (f) the Statutory Records;
- (g) any business names registered at the Jersey Registry by SGKH(CI)L;
- (h) any amount owed to SGKH(CI)L in respect of tax in Jersey;
- (i) any investments made by the SGKH(CI)L treasury function in debt securities including but not limited to gilts, bonds, certificates of deposit and treasury bills for treasury cash management purposes;

- (j) all SGKH(CI)L balance sheet entries appearing as capital accounts and reserve accounts, other than those described in the balance sheet as other comprehensive income related to pensions and deferred tax;

**Excluded Business**

the investment management services provided by SGKH(CI)L to Kleinwort Hambros Elite PCC Limited and the associated Kleinwort Hambros Elite Funds as at the Effective Date;

**Excluded Liabilities**

- (a) the Excluded Business, to the extent it comprises a liability;
- (b) all liabilities and obligations whatsoever of SGKH(CI)L as at the Effective Date, relating to or in respect of the Excluded Business or the Excluded Assets;
- (c) any liability arising in relation to any contract of employment and/or contract for services entered into by SGKH(CI)L with any person, and/or any other engagement of any person by SGKH(CI)L whether or not documented in writing, as at the Effective Date;
- (d) any liability arising in relation to any Intra-Group Arrangement;
- (e) any liability of SGKH(CI)L in relation to tax in Jersey;
- (f) any liability relating to SGKH(CI)L balance sheet entries appearing as capital accounts and reserve accounts, other than those described in the balance sheet as other comprehensive income related to pensions and deferred tax;

**FX Agreement**

any English law governed agreements between SGKH(CI)L and a Customer in respect of the provision of forward foreign exchange transactions and foreign exchange swap transactions;

**Intra-Group Arrangements**

means:

- (a) any Arrangement relating to interest rate swaps, foreign exchange swaps or foreign exchange forward transactions between SGKH(CI)L and any member of the Société Générale group, other than in respect of any Transferring Account or Customer Agreement;
- (b) any counter guarantees received by SGKH(CI)L from SGKHBL;

**JFSC**

the Jersey Financial Services Commission or such successor, regulatory authority or other official body from time to time exercising supervisory powers in relation to banks under the Banking Law;

<b>liabilities</b>	debts, liabilities, duties and obligations of any description, whether present or future or actual or contingent, including any obligations in respect of any judgment, order or award made in any proceedings;
<b>Marketing Preference</b>	either a Consent given by a Data Subject for use of his Personal Data to market directly to him by any means, or an indication (by act or omission as appropriate) by the Data Subject that such Consent is withheld;
<b>Outsourcing Agreement</b>	any Arrangement relating to the provision of outsourced services by one member of the Société Générale group to another;
<b>Order</b>	an order of the Court sanctioning this Scheme pursuant to Article 48D of and the Schedule to the Banking Law and any order (including any subsequent order) in relation to this Scheme made by the Court under paragraph 9 of the Schedule to the Banking Law;
<b>Personal Data</b>	has the meaning given under Article 1 of the Data Protection Law;
<b>Proceedings</b>	any claim, counterclaim, complaint, petition, suit, appeal or other legal process, whether intended to have interim or final legal effect in relation to its subject matter, before any court, governmental authority, regulatory authority, tribunal, arbitration panel, ombudsman or other body subsisting or empowered by law or regulation or by the provisions of an agreement;
<b>Residual Asset</b>	<p>(a) any property or assets of SGKH(CI)L, including any Encumbrance in favour of SGKH(CI)L, whether or not governed by the laws of Jersey and whether or not situated in Jersey, which is a Transferring Asset but:</p> <ul style="list-style-type: none"> <li>(i) which, despite having jurisdiction, the Court determines not so to transfer;</li> <li>(ii) the transfer of which requires but does not have recognition by the laws of any relevant jurisdiction;</li> <li>(iii) which SGKH(CI)L and SGKHJB agree in writing prior to the Effective Date would more conveniently be, or which pursuant to the terms of this Scheme is to be, transferred after such date; or</li> </ul> <p>(b) paragraph 3.63.6 of this Scheme applies; any proceeds of sale or income or other accrual or return whatsoever, whether or not in any case in the form of cash, or other asset earned or received from time to time in respect of any property referred to in paragraph (a); or</p> <p>(c) the benefit of an Encumbrance over any SGKH(CI)L Secured SGKH Account;</p>

**Residual Liability**

any liability or obligation of SGKHCIL, whether or not governed by the laws of Jersey and whether or not situated in Jersey, which is a Transferring Liability but:

- (a) which, despite having such jurisdiction, the Court determines not so to transfer;
- (b) the transfer of which requires but does not have recognition by the laws of any relevant jurisdiction;
- (c) which SGKHCIL and SGKHJB agree in writing prior to the Effective Date would more conveniently be, or which pursuant to the terms of this Scheme is to be, transferred after such date;
- (d) which relates to a Residual Asset and arises at any time before the Residual Transfer Date applicable to that Residual Asset; or
- (e) paragraph 3.6 of this Scheme applies.

**Residual Transfer Date**

in respect of a Residual Asset or a Residual Liability, the time and date after the Effective Date on which such Residual Asset or Residual Liability is to be transferred to SGKHJB, namely;

- (a) in respect of any Residual Asset falling within paragraph (a)(i) and (a)(ii) of the definition of Residual Asset, and of any Residual Liability falling within paragraph (a) or (b) of the definition of Residual Liability, the time and date on which the requisite order or recognition to enable the same to be transferred to SGKHJB upon the terms of this Scheme is: (i) obtained; or (ii) no longer required;
- (b) in respect of any Residual Asset falling within paragraph (a)(iii) of the definition of Residual Asset and of any Residual Liability which falls within paragraph (c) of the definition of Residual Liability, the time and date on which the parties agree that the transfer shall take effect or on which the Residual Asset or Residual Liability becomes capable of being transferred under the terms of this Scheme;
- (c) in respect of any Residual Asset falling within paragraph (a)(iv) of the definition of Residual Asset and of any Residual Liability which falls within paragraph (e) of the definition of Residual Liability, the time and date on which the parties agree that the transfer shall take effect or on which the Encumbrance or FX Agreement to which the relevant Residual Asset or Residual Liability is subject becomes capable of being transferred under the terms of this Scheme;
- (d) in the case of any Residual Asset falling within paragraph (b) of the definition of Residual Asset and of any Residual Liability falling within paragraph (d) of the definition of Residual

Liability, the time and date on which such Residual Asset or Residual Liability is received, earned or incurred by SGKH(CI)L, to the extent that such transfer is possible under this Scheme and the parties agree that such transfer should take place;

- (e) in the case of any Residual Asset falling within paragraph (c) of the definition of Residual Asset, the time and date on which the security agreement relating to the SGKH(CI)L Secured SGKH Account is amended to provide a valid security interest (or such a security interest is otherwise granted) in favour of SGKHJB over the SGKH(CI)L Secured SGKH Account;

<b>Scheme</b>	this Scheme in its original form or with or subject to any modification, addition or condition that may be made to this Scheme in accordance with paragraph 25;
<b>Set Off Rights</b>	rights arising under, or in relation to, any Customer Agreement or SGKH Agreement providing for credit balances on one account to be used as payment towards a liability arising on, or in relation to, another account;
<b>SGKHBL</b>	SG Kleinwort Hambros Bank Limited, a company incorporated in England & Wales with registered number 964058 and whose registered office is at 5 <sup>th</sup> Floor, 8 St. James's Square, London, England SW1Y 4JU;
<b>SGKH Agreement</b>	any agreement made by SGKHBL with a person who is also a Customer to the extent in force immediately prior to the Effective Date;
<b>SGKHJB</b>	the Jersey Branch of SGKHBL;
<b>SGKH Secured SGKH(CI)L Account</b>	any Transferring Account or Customer Agreement in respect of which a security interest has been granted in favour of SGKHBL;
<b>SGKH(CI)L</b>	SG Kleinwort Hambros (CI) Limited, a company incorporated in Jersey with registered number 2693 and whose registered office is at PO Box 78, SG Hambros House, 18 Esplanade, St. Helier, JE4 8PR, Jersey, to the extent that it carries on business from within Jersey only;
<b>SGKH(CI)L Board</b>	the board of directors of SGKH(CI)L;
<b>SGKH(CI)L Secured SGKH Account</b>	a Customer bank or securities account established with SGKHBL or contract for the provision of services in relation to any such account, in respect of which a security interest has been granted in favour of SGKH(CI)L;
<b>Statutory Records</b>	all books, files, registers, documents, correspondence, papers and other records that are required, by any applicable legal or regulatory requirement or corporate governance requirement (whether or not having the force of law), to be kept and retained in SGKH(CI)L's possession;

<b>Subject Access Request</b>	a request for information made by a customer of SGKHJB or SGKH(CI)L pursuant to Article 28 of the Data Protection Law;
<b>Transferring Accounts</b>	all bank account balances and loan account balances, whether having a debit, credit or nil balance, including any arranged or unarranged overdrafts, and any account balances and any securities accounts relating to the Transferring Investment Services, attributable to SGKH(CI)L as at the Effective Date by reason of being booked in SGKH(CI)L's main banking system, Olympic, with the identifier of Centre 2;
<b>Transferring Account Assets</b>	<p>all rights, assets and property of SGKH(CI)L as at the Effective Date, relating to or in respect of each Transferring Account or Transferring Investment Service, whether or not governed by the laws of Jersey and whether or not situated in Jersey, including in relation to each such Transferring Account or Transferring Investment Service as at the Effective Date:</p> <ul style="list-style-type: none"> <li>(a) the Customer Agreements;</li> <li>(b) the FX Agreements;</li> <li>(c) the Counterparty Agreements to the extent necessary for the operation of a Transferring Account;</li> <li>(d) the Business Records;</li> <li>(e) the Custody Assets;</li> <li>(f) the Personal Data Consents;</li> <li>(g) the benefit of any Encumbrance granted in favour of SGKH(CI)L in connection with or pursuant to any Transferring Account, Transferring Investment Services or Customer Agreement;</li> <li>(h) all rights and claims of SGKH(CI)L (whether present or future, actual or contingent) against any person, and proceedings to which SGKH(CI)L is a party;</li> </ul> <p>but excluding any Excluded Assets;</p>
<b>Transferring Account Liabilities</b>	all liabilities and obligations whatsoever of SGKH(CI)L as at the Effective Date, relating to or in respect of each Transferring Account whether or not governed by the law of Jersey and whether or not situated in Jersey, except to the extent that they are Residual Liabilities and excluding any Excluded Liabilities;
<b>Transferring Assets</b>	the Transferring Account Assets and the Transferring Bank Assets, excluding any Excluded Assets;
<b>Transferring Balances</b>	(a) all balances held by SGKH(CI)L with any member of the Société Générale group;

- (b) all balances held by any member of the Société Générale group with SGKH(CI)L;
- (c) any SGKH(CI)L balance sheet entries relating to other comprehensive income related to trading activity, pensions and deferred tax;

**Transferring Bank Assets**

the rights, assets and property of SGKH(CI)L as at the Effective Date, whether or not governed by the laws of Jersey and whether or not situated in Jersey, including:

- (a) all right, title and interest of SGKH(CI)L arising under the Arrangements;
- (b) all physical cash relating to the Transferring Business, cash in transit and credits with other banks, excluding SGKHBL;
- (c) all freehold and leasehold properties owned or held by SGKH(CI)L on its own behalf, including any Jersey contract leases, and the fixtures and fittings relating to any such properties;
- (d) the Outsourcing Agreements;
- (e) the Counterparty Agreements;
- (f) the Transferring Balances;
- (g) all other assets of SGKH(CI)L,

but excluding any Excluded Assets;

**Transferring Bank Liabilities**

liabilities and obligations of SGKH(CI)L arising in connection with the Transferring Business as at the Effective Date, whether or not governed by the laws of Jersey and whether or not situated in Jersey, but excluding any Excluded Liabilities;

**Transferring Business**

all of the business of SGKH(CI)L, including without limitation, the Transferring Accounts, the Transferring Investment Services, the Transferring Assets, the Transferring Liabilities, the Residual Assets and the Residual Liabilities, including the IT platforms and related internal infrastructure supporting such business, other than the Excluded Business, Excluded Assets and Excluded Liabilities;

**Transferring Investment Services**

all of the investment business services provided by SGKH(CI)L, as at the Effective Date, including without limitation all the services described in a Customer Agreement, any customer money or customer property held in or pursuant to any cash accounts with SGKH(CI)L or any securities accounts and any arrangements to hold assets as custodian or rights against any sub-custodians, in connection with the provision of investment business services;

**Transferring Liabilities**

the Transferring Account Liabilities and the Transferring Bank Liabilities, but excluding any Excluded Liabilities;

**Transferring Personal Data** the Personal Data comprised in the Transferring Business in respect of which SGKHCIL was the data controller immediately prior to the Effective Date;

**Unsecured SGKHC Agreement** Any SGKHC Agreement within which it is not stated that it is subject to a mortgage, hypothec or standard security to secure repayment of the sums due under that SGKHC Agreement.

2. In this Scheme:

2.1 **References to the Scheme and to paragraphs, Parts or Schedules**

Any reference to the Scheme shall include any Schedules to it and references in the Scheme to paragraphs, Parts or Schedules are, except where the context otherwise requires, to paragraphs of, Parts of and Schedules to this Scheme.

2.2 **Headings**

Headings are inserted for convenience only and shall not affect the construction of this Scheme.

2.3 **Singular and plural, and gender**

Any reference to the singular shall include a reference to the plural and vice versa and any reference to the masculine shall include a reference to the feminine and neuter and vice versa.

2.4 **Reference to a person**

Any reference to a person shall include a reference to any individual, company, firm, partnership, association, organisation, trust or agency, whether or not having a separate legal personality.

2.5 **References to writing**

Any reference to writing shall include any modes of reproducing words in a legible and non-transitory form.

2.6 **References to transfer**

The expression "**transfer**" includes (as the context may require) "vest", "assign", "assignment" or "assignment", "dispose" or "disposal" or "convey" or "conveyance".

2.7 **References to variation**

The expression "**variation**" includes any amendment, modification, variation, supplement, deletion, replacement or termination (as the context requires), however effected.

2.8 **References to enactments or statutory provisions**

Any reference to an enactment or a statutory provision shall include a reference to (i) that enactment or statutory provision as amended, consolidated, modified, replaced or re-enacted from time to time and (ii) any subordinate legislation, instrument or order made under the relevant enactment or statutory provision as itself amended, consolidated, modified, replaced or re-enacted from time to time.

2.9 **References to "including and "in particular"**

References to "**including**" and "**in particular**" shall not be construed restrictively but shall mean "including without prejudice to the generality of the foregoing and without limitation" and "in particular but without prejudice to the generality of the foregoing and without limitation".

**2.10 Exercise of powers of control**

Where any obligation pursuant to this Scheme is expressed to be undertaken or assumed by any person, such obligation shall be construed as including a requirement on that person to exercise all rights and powers of control over the affairs of any other person which that person is properly able to exercise (whether directly or indirectly) in order to secure performance of such obligation.

**2.11 Jersey law concepts**

Reference to any process or concepts of Jersey law shall include all equivalent processes or concepts under the laws of any other applicable jurisdiction.