

## DIRECTOR'S IRREVOCABLE UNDERTAKING

To: BMO Global Asset Management (Europe) Limited

and Bank of Montreal

(together, *BMO*)

and Barclays Bank PLC (*Barclays*)

27 January 2014

Dear Sirs,

### Acquisition of F&C Asset Management plc (*F&C*)

I understand that BMO, through its wholly-owned subsidiary, BMO Global Asset Management (Europe) Limited, intends to acquire all the issued and to be issued ordinary share capital of F&C substantially on the terms of the attached draft press announcement (the *Press Announcement*), pursuant to the Scheme or the Offer (in each case, as defined in paragraph 10 below, the *Acquisition*). This undertaking sets out the terms and conditions on which I will vote in favour of the Scheme and/or accept the Offer.

### Shareholdings

1. I represent and warrant to BMO that:
  - (a) I am the beneficial owner of 30,000 ordinary shares of 0.1 pence each in the capital of F&C (the *Beneficial Shares*) and that I hold the beneficial interest in such shares free of any encumbrances or third party rights of any kind whatsoever;
  - (b) set out below are complete and accurate details of all options, warrants and other rights I may have to subscribe for, purchase or otherwise acquire any securities of F&C:

none;
  - (c) other than as set out in this paragraph 1, I do not have any interest (as defined in the City Code on Takeovers and Mergers (the *Code*)) in any securities of F&C or any rights to subscribe for, purchase or otherwise acquire any such securities;
  - (d) I have full power and authority to enter into this undertaking and to perform the obligations under it; and
  - (e) I shall procure that my spouse or civil partner shall comply with the obligations under this undertaking and accede to the Acquisition in respect of any F&C Shares or Further F&C Shares (as defined in paragraph 2(a) below) acquired by my spouse or civil partner pursuant to paragraph 2(a) below (the *Further Family Shares*).

### Dealings and undertakings

2. I undertake to BMO that before this undertaking lapses in accordance with paragraph 14 below, I shall not and, where applicable, I shall procure that my spouse or civil partner shall not:

- (a) sell, transfer, charge, encumber, grant any option or lien over or otherwise dispose of any interest in any F&C Shares, Further Family Shares or any other shares in F&C issued or unconditionally allotted to, or otherwise acquired by me or my spouse or civil partner before then, including shares acquired on exercise of any option or award granted by F&C under its share option schemes or shares plans, (the **Further F&C Shares**) other than pursuant to my acceptance of the Offer (if relevant) and save for any transfer of F&C Shares or Further F&C Shares to my spouse or civil partner (such transferred shares being Further Family Shares);
- (b) accept, in respect of any of the F&C Shares, the Further Family Shares or any Further F&C Shares any offer made in competition with the Acquisition;
- (c) vote in favour of any resolution to approve any scheme of arrangement of F&C which is proposed in competition with the Acquisition;
- (d) (other than pursuant to the Acquisition) enter into any agreement or arrangement, incur any obligation or give any indication of intent:
  - (i) to do any of the acts referred to in paragraphs 2(a) to 2(c);
  - (ii) in relation to, or operating by reference to, the F&C Shares, the Further Family Shares or any Further F&C Shares; or
  - (iii) which, in relation to the F&C Shares, the Further Family Shares or any Further F&C Shares, would or might restrict or impede me voting in favour of the Scheme or accepting the Offer (as applicable),

and for the avoidance of doubt, references in this paragraph 2(d) to any agreement, arrangement, obligation or indication of intent includes any agreement, arrangement, obligation or indication of intent whether or not legally binding or subject to any condition or which is to take effect if the Scheme or the Offer (as the case may be) lapses or is withdrawn or if this undertaking ceases to be binding or following any other event.

3. I further undertake not to, and to procure that my spouse or civil partner does not, until the earlier of:

- (a) this undertaking lapsing in accordance with paragraph 14 below; or
- (b) either the Scheme being approved by the Court or the Offer becoming or being declared unconditional as to acceptances,

acquire any interests (as defined in the Code) or otherwise deal or undertake any dealing (as defined in the Code) in any relevant securities (as defined in the Code) of F&C (including, for the avoidance of doubt, exercising any of the options referred to in paragraph 1 save for any option or award granted by F&C under its share option schemes or share plans) unless the Panel on Takeovers and Mergers (the **Panel**) determines, and confirms to you, that, in respect of such acquisition or dealing, we are not acting in concert with you pursuant to Note 9 on the definition of "Acting in concert" set out in the Code, in which event any interests in any such securities acquired by me shall be treated as F&C Shares, and by my spouse or civil partner shall be treated as Further Family Shares, for all purposes of this undertaking.

4. I undertake to cause the registered holder of any Beneficial Shares to comply with the undertakings in paragraphs 2 and 3 above in respect of the Beneficial Shares. I further

undertake to procure that my spouse or civil partner shall cause the registered holder of any beneficially held Further Family Shares to comply with the undertakings in paragraphs 2 and 3 above in respect of the Beneficial Shares).

**Undertaking to vote in favour of the Scheme and/or accept the Offer**

5. In consideration of BMO's agreement in paragraph 12, I hereby irrevocably and unconditionally undertake that:

- (a) if BMO elects to implement the Acquisition by way of a Scheme, I shall and, where applicable, I shall procure that my spouse or civil partner shall:
  - (i) exercise all voting rights attaching to the F&C Shares, the Further Family Shares and any Further F&C Shares to vote in favour of all resolutions to approve the Scheme and any related matters, proposed at any general or class meeting (*EGM*) and the Court convened meeting (*Court Meeting*) of F&C to be convened and held in connection with the Scheme, or at any adjournment of any such meeting;
  - (ii) execute any forms of proxy in respect of the F&C Shares, the Further Family Shares and any Further F&C Shares required by BMO appointing any person nominated by BMO to attend and vote at any EGM or Court Meeting in respect of the resolutions to approve the Scheme and any related matters, and shall ensure that any such executed forms of proxy are received by F&C's registrars not later than 3.00 p.m. on the seventh day after F&C sends the formal document setting out the terms and conditions of the Scheme (the *Scheme Document*) to F&C shareholders (or, in respect of any Further F&C Shares or Further Family Shares, within three days of becoming the registered holder or beneficial owner of such shares, if later);
  - (iii) not revoke the terms of any proxy submitted in accordance with paragraph 5(a)(ii), either in writing or by attendance at any EGM or Court Meeting or otherwise;
  - (iv) cause the registered holder of any Beneficial Shares to comply with the undertakings in 5(a)(i) to 5(b)(iii) in respect of the Beneficial Shares;
  - (v) accept any proposal made by BMO to holders of options over F&C shares and/or awards in respect of F&C shares in compliance with Rule 15 of the Code (a *Relevant Proposal*) in respect of all such options and/or awards held by me not later than seven days after BMO sends the Relevant Proposal to the holders of options and awards, provided that the Relevant Proposal is consistent with the terms of the co-operation agreement between F&C, Bank of Montreal and BMO Global Asset Management (Europe) Limited dated on or around the date of this undertaking (the *Co-operation Agreement*), or is otherwise stated, in the opinion of J.P. Morgan Cazenove, to be fair and reasonable and which the directors of F&C recommend that I accept (provided always that any revision to the terms of the Co-operation Agreement which relate to the Relevant Proposal does not result in a detriment to me as a holder of any such options and/or awards over F&C shares), or otherwise ensure that any F&C shares arising on conversion of options and vesting of awards participate in the Scheme; and

- (b) if BMO elects to implement the Acquisition by way of an Offer I shall and, where applicable, I shall procure that my spouse or civil partner shall:
- (i) accept the Offer in respect of the F&C Shares in accordance with the procedure for acceptance set out in the formal document containing such Offer (the *Offer Document*) not later than seven days after BMO sends the Offer Document to F&C shareholders and shall accept the Offer in respect of any Further F&C Shares or Further Family Shares in accordance with the same procedure not later than three days after I become the registered holder of the Further F&C Shares or my spouse or civil partner becomes the registered holder of the Further Family Shares;
  - (ii) cause the registered holder of any Beneficial Shares to accept the Offer in accordance with the procedure for acceptance set out in the Offer Document not later than seven days after BMO sends the Offer Document;
  - (iii) accept any Relevant Proposal in respect of options over F&C shares and/or awards in respect of F&C shares held by me not later than seven days after BMO sends the Relevant Proposal to the holders of options and awards, provided that the Relevant Proposal is consistent with the terms of the Co-operation Agreement or is otherwise stated, in the opinion of J.P. Morgan Cazenove, to be fair and reasonable and which the directors of F&C recommend that I accept (provided always that any revision to the terms of the Co-operation Agreement which relate to the Relevant Proposal does not result in a detriment to me as a holder of any such options and/or awards over F&C shares), or otherwise ensure that any F&C shares arising on conversion of options and vesting of awards participate in the Offer;
  - (iv) not withdraw any acceptances of the Offer and will cause the registered holder of any Beneficial Shares not to do so; and
  - (v) ensure that BMO shall acquire the F&C Shares, the Further Family Shares, the Beneficial Shares and any Further F&C Shares pursuant to the Offer free of any lien, charge, option, equity or encumbrance of any nature whatsoever and together with all rights of any nature attaching to those shares including the right to all dividends declared or paid after the date of this undertaking other than the proposed ordinary course dividend of 2 pence per ordinary share in the capital of F&C for the financial year ended 31 December 2013 which, on 27 January the board of directors of F&C resolved to pay on the earlier of (i) 20 May 2014; and (ii) the date on which cash consideration is despatched pursuant to the Scheme to those shareholders of F&C on the register at close of business on 4 April 2014.

### **Voting Rights**

6. From the time BMO releases the Press Announcement to the time this undertaking lapses in accordance with paragraph 14:

- (a) I shall and, where applicable, I shall procure that my spouse or civil partner exercise(s) the voting rights attached to the F&C Shares, the Further Family Shares and any Further F&C Shares on a Relevant Resolution (as defined in paragraph 10) only to approve the Acquisition and any related matters or not otherwise in a manner inconsistent with the approval and implementation of the Acquisition;

- (b) I shall and, where applicable, I shall procure that my spouse or civil partner exercise(s) the rights attaching to the F&C Shares, the Further Family Shares and any Further F&C Shares to requisition or join in requisitioning any general or class meeting of F&C pursuant to section 303 Companies Act 2006 for the purposes of considering a Relevant Resolution and to require F&C to give notice of such a resolution pursuant to section 338 Companies Act 2006 only to approve the Acquisition and any related matters or not otherwise in a manner inconsistent with the approval and implementation of the Acquisition;
- (c) for the purpose of voting in the manner set out in paragraph 5(a)(i) above on a Relevant Resolution only, I shall and, where applicable, I shall procure that my spouse or civil partner shall, execute any form of proxy required by BMO appointing any person nominated by BMO to attend and vote at the relevant general or class meeting of F&C; and
- (d) I shall and, where applicable, I shall procure that my spouse or civil partner shall, cause the registered holder of any Beneficial Shares to comply with paragraphs 6(a) to 6(c) in respect of the Beneficial Shares.

#### Documentation

- 7. I consent to:
  - (a) this undertaking being disclosed to the Panel;
  - (b) the inclusion of references to me, my spouse or civil partner and the registered holder of any Beneficial Shares, and particulars of this undertaking and my and my spouse or civil partner's holdings of relevant securities of F&C being included in the Press Announcement and any Offer Document or Scheme Document, and any other announcement made, or document issued, by or on behalf of BMO in connection with the Acquisition; and
  - (c) this undertaking being available for inspection as required by Rule 26.1 of the Code or the Listing Rules of the Financial Conduct Authority (including, without limitation, being posted and publicly available on the BMO and F&C websites).

#### Secrecy

- 8. Save to the extent that disclosure is required to comply with any applicable law or regulation, I shall keep secret:
  - (a) the possibility, terms and conditions of the Acquisition and the existence of this undertaking; and
  - (b) the terms of this undertaking,

in each case until the Press Announcement is released, provided that I may disclose the same to F&C and its professional advisers engaged in connection with the Acquisition on a similarly confidential basis. The obligations in this paragraph 8 shall survive termination of this undertaking.

- 9. I understand that the information you have given to us in relation to the Acquisition must be kept confidential until the Press Announcement is released or the information has otherwise become generally available. To the extent any of the information is inside

information for the purposes of the Criminal Justice Act 1993 or the Financial Services and Markets Act 2000 I will comply with the applicable restrictions in those enactments on dealing in securities and disclosing inside information.

### Interpretation

10. In this undertaking:
- (a) **Acquisition** means the proposed acquisition by BMO of all the issued and to be issued ordinary share capital of F&C, whether pursuant to the Offer or the Scheme;
  - (b) **Code** means the City Code on Takeovers and Mergers;
  - (c) **Interest** has the meaning given to “interest” in the Code;
  - (d) **Offer** means any offer to be made by or on behalf of BMO to acquire all the issued and to be issued ordinary share capital of F&C substantially on the terms of the Press Announcement or on such other terms as may be agreed between BMO and F&C or as may be required to comply with the requirements of the Panel, the Financial Conduct Authority and/or the Prudential Regulation Authority or the London Stock Exchange. A reference in this undertaking to the **Offer** also includes any new, increased, renewed or revised offer made by or on behalf of BMO to acquire shares in F&C the terms of which are, in the opinion of Barclays, no less favourable in any material respect to acceptors than the terms set out in the Press Announcement;
  - (e) **Relevant Resolution** means:
    - (i) a resolution (whether or not amended) proposed at a general or class meeting of F&C, or at an adjourned meeting, the passing of which is necessary to implement the Acquisition or which, if passed, might result in any condition of the Acquisition not being fulfilled or which might impede or frustrate the Acquisition in any way (including, for the avoidance of doubt, any resolution to approve any scheme of arrangement in relation to F&C which is proposed in competition with the Acquisition);
    - (ii) a resolution to adjourn a general or class meeting of F&C whose business includes the consideration of a resolution falling within paragraph 10(e)(i); and
    - (iii) a resolution to amend a resolution falling within paragraph 10(e)(i) or paragraph 10(e)(ii); and
  - (f) **Scheme** means any scheme of arrangement of F&C under section 895 Companies Act 2006 for the acquisition by BMO of all the issued or to be issued share capital of F&C substantially on the terms of the Press Announcement or on such other terms as may be agreed between BMO and F&C or as may be required to comply with the requirements of the Panel, the Court, the Companies Act 2006, the Financial Conduct Authority, the Prudential Regulation Authority or the London Stock Exchange. A reference in this undertaking to the **Scheme** also includes any new, increased, renewed or revised scheme of arrangement for the acquisition by BMO of shares in F&C the terms of which are, in the opinion of Barclays, no less favourable in any material respect to holders of shares in F&C than the terms set out in the Press Announcement.

**Time of the Essence**

11. Any time, date or period mentioned in this undertaking may be extended by mutual agreement but as regards any time, date or period originally fixed or as extended, time shall be of the essence.

**The Acquisition**

12. Subject to paragraph 13, BMO agrees that:

- (a) if it elects to implement the Acquisition by way of the Offer, it will make the Offer; or
- (b) if it elects to implement the Acquisition by way of the Scheme, it will make the Acquisition,

provided, in either case, that the Press Announcement is released substantially in the form attached (or in such other form as may be agreed between BMO and F&C or as may be required to comply with the requirements of the Panel, the Court, the Companies Act 2006, the Financial Conduct Authority and/or Prudential Regulation Authority (as applicable) or the London Stock Exchange) by not later than 24 February 2014 (or such later date as BMO and F&C may agree). The release of the Press Announcement is at BMO's absolute discretion.

13. If after BMO releases the Press Announcement:

- (a) the Panel consents to BMO not making or proceeding with the Acquisition; or
- (b) BMO becomes aware that any condition of the Acquisition has or may become incapable of being fulfilled,

BMO shall not be obliged to make or proceed with the Acquisition.

**Lapse of undertaking**

14. Subject to paragraph 15, this undertaking shall automatically lapse if:

- (a) the Press Announcement is not released by 5.00p.m. (London time) on 24 February 2014 or such later date as BMO and F&C may agree;
- (b) the Scheme Document or the Offer Document (as applicable) is not posted to F&C shareholders within 28 days of the date of the Press Announcement or such longer period as BMO and F&C, with the consent of the Panel, determine;
- (c) BMO announces that it does not intend to make or proceed with the Acquisition and no new, revised or replacement Scheme or Offer is announced in accordance with Rule 2.7 of the Code at the same time; or
- (d) the Scheme or Offer lapses or is withdrawn and no new, revised or replacement Scheme or Offer is announced in accordance with Rule 2.7 of the Code, in its place or is announced, in accordance with Rule 2.7 of the Code, at the same time.

If this undertaking lapses, I shall have no claim against BMO.

15. For the avoidance of doubt, this undertaking shall not lapse if BMO elects to implement the Acquisition by way of an Offer, having previously proceeded with the implementation of the Acquisition by way of a Scheme, provided that, in the opinion of Barclays, such Offer is made on terms no less favourable in any material respect than the terms of the Scheme.

### **Confirmation**

16. I confirm that in signing this undertaking I am not a client or customer of Barclays for the purposes of the Conduct of Business Sourcebook of the Financial Conduct Authority and that Barclays is acting for BMO in connection with the Acquisition and no-one else and is not responsible to anyone other than BMO for providing the protections afforded to customers of Barclays nor for providing advice in relation to the Acquisition. I confirm that I have been given an adequate opportunity to consider whether or not to execute this undertaking and to obtain independent advice.

### **Power of Attorney**

17. In order to secure the performance of my obligations under this undertaking, I appoint any director of BMO Global Asset Management (Europe) Limited as my attorney:

- (a) if I fail to comply with any of the undertakings in paragraph 5, in my name and on my behalf to do all things and to execute all deeds and other documents as may be necessary in the opinion of BMO (acting reasonably) to ensure compliance with such undertakings in respect of the F&C Shares, the Further Family Shares, the Beneficial Shares and any Further F&C Shares (as appropriate); and
- (b) to execute any form of proxy required by BMO to appoint any person nominated by BMO to attend a general or class meeting of F&C and vote in accordance with the undertakings set out in paragraph 5 on a Relevant Resolution.

18. I agree that this power of attorney is given by way of security and is irrevocable in accordance with section 4 Powers of Attorney Act 1971 until this undertaking lapses in accordance with paragraph 14.

### **Specific Performance**

19. I agree that, if I fail to comply with any of the undertakings in paragraph 5 or breach any of my other obligations under this undertaking, damages would not be an adequate remedy and accordingly BMO shall be entitled to the remedies of specific performance, injunction or other equitable relief.

### **Governing Law**

20. This undertaking, and any non-contractual obligations arising out of or it in relation to it, shall be governed by and construed in accordance with English law and I submit to the exclusive jurisdiction of the English courts for all purposes in connection with this undertaking.



This undertaking is SIGNED and DELIVERED as a DEED on the date first written above:

Signature.....*Kieran Poynter*

Name: Kieran Poynter

in the presence of:

Signature of witness:.....*S. Hurrell*

Name .....*S. HURRELL*

Address .....*3 MORE LONDON RIVERSIDE  
LONDON  
SE1 2AQ*