

## SCHEDULES

### SCHEDULE 10

#### CONVERTIBLE SECURITIES

##### PART I

##### INTRODUCTION

###### *Other later events in relation to securities*

- 5 (1) This paragraph applies where—
- (a) a prohibited event occurs in relation to a security at any time (the time in question), and
  - (b) immediately before that time it was a qualifying convertible security.
- (2) The security shall cease to be a qualifying convertible security for the purposes of this Schedule at the time in question.
- (3) For the purposes of this paragraph, a prohibited event occurs in relation to a security if—
- (a) it ceases to be quoted in the official list of a recognised stock exchange,
  - (b) it becomes subject to a provision under which it carries a right to interest at a rate which is variable or falls to be determined at a time other than issue (or both),
  - (c) it becomes subject to a provision under which any amount payable on redemption (at any time) is payable in a currency different from that in which the issue price is denominated,
  - (d) it becomes subject to a provision under which any amount payable by way of interest is payable in a currency different from that in which the issue price is denominated,
  - (e) it becomes subject to a provision which would be a qualifying provision for redemption but for the fact that one or more of sub-paragraphs (b) to (d) of paragraph 1 above is (or are) not fulfilled as regards the provision, or
  - (f) there is a time when more than 10 per cent. of the securities issued under the relevant prospectus are held by companies which are linked companies at that time.
- (4) For the purposes of sub-paragraph (3)(f) above the relevant prospectus is the prospectus under which the security concerned was issued.
- (5) For the purposes of sub-paragraph (3)(f) above, the question whether companies are linked companies at a particular time shall be determined in accordance with paragraph 4 of Schedule 11 to the Finance Act 1988.