

**NOTICE IS HEREBY GIVEN that the 128th annual general meeting of the Corporation will be held on 11 April 2018 at 11.00am at the Brewers' Hall, Aldermanbury Square, London EC2V 7HR for the following purposes:**

**Ordinary business**

1. To receive the report of the directors, the strategic report and the audited accounts for the year ended 31 December 2017.
2. To receive and approve the directors' remuneration report for the year ended 31 December 2017.
3. To approve amendments to the Corporation's remuneration policy.
4. To declare a final dividend of 11.80p per share in respect of the year ended 31 December 2017.
5. To elect Denis Jackson as a director.
6. To elect Robert Hingley as a director.
7. To re-elect Robert Laing as a director.
8. To re-elect Mark Bridgeman as a director.
9. To re-elect Tim Bond as a director.
10. To re-appoint BDO LLP as auditors of the Corporation to hold office until the conclusion of the next general meeting at which accounts are laid and to authorise the audit committee to determine their remuneration.
11. General authority to allot shares.

THAT:

(a) the directors be generally and unconditionally authorised pursuant to and in accordance with section 551 of the Companies Act 2006 (the 'Act') to exercise for the period ending on the date of the Corporation's next annual general meeting, all the powers of the Corporation to allot shares in the Corporation or to grant rights to subscribe for or to convert any security into shares in the Corporation up to an aggregate nominal amount (within the meaning of sections 551(3) and (6) of the Act) of £295,896;

(b) the Corporation may during such period make offers or agreements which would or might require the making of allotments of equity securities or relevant securities as the case may be after the expiry of such period.

**Special business**

To consider and, if thought fit, to pass the following resolutions which will be proposed as special resolutions:

12. Disapplication of statutory pre-emption rights.

THAT:

(a) in exercise of the authority given to the directors by resolution 11 above, the directors be empowered pursuant to section 570 of the Act to allot shares or grant rights to subscribe for or to convert any security into shares in the Corporation for the period ending on the date of the Corporation's next annual general meeting wholly for cash generally up to an aggregate nominal amount of £295,896 (i.e. 5% of the issued share capital) as if section 561 of the Act did not apply to such allotment, provided always that no more than 7.5% of the issued share capital shall be issued on a non pre-emptive basis within any three year period;

(b) the Corporation may during such period make offers or agreements which would or might require the making of allotments of equity securities or relevant securities as the case may be after the expiry of such period.

13. General authority to buy back shares.

THAT: the Corporation be and is generally and unconditionally authorised in accordance with sections 693 and 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of any of its issued ordinary shares of 5p each in the capital of the Corporation, in such manner and upon such terms as the directors of the Corporation may from time to time determine, PROVIDED ALWAYS THAT:

(a) the maximum number hereby authorised to be purchased shall be limited to 17,741,900 shares, or if less, that number of shares which is equal to 14.99% of the Corporation's issued share capital as at the date of the passing of this resolution;

(b) the minimum price which may be paid for a share shall be 5p;

(c) the maximum price which may be paid for a share shall be an amount equal to 105% of the average of the middle market quotations (as derived from the London Stock Exchange Daily Official List) for the shares for the five business days immediately preceding the day on which the share is purchased;

(d) unless previously revoked, renewed or varied, the authority hereby conferred shall expire on the date of the Corporation's next annual general meeting provided that a contract of purchase may be made before such expiry which will or may be executed wholly or partly thereafter, and a purchase of shares may be made in pursuance of any such contract.

14. Authority to convene a general meeting – notice.

THAT: a general meeting of the Corporation, other than an annual general meeting, may be called on not less than 14 clear days' notice.

By order of the board

**Law Debenture Corporate Services Limited**

Secretary

Registered No. 30397

27 February 2018

## Notes to the notice of annual general meeting

1. A member who holds ordinary shares on the register of members and is entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend and, on a poll, to vote in his or her place (or in the case of a corporation, to appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member). A proxy need not be a member of the Corporation. Proxy rights do not apply to nominated persons although the nominated person may have a right under an agreement with the registered member to appoint a proxy. In addition to instructing a proxy to vote for or against a resolution, the form enables shareholders to instruct a 'vote withheld' if preferred. A vote withheld is not a vote in law and will not be counted in the calculation of votes. It may be used, for example, to convey a message of dissatisfaction on a particular issue, where the strength of feeling is not so great as to oppose the resolution, but supporting it is not appropriate either.

2. Shareholders who hold shares on the register of members (as opposed to holding them in a nominee) will find enclosed a form of proxy for use at the meeting. To be valid, forms of proxy must be lodged electronically by accessing [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) or by post at the office of the Corporation's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY. CREST members can register votes electronically by using the service provided by Euroclear. Proxies must be received not less than 48 hours before the time appointed for the holding of the meeting. This is also the voting record date by which a person must be entered on the register in order to have a right to attend and vote at the meeting. Lodgement of a form of proxy will not prevent a member from attending and voting in person.

3. The register of directors' interests will be available for inspection at the registered office of the Corporation during normal business hours and at the annual general meeting. No director has a service contract with the Corporation of more than one year's duration.

4. Subject to the dividend on the ordinary shares now recommended being approved at the annual general meeting, dividend payments will be made on 19 April 2018 to shareholders on the register on the record date on 16 March 2018.

5. **Resolution 2** is to receive and approve the directors' remuneration report for the year ended 31 December 2017. The remuneration report, which follows the format required by the relevant regulations, is set out at pages 45 to 48 of the annual report.

6. **Resolution 3** is to approve amendments to the Corporation's remuneration policy. The amendments are proposed for the reasons set out by the remuneration committee chairman on page 37.

7. **Resolution 5:** Denis Jackson offers himself for election. The board supports his election. Denis has demonstrated a good understanding of our IPS businesses and he has a clear vision of the way that he wants to deliver increased revenues. The board is confident that his strategy will be effective. His biography is included on page 49 of the annual report.

8. **Resolution 6:** Robert Hingley offers himself for election. The board supports his election. Robert is a corporate financier with a wealth of market experience and regulatory knowhow. He has already demonstrated that he understands the Corporation and our IPS businesses and he has all of the necessary attributes to be a skilful and effective Chairman. His biography is included on page 49 of the annual report.

9. **Resolution 7:** Robert Laing offers himself for re-election. The board supports his re-election. The board believes that its effectiveness is greatly enhanced by having a non-executive director with a legal background and experience of one or more of the professional services sectors where Law Debenture operates. Robert Laing matches this requirement. He is an effective director and chairman of the remuneration committee. His biography is included on page 49 of the annual report.

10. **Resolution 8:** Mark Bridgeman offers himself for re-election. The board supports his re-election. The board believes that it is essential to appoint a non-executive director with fund management experience and Mark fulfils that need. He is an effective director and chairman of the audit committee. His biography is included on page 49 of the annual report.

**11. Resolution 9:** Tim Bond offers himself for re-election. The board supports his re-election. The board believes that it is desirable to have input from someone with a global, strategic macroeconomic background. Both from his current and previous experience, Tim is able to contribute in this way and does so effectively. His biography is included on page 49.

**12. Resolution 10** is to re-appoint BDO LLP as the Corporation's auditors. BDO LLP were first appointed on 31 October 2008 and were the successful firm in the audit tender conducted in the autumn of 2017.

**13. Resolution 11** renews the authority given to directors at the last annual general meeting to allot unissued capital not exceeding 5,917,920 shares, being 5% of the issued share capital. This authority would be exercised only at times when it would be advantageous to the Corporation's shareholders to do so. Shares would not be issued under this authority at a price lower than market price or net asset value at the time of the issue. If approved, the authority will continue to operate until the next annual general meeting. N.B. In the ordinary course of business, the power given by this resolution will only be used to allot shares to participants in the HMRC approved Save As You Earn Sharesave scheme.

**14. Special resolution 12** is proposed because the directors consider that in order to allot shares in the circumstances described in resolution 11 it is in the best interests of the Corporation and its shareholders to permit the allotment of a maximum of 5,917,920 shares, being 5% of the issued share capital, other than on a pre-emptive basis. The board would not, however, issue more than 7.5% of the issued share capital on a non-pre-emptive basis within any three year period.

**15. Special resolution 13** renews the authority given to directors at the last annual general meeting to purchase ordinary shares in the market for cancellation. Such purchases at appropriate times and prices could be a suitable method of enhancing shareholder value and would be applied within guidelines set from time to time by the board. It should be noted that no such purchases would be undertaken if shares were trading at a premium to net asset value.

**16. Special resolution 14** seeks authority to convene a general meeting (but not the annual general meeting) by giving not less than 14 clear days' notice. While the directors have no current intention to call a general meeting in the year ahead, circumstances might arise when such a meeting might become necessary and the directors deem it in the best interests of shareholders that it be held as quickly as possible. Such circumstances might include, for example, a decision to make a significant amendment to the investment strategy (shareholder approval for such a change being a regulatory stipulation).

**17. Meeting notice requirements** – the Corporation is required under the Act to make a number of additional disclosures as follows. The Corporation's website – [www.lawdebenture.com/investment-trust/investor-information](http://www.lawdebenture.com/investment-trust/investor-information) – contains a copy of this notice, which includes the current total voting rights, as set out below. Should the required number of members requisition the Corporation to publish any statement about the audit or related matters that the relevant members propose to raise at the AGM (in accordance with section 527 of the Act), this would be published at the Corporation's expense on the website and forwarded to the auditor. Similarly, any shareholder statements, resolutions and matters of business connected with the meeting received after publication of this notice will be published on the website subject to compliance by the submitting party with the Act. At the AGM, the Corporation will cause to be answered any question relating to the business being dealt with at the meeting put by a shareholder in attendance.

### **Total voting rights and share information**

The Corporation has an issued share capital at 27 February 2018 of 118,358,244 ordinary shares with voting rights and no restrictions and no special rights with regard to control of the Corporation. There are no other classes of share capital and none of the Corporation's issued shares are held in treasury. Therefore the total number of voting rights in The Law Debenture Corporation p.l.c. is 118,358,244.