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If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.



CLOSE BROTHERS GROUP plc

(incorporated and registered in England and Wales under number 520241)

Annual General Meeting

20 November 2014

Your attention is drawn to the letter from the Chairman of Close Brothers Group plc (the “**Company**”) which is set out on pages 3 to 4 of this document and which recommends you to vote in favour of the Resolutions to be proposed at the Annual General Meeting.

Notice of the Annual General Meeting of the Company to be held at 10 Crown Place, London, EC2A 4FT on 20 November 2014 at 11.00 a.m. is set out on pages 5 to 7 of this document. Shareholders will also find enclosed with this document a form of proxy for use in connection with the Annual General Meeting.

Completion and return of a form of proxy will not preclude shareholders from attending and voting at the Annual General Meeting should they choose to do so. **The form of proxy must be received not less than 48 hours before the time appointed for the Annual General Meeting.** Further instructions relating to the form of proxy are set out in the Notice of the Annual General Meeting.

CONTENTS

LETTER FROM THE CHAIRMAN	3
NOTICE OF ANNUAL GENERAL MEETING	5
EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING	11
APPENDIX: SUMMARY OF THE CLOSE BROTHERS GROUP PLC SHARE INCENTIVE PLAN	14

16 October 2014

Annual General Meeting

Dear Shareholder,

The Annual General Meeting of the Company will be held at 10 Crown Place, London EC2A 4FT on Thursday 20 November 2014 at 11.00 a.m. The formal Notice of Annual General Meeting is set out on pages 5 to 10 of this document. If you would like to vote on the resolutions but cannot come to the Meeting, please fill in the form of proxy sent to you with this Notice and return it to the Company's registrar, Capita Asset Services, as soon as possible. The registrar must receive it not less than 48 hours before the time appointed for holding the Meeting. Lodgement of the form of proxy will not prevent you from attending and voting at the meeting.

Final dividend

Shareholders are being asked to approve a final dividend of 32.5p per ordinary share for the year ended 31 July 2014. If you approve the recommended final dividend, this will be paid on 25 November 2014 to all ordinary shareholders who were on the register of members on 17 October 2014.

Re-appointment of Directors

In accordance with the UK Corporate Governance Code, all Directors will retire at the Annual General Meeting and stand for re-appointment by shareholders if they wish to continue to serve as a Director of the Company. Bruce Carnegie-Brown has given notice that, after a period of nearly nine years on the Board, he will not be seeking re-appointment at the Annual General Meeting.

Accordingly, the Directors retiring and offering themselves for re-appointment are Preben Prebensen, Stephen Hodges, Jonathan Howell, Elizabeth Lee, Geoffrey Howe and myself. In addition, Bridget Macaskill, Lesley Jones and Oliver Corbett, who have all been appointed Directors since last year's Annual General Meeting, will retire and stand for appointment by shareholders for the first time, in accordance with the Company's Articles of Association.

As Chairman, I believe that the contribution and performance of each of my fellow Directors is valuable and effective. They all demonstrate commitment to their roles and I therefore believe that it is appropriate that they should continue to serve on the Board.

I would like to thank Bruce Carnegie-Brown for his valued contribution to the Board.

Remuneration

New regulations came into force during the year, which require the Company to give shareholders:

- (i) an annual advisory vote on the Annual Report on Remuneration including the implementation of the Company's existing remuneration policy in terms of the payments and share awards made to Directors during the year; and
- (ii) a separate binding vote on the Company's forward-looking Directors' Remuneration Policy at least every three years.

Accordingly shareholders are being asked this year to approve two resolutions on Directors' remuneration, full details of which is set out in two parts in the 2014 Annual Report and Accounts which is available at www.closebrothers.com/investor-relations/company-information/results-reports-and-presentations and is enclosed with this document.

All Employee Share Incentive Plan

The Directors propose and seek your approval to establish the Close Brothers Group plc Share Incentive Plan, an all employee share incentive plan complying with the statutory requirements in Schedule 2 to the Income Tax (Earnings and Pensions) Act 2003, as amended. The plan, which will operate alongside the Close Brothers Group plc Sharesave Scheme 2011, will allow all eligible employees the opportunity to

acquire shares in the Company on a monthly basis from their own remuneration. Employees who take advantage of this opportunity to share further in the success of the Company will not normally be subject to income tax on the shares if they are held in trust on their behalf for a minimum of five years. A summary of the main provisions of the Plan is set out in the Appendix on pages 14 to 15.

Authority to allot shares and disapplication of shareholders' statutory pre-emption rights

We are asking shareholders to authorise the Directors, for the purposes of Part 17 of the Companies Act 2006, to allot shares. Following the Investment Management Association Share Capital Management Guidelines, the Company is seeking, in addition to the usual general authority to allot shares up to an aggregate amount equal to one-third of the existing share capital (which as in previous years is accompanied by a disapplication of shareholders' pre-emption rights), an additional authority to allot shares (but only in the context of a fully pre-emptive rights issue) up to an aggregate amount equal to one-third of the existing share capital. Overall in the case of a rights issue the Directors on behalf of the Company could issue shares so as to enlarge the Company's share capital by an amount equal to two-thirds of the existing share capital without further shareholder authority. This would ensure that the Company has the maximum possible flexibility to respond to circumstances and opportunities as they arise. As set out in the explanatory notes to the Notice of Annual General Meeting, the Directors have no present intention of exercising this authority.

Explanatory notes

The explanatory notes which appear on pages 11 to 13 of this document give further explanation of resolutions proposed to be passed at the Meeting.

Recommendation

Your Directors unanimously consider that all the resolutions to be put to the Annual General Meeting are in the best interests of the Company and its shareholders as a whole and recommend that you vote in favour of them as we intend to do in respect of our own shareholdings.

Yours faithfully,



Strone Macpherson
Chairman

Close Brothers Group plc

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Close Brothers Group plc will be held at 10 Crown Place, London EC2A 4FT on Thursday 20 November 2014 at 11.00 a.m. for the purpose of transacting the following business as ordinary resolutions (as regards resolutions 1 to 17) and as special resolutions (as regards resolutions 18 to 20).

Ordinary Resolutions

1. To receive and adopt the Company's 2014 Annual Report and Accounts together with the reports of the Directors.
2. To approve the Report of the Board on Directors' Remuneration (other than the part relating to the Directors' Remuneration Policy) for the financial year ended 31 July 2014.
3. To approve the Directors' Remuneration Policy contained in the Report of the Board on Directors' Remuneration.
4. To authorise the payment of a final dividend on the ordinary shares of 32.5p per share for the year ended 31 July 2014 on 25 November 2014 to shareholders on the register at the close of business on 17 October 2014.
5. To re-appoint Strone Macpherson as a director of the Company.
6. To re-appoint Preben Prebensen as a director of the Company.
7. To re-appoint Stephen Hodges as a director of the Company.
8. To re-appoint Jonathan Howell as a director of the Company.
9. To re-appoint Elizabeth Lee as a director of the Company.
10. To re-appoint Geoffrey Howe as a director of the Company.
11. To appoint Oliver Corbett as a director of the Company.
12. To appoint Lesley Jones as a director of the Company.
13. To appoint Bridget Macaskill as a director of the Company.
14. To re-appoint Deloitte LLP as auditors of the Company.
15. To authorise the Directors to determine the remuneration of the auditors.
16. To approve and adopt the Close Brothers Group plc Share Incentive Plan (the "Plan"), the main terms of which are summarised in the Appendix to this Notice and to authorise the Directors to do all things necessary or desirable to carry the Plan into effect, including making any changes that may be necessary for it to comply with Schedule 2 to the Income Tax (Earnings and Pensions) Act 2003.
17. To authorise the Board generally and unconditionally to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company:
 - (a) up to a nominal amount of £12,416,741 (such amount to be reduced by the nominal amount allotted or granted under paragraph (b) below in excess of such sum); and
 - (b) comprising equity securities (as defined in the Companies Act 2006) up to a nominal amount of £24,833,483 (such amount to be reduced by any allotments or grants made under paragraph (a) above) in connection with an offer by way of a rights issue:
 - (1) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (2) to holders of other equity securities as required by the rights of those securities or as the Board otherwise considers necessary,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter,

such authorities to apply until the end of next year's Annual General Meeting (or, if earlier, until the close of business on 20 February 2016) but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Board may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

Special resolutions

18. That, if resolution 17 is passed, the Board be given power to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such power to be limited:

(a) to the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (b) of resolution 17, by way of a rights issue only):

(1) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and

(2) to holders of other equity securities, as required by the rights of those securities or, as the Board otherwise considers necessary,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

(b) in the case of the authority granted under paragraph (a) of resolution 17 and/or in the case of any sale of treasury shares for cash to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) above) up to a nominal amount of £1,862,511,

such power to apply until the end of next year's Annual General Meeting (or, if earlier, until the close of business on 20 February 2016) but, in each case, during this period the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power ends and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the power had not ended.

19. That the Company be authorised for the purposes of section 701 of the Companies Act 2006 to make one or more market purchases (as defined in section 693(4) of the Companies Act 2006) of its ordinary shares of 25p each, such power to be limited:

(a) to a maximum number of 14,900,090 ordinary shares;

(b) by the condition that the minimum price which may be paid for an ordinary share is the nominal amount of that share and the maximum price which may be paid for each ordinary share is the highest of:

(1) an amount equal to 5% above the average market value of an ordinary share for the five business days immediately preceding the day on which that ordinary share is contracted to be purchased; and

(2) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange Trading System,

in each case, exclusive of expenses;

such authority to apply until the end of next year's Annual General Meeting (or, if earlier, until the close of business on 20 February 2016) but during this period the Company may enter into a contract to purchase ordinary shares which will or may be completed or executed wholly or partly after the authority ends and the Company may purchase ordinary shares pursuant to any such contract as if the authority had not ended.

20. That a general meeting other than an Annual General Meeting may be called on not less than 14 clear days' notice.

By order of the Board

Registered Office:
10 Crown Place
London EC2A 4FT

A handwritten signature in black ink, appearing to read 'N. Jennings'.

Nicholas Jennings
Company Secretary
16 October 2014

NOTICE OF ANNUAL GENERAL MEETING

Notes

Proxies and corporate representatives

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this Notice. You can only appoint a proxy by using the procedures set out in these notes and the notes to the proxy form. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraphs 8 to 11 below) will not prevent a member attending the Annual General Meeting and voting in person if he/she wishes to do so.
2. To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at office of the Company's registrar (Capita Asset Services, PXS1, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4ZF).

Alternatively, shareholders may appoint a proxy electronically by visiting www.capitashareportal.com and following the instructions provided.

CREST members can appoint a proxy by utilising the CREST electronic appointment service in accordance with the procedures set out in paragraphs 8 to 11.

IMPORTANT: in any case your proxy form must be received by the Company's registrars no later than 48 hours before the time appointed for holding the Annual General Meeting.

3. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

Nominated persons

4. Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/ her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
5. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.

Entitlement to attend and vote

6. To be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 6.00 p.m. on 18 November 2014 (or, in the event of any adjournment, 6.00 p.m. on the date which is 48 hours before the time of the adjourned meeting, excluding non-working days). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

Total voting rights

7. As at 6 October 2014 (being the latest practicable date prior to the publication of this Notice and excluding shares held in Treasury) the Company's issued share capital consists of 149,000,898 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 6 October 2014 are 149,000,898.

CREST members

8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by not less than 48 hours before the time appointed for holding the Annual General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
10. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
11. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Audit statements

12. Under section 527 of the Companies Act 2006 members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

Members' right to ask questions

13. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Electronic publication

14. A copy of this Notice, and other information required by section 311A of the Companies Act 2006, can be found on the Company's website (www.closebrothers.com).

Inspection of documents

15. The following documents will be available for inspection at the registered office of the Company (10 Crown Place, London EC2A 4FT) from 9.00 a.m. on the day of this Notice until the end of the Annual General Meeting:
- Copies of the executive Directors' service contracts;
 - Copies of letters of appointment of the non-executive Directors; and
 - The rules of the proposed Close Brothers Group plc Share Incentive Plan.

Communication

16. You may not use any electronic address provided either in this Notice of Annual General Meeting or any related documents (including the Chairman's letter and proxy form) to communicate with the Company for any purpose other than those expressly stated.

Close Brothers Group plc

EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

Resolutions 1 to 17 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 18 to 20 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution. The notes on the following pages give an explanation of resolutions 2, 3, 5 to 13 and 16 to 20, being the resolutions in respect of Directors' remuneration, the re-election of Directors and the special business to be transacted at the 2014 Annual General Meeting.

Resolution 2: Annual Report on Remuneration

Resolution 2 seeks approval for the Report of the Board on Directors' Remuneration (other than the part relating to the Directors' Remuneration Policy) which can be found on pages 60 to 63 and 71 to 79 of the 2014 Annual Report and Accounts and gives details of the payments and share awards made to the Directors during the year. This vote is advisory only and will not affect the way the Directors have been remunerated.

Resolution 3: Directors' Remuneration Policy

Resolution 3 seeks approval for the Directors' Remuneration Policy (the "Policy") which can be found on pages 63 to 71 of the Annual Report and Accounts. This sets out the Company's policy on Directors' remuneration, including Directors' pay and the granting of share awards. If this resolution is approved, the Policy will be effective from the date of this Annual General Meeting.

The Policy remains largely unchanged from the prior year. The only notable changes are the addition of the opportunity to participate in the Close Brothers Group plc Share Incentive Plan, proposed as resolution 16, and a change to the financial measure used to determine the annual bonus for the executive Directors.

If the Policy is approved, all payments to current and former Directors (in their capacity as Directors) will be made in accordance with the Policy. Additionally, if the Policy is approved and remains unchanged, it will be valid for up to three financial years without new shareholder approval being required. If the Company wished to change the Policy, it would need to put the revised policy to a shareholder vote again, before any changes could be implemented.

Resolutions 5 – 13: Re-election of Directors

With the exception of Bruce Carnegie-Brown who will be standing down at the Meeting, all Directors will retire and stand for re-appointment in accordance with the UK Corporate Governance Code and Articles of Association.

Resolutions 5 to 13 are seeking approval for the re-appointment of Strone Macpherson, Preben Prebensen, Stephen Hodges, Jonathan Howell, Elizabeth Lee and Geoffrey Howe. Oliver Corbett (who was appointed a director on 3 June 2014), Lesley Jones (who was appointed a director on 23 December 2013) and Bridget Macaskill (who was appointed a director on 21 November 2013) were appointed to the Board during the year and will stand for appointment by shareholders for the first time. Biographical details of the Directors are set out on pages 42 and 43 of the Annual Report and Accounts for the financial year ended 31 July 2014.

Resolution 16: Close Brothers Group plc Share Incentive Plan

Resolution 16 seeks approval for the establishment of the Close Brothers Group plc Share Incentive Plan, a summary of the main provisions of which is set out in the Appendix on pages 14 and 15.

Resolution 17: General authority to allot

Paragraph (a) of resolution 17 would give the Directors the authority to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares up to an aggregate nominal amount equal to £12,416,741 (representing 49,666,966 ordinary shares of 25p each). This amount represents

approximately one-third of the issued ordinary share capital (excluding treasury shares) of the Company as at 6 October 2014, the latest practicable date prior to publication of this Notice. As at 6 October 2014 1,623,395 ordinary shares were held by the Company in Treasury.

In line with guidance issued by the Investment Management Association (“IMA”), paragraph (b) of this resolution would give the Directors authority to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares in connection with a fully pre-emptive rights issue in favour of ordinary shareholders up to an aggregate nominal amount equal to £24,833,483 (representing 99,333,932 ordinary shares), as reduced by the nominal amount of any shares issued under paragraph (a) of this resolution. This amount (before any reduction) represents approximately two-thirds of the issued ordinary share capital (excluding treasury shares) of the Company as at 6 October 2014, the latest practicable date prior to publication of this Notice.

The authorities sought under paragraphs (a) and (b) of this resolution will expire at the conclusion of next year’s Annual General Meeting or 20 February 2016, if earlier.

The Directors have no present intention to exercise either of the authorities sought under this resolution. However, if they were to exercise the authorities, the Directors intend to follow IMA recommendations concerning their use.

Resolution 18: General power to disapply pre-emption rights

Resolution 18 would give the Directors the authority to allot ordinary shares (or sell any ordinary shares which the Company elects to hold in Treasury) for cash without first offering them to existing shareholders in proportion to their existing shareholdings.

This authority would be, similar to previous years, limited to allotments or sales in connection with pre-emptive offers and offers to holders of other equity securities if required by the rights of those shares or as the Board otherwise considers necessary, or otherwise up to an aggregate nominal amount of £1,862,511 (representing 7,450,044 ordinary shares). This aggregate nominal amount represents approximately 5% of the issued ordinary share capital of the Company as at 6 October 2014, the latest practicable date prior to publication of this Notice. In respect of this aggregate nominal amount, the Directors confirm their intention to follow the provisions of the Pre-Emption Group’s Statement of Principles regarding cumulative usage of authorities within a rolling three-year period where the Principles provide that usage in excess of 7.5% should not take place without prior consultation with shareholders.

The authority will expire at the conclusion of next year’s Annual General Meeting or 20 February 2016, if earlier.

Resolution 19: Purchase of own shares

Resolution 19 would give the Company the right to make market purchases of its own shares.

Authority is sought for the Company to purchase up to 10% of its issued ordinary shares (excluding any treasury shares).

The Directors intend to keep under review the potential to purchase ordinary shares. The Directors will exercise this authority only when to do so would be in the best interests of the Company, and of its shareholders generally, and could be expected to result in an increase in the earnings per shares of the Company.

Ordinary shares purchased by the Company pursuant to this authority may be held in treasury or may be cancelled. The Directors will consider holding any ordinary shares the Company may purchase as treasury shares. The minimum price, exclusive of expenses, which may be paid for an ordinary share is the nominal amount of that share. The maximum price, exclusive of expenses, which may be paid for an ordinary share is the highest of (i) an amount equal to 5% above the average market value for an ordinary share for the five business days immediately preceding the date of the purchase and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venues where the purchase is carried out.

The Company has options outstanding over 6,174,712 ordinary shares, representing 4.14% of the Company’s ordinary issued share capital (excluding treasury shares) as at 6 October 2014. If the existing authority given at the 2013 Annual General Meeting and the authority now being sought by this resolution were to be fully used, these would represent 5.17% of the Company’s ordinary issued share capital (excluding treasury shares) at that date.

Resolution 20: Notice of general meetings

Resolution 20 would maintain the current position, agreed by shareholders at the 2013 Annual General Meeting, allowing the Company to hold general meetings on 14 clear days' notice. Under the Companies Act 2006, the Company may call a general meeting, other than an annual general meeting, by giving 14 clear days' notice to shareholders. Under the Companies (Shareholder Rights) Regulations 2009 this period is extended to 21 clear days unless the Company has obtained shareholder approval for a shorter period. The shorter notice period would not be used as a matter of routine, but only where the flexibility was merited by the business of the meeting and was thought to be in the interests of shareholders as a whole. The approval will be effective until the Company's next Annual General Meeting, when it is intended that a similar resolution will be proposed.

APPENDIX

Summary of the main provisions of the Close Brothers Group plc Share Incentive Plan (the “Plan”)

1. Introduction

The Plan is being introduced to enable employees of the Group in the UK to acquire ordinary shares in the Company (Shares) in a tax-effective way. It is intended to comply with the statutory requirements in Schedule 2 to the Income Tax (Earnings and Pensions) Act 2003 as amended (“Schedule 2”).

2. Methods of acquiring Shares

The Plan allows for employees to acquire Shares in three different ways at the discretion of the Directors.

‘Partnership Shares’

Shares which are acquired using contributions deducted from employees’ salaries. Contributions are used each month to acquire Shares at the full market value on the acquisition date.

‘Matching Shares’

Shares which are awarded to employees, in proportion to the number of Partnership Shares acquired, paid for by the employing companies.

‘Dividend Shares’

Shares which are acquired by reinvestment of dividends paid on Shares held in the Plan.

It is intended that only Partnership Shares and Dividend Shares will be offered initially.

3. Eligibility

The participating companies in the Plan will be the companies in the group which have employees in the UK and have been selected by the Directors. Participation in the Plan must be offered to all employees of the participating companies who are UK resident and meet a qualifying period of service not exceeding 18 months. Employees of participating companies who are not UK resident may be included at the discretion of the Directors.

4. Individual Share acquisition limits

The limits to the participation in the Plan by an individual employee are set out in Schedule 2 and are currently as follows:

- Each employee may contribute up to £1,800 (or 10% of PAYE earnings, if less) by salary deduction in any tax year to acquire Partnership Shares.
- The maximum number of Matching Shares awarded to an employee is twice the number of Partnership Shares acquired.

5. Share capital limit

No Shares may be issued under the Plan if the total number of Shares issued under the Plan, together with the number of Shares issuable or issued pursuant to share options or share awards granted under any other employee share plan operated by a member of the group over the previous 10 years, would exceed 10% of the Company’s issued ordinary share capital at the time.

For the purpose of this share capital limit, the issue of Shares includes the reissue of treasury shares.

6. Rights of participants over Shares

Employees immediately become the beneficial owners of Shares acquired on their behalf under the Plan. However, the Shares are held initially by the trustees of the Plan.

Participants may take their Partnership Shares out of the Plan at any time. Any Matching Shares must normally be left in the Plan for a holding period of between three and five years.

The holding period for Dividend Shares is three years. Participants may instruct the trustees of the Plan to accept a takeover offer for the Company during the holding period and the holding period ends if the participant ceases to be an employee of the group.

The Directors may determine that Matching Shares will be forfeitable if the participant ceases to be employed within the group during a period of up to three years after the award date, except in certain circumstances specified in Schedule 2 (including death, injury, disability, redundancy, retirement or a transfer of the employing company or business outside the group).

Matching Shares may also be forfeitable if the corresponding Partnership Shares are taken out of the Plan during a period of up to three years after the award date.

Participants may instruct the trustees as to how the voting rights will be exercised. In the event of any reconstruction or variation in the Company's share capital, participants will have the same rights as other holders of Shares and can instruct the trustees of the Plan what action should be taken.

Any Shares allotted under the Plan will rank equally with other Shares of the same class then in issue.

7. Pension rights

The benefit of Shares acquired under the Plan will not be pensionable.

8. Amendments to the Plan

The Plan may be amended from time to time by the Directors. The provisions relating to:

- (a) the persons eligible to participate;
- (b) the limits on the number of Shares which may be issued or reissued from treasury;
- (c) the maximum entitlement of any one participant; and
- (d) the basis for determining a participant's entitlement to, and the terms of, Shares, and their adjustment if there is any variation of capital

cannot be amended to the advantage of participants without the prior approval of shareholders in general meeting, except for minor amendments to benefit the administration of the Plan or amendments to take account of a change in the legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for the Company or for other members of the group.

