

<b>GSK Policy</b>		<b>Title: Code for Dealing in Securities</b>
<b>Official Short Title: Code for Dealing in Securities</b>		
<b>Key Points</b>		
<ul style="list-style-type: none"> <li>➤ No employee may deal in GlaxoSmithKline plc securities (“GSK securities”) if he or she is in possession of Inside Information about GSK. Equally, employees must not deal in GSK securities on considerations of a Short Term Nature</li> <li>➤ Employees may not deal in the securities of another company with which GSK is doing business or negotiating if the employee is in possession of Inside Information in relation to such company</li> <li>➤ Employees should not, unless authorized as part of their role, pass on Inside Information at any time to any other person, inside or outside GSK, even if the employee does not profit directly from the arrangement</li> </ul>		
<b>Why do we have this policy?</b>		<b>Where does this policy apply?</b>
To give clear guidance to GSK employees on the standard of practice and pre-clearance procedures to be followed before dealing GSK Securities or those of any company.		All GSK Business Units operating in the following regions: US <input checked="" type="checkbox"/> EU <input checked="" type="checkbox"/> Japan <input checked="" type="checkbox"/> UK <input checked="" type="checkbox"/> International <input checked="" type="checkbox"/>
<b>What does this policy say?</b>		<b>Who in GSK has general obligations under this policy?</b>
<b>The Basics</b>	1. Purpose 2. Scope	<b>All GSK Staff</b> <input checked="" type="checkbox"/>
<b>Specific Requirements</b>	3. Responsibilities 4. Application of Policy 5. Standards of Practice 6. Dealing Consent 7. Dealings by Connected Person and Investment Managers 8. Notification of Dealings by Directors, members of the CET & their Connected Persons 9. Sanction 10. Communication of Issues	<b>What functions in GSK have specific obligations under this policy?</b> Audit, Compliance, & Quality <input checked="" type="checkbox"/> Communications <input checked="" type="checkbox"/> Govt. & External Affairs <input checked="" type="checkbox"/> Finance <input checked="" type="checkbox"/> Global Procurement <input checked="" type="checkbox"/> HR <input checked="" type="checkbox"/> IT <input checked="" type="checkbox"/> Legal <input checked="" type="checkbox"/> Marketing, Sales & Support <input checked="" type="checkbox"/> Office Chief Medical Officer <input checked="" type="checkbox"/> Operations <input checked="" type="checkbox"/> Research / Development <input checked="" type="checkbox"/> Supervisors & Management <input checked="" type="checkbox"/> Senior Management <input checked="" type="checkbox"/> Other <input checked="" type="checkbox"/>
<b>Glossary and Administration</b>	Glossary Administration Waivers Related Documents	<b>Contacts:</b> <b>Corporate Ethics &amp; Compliance</b> <b>1-866-GSK Ethics</b>

## The Basics

### 1. Purpose

To give clear guidance to GlaxoSmithKline (“GSK”) employees on the standard of practice and pre-clearance procedures to be followed when dealing in the shares or other securities of GSK (“GSK Securities”) or any company.

### 2. Scope

This policy applies to:

- The Directors of GlaxoSmithKline plc (“Directors”)
- Members of the Corporate Executive Team (“CET”) of GSK (who, together with the Directors, are considered to comprise the constituency of “persons discharging managerial responsibilities” for the purposes of the Listing Rules and Disclosure and Transparency Rules of the UK Listing Authority) (“Restricted Persons”);
- Secretary to the CET, Head of Investor Relations, Members of the Disclosure Committee and individuals designated by CET members. (“Designated Persons”);
- The Company Secretary of GlaxoSmithKline plc;
- Employee Insiders;
- All other GSK employees; and
- Connected Persons of Directors and CET members.

## The Specifics

### 3. Responsibilities

- 3.1** All GSK employees are responsible for their compliance with this policy.
- 3.2** Senior management of GSK, GSK functions, and GSK Business Units are ultimately responsible for ensuring this policy is communicated to all of their employees.

### 4. Application of Policy

- 4.1** Application of Policy: GSK has adopted the UK Listing Authority's Model Code for Dealing in Securities ("Model Code") (which is attached as appendix 1 and which is reflected in this policy) together with the Dealing Consent procedure set out in Section 6 below.

### 5. Standards of Practice

- 5.1** No employee may deal in GSK Securities if he or she is in possession of Inside Information about GSK. Equally, employees must not deal in GSK Securities on considerations of a Short Term Nature.
- 5.2** Employees may not deal in the securities of another company with which GSK is doing business or negotiating if the employee is in possession of Inside Information in relation to such company.
- 5.3** In addition:
- the Directors;
  - members of the CET;
  - Designated Persons; and
  - Employee Insiders
    - must not deal in GSK Securities without first receiving dealing consent as set out in Section 6 below. Dealing consent will not be given, except in exceptional circumstances, from the end of the relevant quarterly financial period up to and including the announcement of trading results for that period.
- 5.4** Employee Insiders
- Employee Insiders will be notified in writing that they are on an Insider List that they are prohibited from dealing in GSK Securities and are subject to the requirements of the Model Code.
  - Employees Insiders will therefore not be given consent to deal. This will apply until such time as they receive written notification from Corporate Secretariat that they are no longer included on an Insider List.

- 5.5 Employees should not, unless authorised as part of their role, pass on Inside Information at any time to any other person, inside or outside GSK, even if the employee does not profit directly from the arrangement.
- 5.6 Certain restrictions, procedures and disclosure obligations also apply in respect of the Connected Persons and “investment managers” of the Directors and members of the CET. These are set out in Section 7 below.
- 5.7 Employees should be aware of and comply with any local laws and regulations governing their share dealings, including, in particular, US laws and regulations.

## 6. Dealing Consent

### 6.1 Directors, members of the CET, and the Company Secretary

- Any dealing by Directors, members of the CET, and the Company Secretary, requires consent from the most senior level. Furthermore, as Directors and CET members are treated by the Company as “Restricted Persons” for the purposes of the UK Listing Authority’s Model Code for dealing, such consent will be determined on an objective view of the existence of any Inside Information, rather than by reference to the knowledge of the applicant.
- The Chairman, the Chief Executive Officer, the Chief Financial Officer, Senior Independent Non-Executive Director (“SID”) and the Company Secretary are each authorised to give consent to deal to Restricted Persons and the Company Secretary as follows:

<b>Dealings by</b>	<b>Require clearance by:</b>
Chairman	Chief Executive Officer or the SID
Chief Executive Officer	Chairman or the SID
Other Directors or the Company Secretary	any of the Chairman, the Chief Executive Officer or the Chief Financial Officer
CET members	any of the Chairman, the Chief Executive Officer, the Chief Financial Officer and the Company Secretary

### 6.2 Designated Persons

- It is GSK’s policy that it is appropriate for certain other senior employees, being the Designated Persons defined in Section 11, to request pre-clearance before dealing in GSK Securities. Employees who fall into this category will be informed of this by Corporate Secretariat.



- Dealings by Designated Persons may be cleared by any of the Chairman, the Chief Executive Officer, the Chief Financial Officer, the Company Secretary, the Deputy Company Secretary and/ or the General Counsel.

- 6.3** All applications to for dealing clearance will have to be made through the Company Secretary's office by using the electronic form available on the Corporate Secretariat Community accessible on mygsk.com.
- 6.4** No dealing can be initiated or take place until the applicant has been informed that consent has been forthcoming. Once clearance is received, it is a requirement of this Policy (and the Model Code) that dealing must take place as soon as possible and in any event within 2 business days of clearance being issued.
- 6.5** No person may give himself or herself consent to deal.

## **7. Dealings by Connected Person and Investment Managers**

- 7.1** Dealings by the Connected Persons of Directors will be treated for the purposes of notifications under the Disclosure & Transparency rules of the Financial Services Authority (DTR 3), as dealings by Directors. Under the Model Code, the connected persons regime also applies to CET members. Directors and CET members should ensure that their Connected Persons are aware of this. The definition of a Connected Person is set out under Section 11.
- 7.2** Directors and CET members must:
- take reasonable steps to prevent any dealings by or on behalf of their Connected Persons in any GSK Securities on considerations of a Short Term Nature; and
  - seek to prohibit any dealings in GSK Securities by:
    - any of his/her Connected Persons; or
    - any investment manager on behalf of him/her or any of his/her Connected Persons where there are funds under management (whether or not discretionary) with that manager except as permitted by the Model Code,
    - during GSK's quarterly close periods set by reference to the Model Code. **Connected Persons should not however be alerted to other prohibited periods, e.g. those driven by access to other Inside Information or transactions.**
- 7.3** For the purposes of Section 7.2, Directors and CET members must advise all their Connected Persons and investment managers:
- that they are subject to the Model Code;



- of the quarterly close periods during which they cannot deal in GSK Securities, i.e. those set by reference to publication of GSK's quarterly results; and
- that they should contact the Company Secretary of GSK, or in his absence the Deputy Company Secretary, before they deal in GSK Securities and confirm the details of the transaction to them as soon as they have dealt.
- Directors and CET members will be required to confirm that they have notified their Connected Persons accordingly.

## **8. Notification of Dealings by Directors, members of the CET & their Connected Persons**

**8.1** Under the FSA's Disclosure and Transparency Rules, Directors, CET members and their Connected Persons must notify the Company, in writing, of the occurrence of all transactions conducted on their own account in GSK Securities within four business days of the day on which the transaction occurred.

This notification must include the following information:

- (a) the name of the person who conducted the transaction;
- (b) a description of the GSK Security and the nature of the transaction (e.g. acquisition or disposal);
- (c) the date and place of the transaction; and
- (d) the price and number of shares involved in the transaction.

This requirement extends to share options, stock appreciation rights, performance share participations and shares held under other GSK sponsored plans.

## **9. Sanction**

Failure by any GSK employee to observe the GSK standards of practice and prior consent requirements may result in disciplinary action, up to and including termination of employment. Depending on the circumstances, it may also constitute a civil and/or criminal offence.

## 10. Communication of Issues

- 10.1** If a director or employee becomes aware of a breach of this Code, irrespective of whether the breach is by themselves or by one of their Connected Persons, they must notify the Company Secretary or Deputy Company Secretary immediately and without delay.
- 10.2** General queries concerning this policy should be directed in the first instance, to the Assistant Company Secretary, PLC Operations.

## Glossary & Administration

### 11. Glossary

- 11.1 Employee Insiders:** Those employees within the GSK group who, because of their office or employment or involvement in a particular transaction or business situation, have access to Inside Information and are therefore required to be included on the insider lists maintained by Corporate Secretariat.
- 11.2 GSK Securities:** Any publicly traded or quoted securities of GSK or any member of the GSK group or any securities convertible into such traded or quoted securities.
- 11.3 Inside Information:** Inside Information means “Inside Information” as defined in the Model Code in Appendix 1. By way of practical guidance, it captures hard facts about GSK or its business or other companies with which GSK is doing business or negotiating that are not generally known to the public but would be likely, if known generally, to affect the price of GSK Securities or securities of those other companies. It does not matter how an individual came to possess such information – whether in his or her job or from a colleague or friend. Such information may include (but is not limited to):
- Financial benefits, forecasts and financial results before their announcement;
  - Dividend information, including changes in dividend policy;
  - Trading prospects, including information on its markets;
  - Acquisitions and disposals;
  - Major restructuring programmes;
  - Capital structure changes, including redemption of securities;
  - Changes to the Board of Directors or other major managerial positions;
  - Significant product news, including discoveries, regulatory approvals and licensing deals; and

- Significant potential litigation.

**11.4 Short Term Nature:** Includes granting, buying or selling options or warrants on GSK securities or engaging in puts, calls, short sales or spread betting in respect of GSK securities. An investment with a maturity of one year or less will always be considered to be of a short term nature.

**11.5 Restricted Persons:** Directors of GlaxoSmithKline plc, CET members, and Employee Insiders

**11.6 Designated Persons:** Company Secretary, Secretary to the CET, Head of Investor Relations, Members of the Disclosure Committee; individuals designated by CET members.

**11.7 Connected Person:** means the following:

- spouses, children or step-children of a Director of GlaxoSmithKline plc or CET member. For these purposes, the definition of child includes only those under the age of 18 years old;
- a body corporate with which the GSK Director or CET member is associated. A Director or CET member is associated with a body corporate if he, and persons connected with him, together: are interested in shares comprised in the equity share capital of that body corporate of a nominal value equal to at least one-fifth of that share capital (excluding treasury shares); or are entitled to exercise or control the exercise of more than one-fifth of the voting power at any general meeting of that body (excluding any voting rights attached to any shares in the company held as treasury shares);
- a person acting in his capacity as trustee of any trust (excluding an employees' share scheme or a pension scheme) the beneficiaries or potential beneficiaries of which include: the Director or CET member, his spouse, or any of his children or step-children (aged under 18), or a body corporate with which he is associated;
- a person acting in his capacity as trustee of a trust whose terms confer a power on the trustees that may be exercised for the benefit of the director or CET member, his spouse, or any of his children or step-children (aged under 18) or any body corporate with which he is associated;
- a person acting in his capacity as partner of the director or CET member or of any person who by virtue of any of the paragraphs above is connected with the director or CET member;
- a relative of a director or CET member, who, on the date of the transaction in question, has shared the same household as that person for at least 12 months; and

- a body corporate in which:
  - i. a Director or CET member, or
  - ii. any person connected with him by virtue of any of the above paragraphs,

is a director or a senior executive who has the power to make management decisions affecting the future development and business prospects of that body corporate.

The FSA has issued guidance that the constituency of bodies corporate with which a director's associated under this test is limited to those where he has the power, i.e. acting alone, to make significant management decision. A director will not therefore be associated with a company simply by sitting on its board.

**Generally the definition of connected person is very wide and you should contact Corporate Secretariat if you have any doubt as to how it applies to you.**

<b>Administration</b>
-----------------------

**Approval:** Board of Directors

**Owner:** GSK General Counsel

**Author:** GSK Company Secretary

**Approval Date:** 04-OCT-2007

**Effective Date:** 04-OCT-2007

**History:** 04-October-2007: V05 - Further amendment approved by the Board  
01-April-2006: V04 –Further amendment approved by the Board  
1-July-2005: V03 – Amendment approved  
19-July-2001: New GSK Policy POL-GSK-008 V01 – supersedes SBCC-07, SBCC-08 and GW 6.5

## Waivers

Subject to the terms of the Model Code, any requirement of this Corporate Policy may be waived conditionally on a case-by-case basis in exceptional circumstances with written approval from the Corporate Compliance Officer or the CET. All requests for exceptions/exemptions should be directed to Corporate Ethics & Compliance (CEC).

## Related Documents

### Appendix 1:

### The Model Code (Release 070)

This annex is referred to in LR 9.2 (Requirements with continuing application) and LR 15 (Investment entities).

#### Introduction

This code imposes restrictions on dealing in the securities of a listed company beyond those imposed by law. Its purpose is to ensure that persons discharging managerial responsibilities do not abuse, and do not place themselves under suspicion of abusing, inside information that they may be thought to have, especially in periods leading up to an announcement of the company's results.

Nothing in this code sanctions a breach of section 118 of the Act (Market abuse), the insider dealing provisions of the Criminal Justice Act or any other relevant legal or regulatory requirements.

#### Definitions

1. In this code the following definitions, in addition to those contained in the listing rules, apply unless the context requires otherwise:
  - (a) close period means:
    - (i) the period of 60 days immediately preceding a preliminary announcement of the listed company's annual results or, if shorter, the period from the end of the relevant financial year up to and including the time of announcement; or
    - (ii) the period of 60 days immediately preceding the publication of its annual financial report or if shorter the period from the end of the relevant financial year up to and including the time of such publication; and
    - (iii) if the listed company reports on a half yearly basis the period from the end of the relevant financial period up to and including the time of such publication; and
    - (iv) if the listed company reports on a quarterly basis the period of 30 days immediately preceding the announcement of the quarterly results or, if shorter, the period from the end of the relevant

- financial period up to and including the time of the announcement;
- (b) connected person has the meaning given in section 96B (2) of the Act (Persons discharging managerial responsibilities and connected persons);
  - (c) dealing includes:
    - (i) any acquisition or disposal of, or agreement to acquire or dispose of any of the securities of the company;
    - (ii) entering into a contract (including a contract for difference) the purpose of which is to secure a profit or avoid a loss by reference to fluctuations in the price of any of the securities of the company;
    - (iii) the grant, acceptance, acquisition, disposal, exercise or discharge of any option (whether for the call, or put or both) to acquire or dispose of any of the securities of the company;
    - (iv) entering into, or terminating, assigning or novating any stock lending agreement in respect of the securities of the company;
    - (v) using as security, or otherwise granting a charge, lien or other encumbrance over the securities of the company;
    - (vi) any transaction, including a transfer for nil consideration, or the exercise of any power or discretion effecting a change of ownership of a beneficial interest in the securities of the company; or
    - (vii) any other right or obligation, present or future, conditional or unconditional, to acquire or dispose of any securities of the company;
  - (d) [deleted]
  - (e) prohibited period means:
    - (i) any close period; or
    - (ii) any period when there exists any matter which constitutes inside information in relation to the company;
  - (f) restricted person means a person discharging managerial responsibilities ; and
  - (g) securities of the company means any publicly traded or quoted securities of the company or any member of its group or any securities that are convertible into such securities.

### **Dealings not subject to the provisions of this code**

2. The following dealings are not subject to the provisions of this code:

- (a) undertakings or elections to take up entitlements under a rights issue or other offer (including an offer of securities of the company in lieu of a cash dividend);
- (b) the take up of entitlements under a rights issue or other offer (including an offer of securities of the company in lieu of a cash dividend);
- (c) allowing entitlements to lapse under a rights issue or other offer (including an offer of securities of the company in lieu of a cash dividend);
- (d) the sale of sufficient entitlements nil-paid to take up the balance of the entitlements under a rights issue;
- (e) undertakings to accept, or the acceptance of, a takeover offer;
- (f) dealing where the beneficial interest in the relevant security of the company does not change;
- (g) transactions conducted between a person discharging managerial responsibilities and their spouse, civil partner, child or step-child (within the meaning of section 96B(2) of the Act);
- (h) transfers of shares arising out of the operation of an employees' share scheme into a savings scheme investing in securities of the company following:
  - (i) exercise of an option under an approved SAYE option scheme; or
  - (ii) release of shares from a HM Revenue and Customs approved share incentive plan;
- (i) with the exception of a disposal of securities of the company received by a restricted person as a participant, dealings in connection with the following employees' share schemes;
  - (i) an HM Revenue and Customs approved SAYE option scheme or share incentive plan, under which participation is extended on similar terms to all or most employees of the participating companies in that scheme; or
  - (ii) a scheme on similar terms to a HM Revenue and Customs approved SAYE option scheme or share incentive plan, under which participation is extended on similar terms to all or most employees of the participating companies in that scheme; or
- (j) the cancellation or surrender of an option under an employees' share scheme;
- (k) transfers of the securities of the company by an independent trustee of an employees' share scheme to a beneficiary who is not a restricted person;
- (l) transfers of securities of the company already held by means of a matched sale and purchase into a saving scheme or into a pension

scheme in which the restricted person is a participant or beneficiary;

- (m) an investment by a restricted person in a scheme or arrangement where the assets of the scheme (other than a scheme investing only in the securities of the company) or arrangement are invested at the discretion of a third party;
- (n) a dealing by a restricted person in the units of an authorised unit trust or in shares in an open-ended investment company; and
- (o) bona fide gifts to a restricted person by a third party.

### **Dealing by restricted persons**

- 3. A restricted person must not deal in any securities of the company without obtaining clearance to deal in advance in accordance with paragraph 4 of this code.

### **Clearance to deal**

- 4.
  - (a) A director (other than the chairman or chief executive) or company secretary must not deal in any securities of the company without first notifying the chairman (or a director designated by the board for this purpose) and receiving clearance to deal from him.
  - (b) The chairman must not deal in any securities of the company without first notifying the chief executive and receiving clearance to deal from him or, if the chief executive is not present, without first notifying the senior independent director, or a committee of the board or other officer of the company nominated for that purpose by the chief executive, and receiving clearance to deal from that director, committee or officer.
  - (c) The chief executive must not deal in any securities of the company without first notifying the chairman and receiving clearance to deal from him or, if the chairman is not present, without first notifying the senior independent director, or a committee of the board or other officer of the company nominated for that purpose by the chairman, and receiving clearance to deal from that director, committee or officer.
  - (d) If the role of chairman and chief executive are combined, that person must not deal in any securities of the company without first notifying the board and receiving clearance to deal from the board.
  - (e) Persons discharging managerial responsibilities (who are not directors) must not deal in any securities of the company without first notifying the company secretary or a designated director and receiving clearance to deal from him.

5. A response to a request for clearance to deal must be given to the relevant restricted person within five business days of the request being made.
6. The company must maintain a record of the response to any dealing request made by a restricted person and of any clearance given. A copy of the response and clearance (if any) must be given to the restricted person concerned.
7. A restricted person who is given clearance to deal in accordance with paragraph 4 must deal as soon as possible and in any event within two business days of clearance being received.

#### **Circumstances for refusal**

8. A restricted person must not be given clearance to deal in any securities of the company:
  - (a) during a prohibited period; or
  - (b) on considerations of a short term nature. An investment with a maturity of one year or less will always be considered to be of a short term nature.

#### **Dealings permitted during a prohibited period**

##### **Dealing in exceptional circumstances**

9. A restricted person, who is not in possession of inside information in relation to the company, may be given clearance to deal if he is in severe financial difficulty or there are other exceptional circumstances. Clearance may be given for such a person to sell (but not purchase) securities of the company when he would otherwise be prohibited by this code from doing so. The determination of whether the person in question is in severe financial difficulty or whether there are other exceptional circumstances can only be made by the director designated for this purpose.
10. A person may be in severe financial difficulty if he has a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant securities of the company. A liability of such a person to pay tax would not normally constitute severe financial difficulty unless the person has no other means of satisfying the liability. A circumstance will be considered exceptional if the person in question is required by a court order to transfer or sell the securities of the company or there is some other overriding legal requirement for him to do so.
11. The FSA should be consulted at an early stage regarding any application by a restricted person to deal in exceptional circumstances.

#### **Awards of securities and options**

12. The grant of options by the board of directors under an employees' share scheme to individuals who are not restricted persons may be permitted during a prohibited period if such grant could not reasonably be made at another time and failure to make the grant would be likely to indicate that the company was in a prohibited period.
13. The award by the company of securities, the grant of options and the grant of rights (or other interests) to acquire securities of the company to restricted persons is permitted in a prohibited period if:
  - (a) the award or grant is made under the terms of an employees' share scheme and the scheme was not introduced or amended during the relevant prohibited period; and
  - (b) either:
    - (i) the terms of such employees' share scheme set out the timing of the award or grant and such terms have either previously been approved by shareholders or summarised or described in a document sent to shareholders, or
    - (ii) the timing of the award or grant is in accordance with the timing of previous awards or grants under the scheme; and
  - (c) the terms of the employees' share scheme set out the amount or value of the award or grant or the basis on which the amount or value of the award or grant is calculated and do not allow the exercise of discretion; and
  - (d) the failure to make the award or grant would be likely to indicate that the company is in a prohibited period.

### **Exercise of options**

14. Where a company has been in an exceptionally long prohibited period or the company has had a number of consecutive prohibited periods, clearance may be given to allow the exercise of an option or right under an employees' share scheme, or the conversion of a convertible security, where the final date for the exercise of such option or right, or conversion of such security, falls during a prohibited period and the restricted person could not reasonably have been expected to exercise it at a time when he was free to deal.
15. Where the exercise or conversion is permitted pursuant to paragraph 14, clearance may not be given for the sale of the securities of the company acquired pursuant to such exercise or conversion including the sale of sufficient securities of the company to fund the costs of the exercise or conversion and/or any tax liability arising from the exercise or conversion unless a binding undertaking to do so was entered into when the company was not in a prohibited period.

### **Qualification shares**

16. Clearance may be given to allow a director to acquire qualification shares where, under the company's constitution, the final date for acquiring such shares falls during a prohibited period and the director could not reasonably have been expected to acquire those shares at another time.

### **Saving schemes**

17. A restricted person may enter into a scheme under which only the securities of the company are purchased pursuant to a regular standing order or direct debit or by regular deduction from the person's salary, or where such securities are acquired by way of a standing election to re-invest dividends or other distributions received, or are acquired as part payment of the person's remuneration without regard to the provisions of this code, if the following provisions are complied with:
  - (a) the restricted person does not enter into the scheme during a prohibited period, unless the scheme involves the part payment of remuneration in the form of securities of the company and is entered into upon the commencement of the person's employment or in the case of a non-executive director his appointment to the board;
  - (b) the restricted person does not carry out the purchase of the securities of the company under the scheme during a prohibited period, unless the restricted person entered into the scheme at a time when the company was not in a prohibited period and that person is irrevocably bound under the terms of the scheme to carry out a purchase of securities of the company (which may include the first purchase under the scheme) at a fixed point in time which falls in a prohibited period;
  - (c) the restricted person does not cancel or vary the terms of his participation, or carry out sales of securities of the company within the scheme during a prohibited period; and
  - (d) before entering into the scheme, cancelling the scheme or varying the terms of his participation or carrying out sales of the securities of the company within the scheme, the restricted person obtains clearance in accordance with paragraph 4.

### **Acting as a trustee**

18. Where a restricted person is acting as a trustee, dealing in the securities of the company by that trust is permitted during a prohibited period where:
  - (a) the restricted person is not a beneficiary of the trust; and
  - (b) the decision to deal is taken by the other trustees or by investment managers on behalf of the trustees independently of the restricted person.

19. The other trustees or investment managers acting on behalf of the trustees can be assumed to have acted independently where the decision to deal:
  - (a) was taken without consultation with, or other involvement of, the restricted person; or
  - (b) was delegated to a committee of which the restricted person is not a member.

**Dealing by connected persons and investment managers**

20. A person discharging managerial responsibilities must take reasonable steps to prevent any dealings by or on behalf of any connected person of his in any securities of the company on considerations of a short term nature.
21. A person discharging managerial responsibilities must seek to prohibit any dealings in the securities of the company during a close period:
  - (a) by or on behalf of any connected person of his; or
  - (b) by an investment manager on his behalf or on behalf of any person connected with him where either he or any person connected has funds under management with that investment fund manager, whether or not discretionary (save as provided by paragraphs 17 and 18).
22. A person discharging managerial responsibilities must advise all of his connected persons and investment managers acting on his behalf:
  - (a) of the name of the listed company within which he is a person discharging managerial responsibilities;
  - (b) of the close periods during which they cannot deal in the securities of the company; and
  - (c) that they must advise the listed company immediately after they have dealt in securities of the company.