



Waiver

To: Newton Fund Managers Limited ("the firm")
REF: 122007

Of: 71 Queen Victoria Street
London
EC4V 4DR

Date: 4 DECEMBER 2002

HANDBOOK RELEASE NUMBER: JUNE 2001

Power

1. This *waiver* is given by the *FSA* under sections 148 and 250 of the Financial Services and Markets Act 2000.

Duration

2. This *waiver* takes effect from the date of this notice and ceases to have effect when an amendment is made to the trust deed removing the clause requiring unitholder approval to any other amendment to the deed.

Rule modified – Collective Investment Schemes Sourcebook 11.4.3R

3. The *FSA* directs that the *rule* listed below applies to the firm in relation to Newton Phoenix Fund with the *modification* shown. Striking through indicates deletion.

Rule	Modification
<i>CIS 11.4.3R</i>	<i>CIS 11.4.3R</i> is modified in relation to the firm such that it reads as follows: <i>CIS 11.4.3R</i> (1) An amendment must not be made to the <i>trust deed</i> except by a deed, expressed to be supplemental to the <i>trust deed</i> , entered into by the <i>manager</i> and the <i>trustee</i> following the unanimous written approval of <i>unitholders</i> to the amendment.- (a) the calling of a meeting of <i>unitholders</i> by notice (if required under (2)); and

Rule	Modification
	(b) the approval of a meeting of <i>unitholders</i> (if required under (3)). (2) The calling of a meeting is necessary unless the <i>manager</i> and <i>trustee</i> have agreed that the amendment is one which may, in accordance with CIS 11.4.4R, be made without the approval of a resolution. (3) The approval of the <i>unitholders</i> (signified by the passing at the meeting of an <i>extraordinary resolution</i> authorising the amendment) is required in any case where a meeting of <i>unitholders</i> has to be called.

Conditions

4. This direction is conditional on all the firm's *unitholders* constituting *associates* of the firm so as to be disentitled to vote at a meeting of the firm's *unitholders* by reason of CIS 11.3.9R (6) and this waiver shall automatically lapse when this is no longer the case.

Interpretation

5. The interpretative provisions (including definitions) of the *Handbook* apply to this *waiver* in the same way they apply to the *Handbook*.

Acting Chairman of the Investment Firms Division Case Committee
Signed for and on behalf of The Financial Services Authority