

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-8
REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933

REUTERS GROUP PLC
(Exact name of Registrant as specified in its charter)

England and Wales
(State or other jurisdiction of
incorporation or organization)

Not Applicable
(I.R.S. Employer
Identification Number)

The Reuters Building
South Colonnade
Canary Wharf
London, E14 5EP
England

44 (0) 207 250 1122

(Address and telephone number of Registrant's principal executive offices)

REUTERS GROUP PLC LONG-TERM INCENTIVE PLAN 1997, AS AMENDED
REUTERS GROUP PLC DISCRETIONARY STOCK OPTION PLAN, AS AMENDED
REUTERS GROUP PLC INTERNATIONAL SAYE SHARE OPTION PLAN 1997, AS AMENDED
REUTERS GROUP PLC RESTRICTED SHARE PLAN
REUTERS GROUP PLC GLOBAL RESTRICTED SHARE PLAN
AMENDED AND RESTATED REUTERS AMERICA INC. EMPLOYEE STOCK PURCHASE PLAN

(Full title of the plans)

Nancy C. Gardner, Americas General Counsel
Reuters America LLC
The Reuters Building
3 Times Square, 20th Floor
New York, NY 10036
(646) 223 4000

(Name, address and telephone number of agent for service)

Copies to:
Doreen E. Lilienfeld, Esq.
Shearman & Sterling LLP
599 Lexington Avenue
New York, NY
(212) 848-7171

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Security	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Ordinary Shares, nominal value	14,745,801 (2)	\$8.018 (3)	\$118,231,832.42 (3)	\$12,650.81
25 pence per share (1)	3,297,741 (4)	\$5.871 (5)	\$19,361,037.41 (5)	\$2,071.63
	1,721,502 (6)	\$5.385 (7)	\$9,270,288.27 (7)	\$991.92
	3,478,813 (8)	\$7.372 (9)	\$25,645,809.44 (9)	\$2,744.10
	17,497,956 (10)	\$8.170 (11)	\$142,958,300.52 (11)	\$15,296.54
Total:				\$0 (12)

(1) American Depositary Receipts evidencing American Depositary Shares ("ADSs") deliverable on deposit of the Ordinary Shares, nominal value 25 pence per share (the "Ordinary Shares"), of Reuters Group PLC (the "Registrant") have been registered pursuant to a separate Registration Statement on Form F-6 (File No. 333-130250) filed with the U.S. Securities and Exchange Commission (the "Commission") on December 9, 2005. Each ADS represents six Ordinary Shares.

- (2) Represents Ordinary Shares subject to awards under the Reuters Group PLC Discretionary Stock Option Plan, as amended (the "DSOP").
- (3) Estimated solely for the purpose of calculating the registration fee. In accordance with Rule 457(h) under the Securities Act of 1933, as amended (the "Securities Act"), the proposed maximum offering price per share and the proposed maximum offering price are based on the weighted average exercise price of the awards under the DSOP, translated from pounds Sterling into U.S. dollars using the noon buying rate on September 25, 2006 of (pound Sterling) 1=\$1.9001 (the "Translation Rate").
- (4) Represents Ordinary Shares subject to awards under the Reuters Group PLC Long-Term Incentive Plan 1997, as amended (the "LTIP").
- (5) Estimated solely for the purpose of calculating the registration fee. In accordance with Rule 457(h) under the Securities Act, the proposed maximum offering price per share and the proposed maximum offering price are based on the weighted average grant value of the awards under the LTIP, translated from pounds Sterling into U.S. dollars using the Translation Rate.
- (6) Represents Ordinary Shares subject to awards under the Reuters Group PLC International SAYE Share Option Plan 1997, as amended (the "SAYE").
- (7) Estimated solely for the purpose of calculating the registration fee. In accordance with Rule 457(h) under the Securities Act, the proposed maximum offering price per share and the proposed maximum offering price are based on the weighted average exercise price of the awards under the SAYE.
- (8) Represents Ordinary Shares subject to awards under the Reuters Group PLC Restricted Share Plan (the "RSP").
- (9) Estimated solely for the purpose of calculating the registration fee. In accordance with Rule 457(h) under the Securities Act, the proposed maximum offering price per share and the proposed maximum offering price are based on the weighted average grant value of the awards under the RSP, translated from pounds Sterling into U.S. dollars using the Translation Rate.
- (10) Represents an aggregate of 17,497,956 Ordinary Shares, 1,800,000 of which are available for future issuance pursuant to the DSOP, 1,797,956 of which are available for future issuance pursuant to the LTIP, 8,000,000 of which are available for future issuance pursuant to the Reuters Group PLC Global Restricted Share Plan, as amended (the "Global Plan"), 2,600,000 of which are available for future issuance pursuant to the SAYE, and 3,300,000 of which are available for future purchase pursuant to the Amended and Restated Reuters America Inc. Employee Stock Purchase Plan, as amended (the "ESPP"). This Registration Statement on Form S-8 shall also cover any additional Ordinary Shares which become deliverable under the DSOP, the LTIP, the RSP, the Global Plan, the SAYE and the ESPP by reason of any stock dividend, stock split, recapitalization or other similar transaction effected without the receipt of consideration which results in an increase in the number of outstanding Ordinary Shares of the Registrant.
- (11) Estimated solely for the purpose of calculating the registration fee. In accordance with Rule 457(h), the proposed maximum offering price per share has been calculated pursuant to Rule 457(c). The average of the high and low Ordinary Share prices on September 25, 2006 on the London Stock Exchange from 4.30 pounds Sterling into U.S. dollars has been multiplied by the Translation Rate. The resulting proposed maximum offering price per share, \$8.170, has been multiplied by the amount of Ordinary Shares to be registered to obtain the proposed maximum aggregate offering price of \$142,958,300.52
- (12) Pursuant to Rule 457(p) under the Securities Act, the filing fee is being offset by \$33,755 of the filing fee associated with approximately 46,490,000 unsold Ordinary Shares registered on the Registrant's Registration Statement on Form S-8 (Registration No. 333-118579), filed with the Commission on August 26, 2004.

Part I

INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

Item 1. Plan Information.*

Item 2. Registrant Information and Employee Plan Annual Information.*

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* Information required by Part I to be contained in the Section 10(a) prospectus is omitted from this Registration Statement in accordance with Rule 428 under the Securities Act, and the "Note" to Part I of Form S-8.

Part II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents filed with the U.S. Securities and Exchange Commission (the "Commission") are incorporated by reference as of their respective dates in this Registration Statement:

(a) the Registrant's Form 20-F for the fiscal year ended December 31, 2005 (File No. 333-08354), filed on March 17, 2006; and

(b) the Registrant's Special Report on Form 6-K dated March 5, 1998 (File No. 333-08354), which includes a description of the Registrant's share capital and the American depositary receipts representing the Registrant's Ordinary Shares.

All documents subsequently filed by the Registrant pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act prior to the filing of a post-effective amendment to this Registration Statement, which indicates that all securities offered have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement and are a part hereof from the date of filing of such documents.

Any statement contained in a document incorporated or deemed incorporated by reference in this Registration Statement shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

Not applicable.

Item 6. Indemnification of Directors and Officers.

English law does not permit a company to indemnify a director or an officer of the company against any liability which by virtue of any rule of law would otherwise attach to him in respect of negligence, default, breach of duty or breach of trust in relation to the company except liability incurred by such director or officer in defending any legal proceeding (whether civil or criminal) in which judgment is given in his favor or in which he is acquitted or in certain

instances where, although he is liable, a court finds such director or officer acted honestly and reasonably and that having regard to all the circumstances he ought fairly to be excused and relief is granted by the court.

Regulation 155 of the Registrant's Articles of Association provides:

"Subject to the provisions of and so far as may be consistent with the [Companies Act 1985 and other companies legislation], every Director, Auditor, Secretary or other officer of the [Registrant] shall be entitled to be indemnified by the Registrant out of its own funds against all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the [Registrant] and in which judgment is given in his favor (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court."

Regulation 89(B) of the Registrant's Articles of Association provides:

"Without prejudice to the provisions of Regulation 155 the Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers or employees or auditors of the [Registrant], or of any other company which is its parent undertaking or in which the [Registrant] or such parent undertaking or any of the predecessors of the [Registrant] or of such parent undertaking has any interest whether direct or indirect or which is in any way allied to or associated with the [Registrant], or of any subsidiary undertaking of the [Registrant] or of any such other company, or who are or were at any time trustees of any pension fund in which any employees of the [Registrant] or of any such other company or subsidiary undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the [Registrant] or any such other company, subsidiary undertaking or pension fund."

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

See Exhibit Index.

Undertakings.

(a) The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made of securities registered hereby, a post-effective amendment to this Registration Statement to include any material information with respect to the plan of distribution not previously disclosed in this Registration Statement or any material change to such information in this Registration Statement;

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof; and

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby further undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act that is incorporated by reference in this Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the U.S. Securities Act of 1933, as amended, the Registrant, Reuters Group PLC, a corporation organized and existing under the laws of England and Wales, certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in London on the 28 day of September, 2006.

Reuters Group PLC
(Registrant)

By: /s/ David John Grigson

Name: David John Grigson
Title: Finance Director

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENT, that each person whose signature appears below constitutes and appoints David John Grigson (with full power to act alone), his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities to do any and all things and execute any and all instruments that such attorney may deem necessary or advisable under the Securities Act, and any rules, regulations and requirements of the Commission in connection with the Registration Statement, including specifically, but without limiting the generality of the foregoing, the power and authority to sign his or her name in his or her capacity as an Officer, Director or Authorized Representative in the United States or in any other capacity with respect to this Registration Statement, and with respect to any and all amendments, including post-effective amendments, to this Registration Statement and to any and all instruments and documents filed as part of or in connection with this Registration Statement and all amendments thereto, including post-effective amendments.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed below by the following in the capacities indicated as of this 28 day of September, 2006.

SIGNATURE	TITLE
/s/ Niall FitzGerald - ----- Niall FitzGerald	Chairman and Director
/s/ Thomas Henry Glocer - ----- Thomas Henry Glocer	Chief Executive Officer and Director (Principal Executive Officer)
/s/ David Grigson - ----- David Grigson	Finance Director and Director (Principal Financial and Accounting Officer)
/s/ Devin Wenig - ----- Devin Wenig	Chief Operating Officer and Director
/s/ Edward Kozel - ----- Edward Kozel	Director
/s/ Richard Olver - ----- Richard Olver	Director
/s/ Ian Charles Strachan - ----- Ian Charles Strachan	Director
/s/ Penelope Hughes - ----- Penelope Hughes	Director
/s/ Lawton Fitt - ----- Lawton Fitt	Director
/s/ Kenneth Olisa - ----- Kenneth Olisa	Director

Director

- -----
Sir Deryck Maughan

Authorized U.S. Representative

/s/ Nancy C. Gardner
- -----
Nancy C. Gardner

EXHIBIT INDEX

Exhibit No.	Description of Document
4.1	Memorandum and Articles of Association of the Registrant as in effect on the date hereof (incorporated by reference from Exhibit 1.1 to the Registrant's 2004 Annual Report on Form 20-F (File No. 333-08354) filed with the Commission on March 9, 2005).
4.2	Deposit Agreement, dated February 18, 1998 among the Registrant, Deutsche Bank Trust Company Americas (in substitution for Morgan Guaranty Trust Company of New York), as depositary, and all holders from time to time of American Depositary Receipts issued thereunder (incorporated by reference to Exhibit 2.2 to the Annual Report on Form 20-F filed with the Commission with respect to the fiscal year ended December 31, 1997 (File No. 333-08354)), as supplemented by the Supplemental Agreement to Deposit Agreement, dated as of December 16, 2005 (incorporated by reference to Exhibit (a)(2) to the Registration Statement on Form F-6 filed with the Commission on December 9, 2005) (File No. 33-130250).
4.3	Reuters Group PLC Discretionary Share Option Plan, as amended (incorporated by reference from Exhibit 4.12 to the Registrant's 2004 Annual Report on Form 20-F (File No. 333-08354) filed with the Commission on March 9, 2005).
4.4	Reuters Group PLC Long-Term Incentive Plan 1997, as amended (incorporated by reference from Exhibit 4.11 to the Registrant's 2005 Annual Report on Form 20-F (File No. 333-08354) filed with the Commission on March 16, 2006).
4.5	Reuters Group PLC Restricted Share Plan (incorporated by reference from Exhibit 4.3 to the Registrant's Registration Statement on Form S-8 (File No. 333-118579) filed with the Commission on August 26, 2004).
*4.6	Reuters Group PLC Global Restricted Share Plan.
*4.7	Reuters Group PLC International SAYE Share Option Plan 1997, as amended.
*4.8	Amended and Restated Reuters America Inc. Employee Stock Purchase Plan.
*5.1	Opinion of Rosemary Martin, General Counsel and Company Secretary of Reuters Group PLC.
*23.1	Consent of PricewaterhouseCoopers LLP, Independent Accountants.
*23.2	Consent of Rosemary Martin, General Counsel and Company Secretary of Reuters Group PLC (included in Exhibit 5.1).
*24	Power of Attorney (included on signature page).

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* Filed herewith.

[GRAPHIC OMITTED]

REUTERS GROUP PLC GLOBAL
RESTRICTED SHARE PLAN

Approved by resolution of the Company in
general meeting on 22 April 2004. Amended by
resolution of the Board on 25 July 2006

2006

1

CONTENTS

CLAUSE	PAGE
1. DEFINITIONS.....	3
2. GRANT OF AWARDS.....	3
3. NUMBER OF SHARES IN RESPECT OF WHICH AWARDS MAY BE GRANTED.....	3
4. RELEASE OF AWARDS.....	3
5. LAPSE OF AWARDS AND CESSATION OF EMPLOYMENT.....	3
6. GENERAL OFFER FOR THE COMPANY ETC.....	3
7. ADJUSTMENTS OF AWARDS.....	3
8. TAXATION AND SOCIAL SECURITY CONTRIBUTIONS.....	3
9. AMENDMENT AND ADMINISTRATION.....	3
10. GENERAL.....	3
11. DATA PROTECTION.....	3
APPENDIX 1	3
US SUB-PLAN	3

1. DEFINITIONS

1.1 In this Plan, unless the context otherwise requires, the following words and expressions have the following meanings, namely:

ADS means American Depositary Shares, evidenced by American Depositary Receipts, each ADS representing six Shares;

Adoption Date means the date of adoption of the Plan by the Company in general meeting;

Award means an award granted in the form referred to in rule 2.1 and Awarded shall be construed accordingly;

Award Letter means the notification to a Participant by the Grantor setting out the specific conditions of an Award;

Basic Salary means an Eligible Employee's annual basic salary in respect of his employment with the Group;

Board means the board of directors of the Company or where appropriate a duly authorised committee thereof;

Capital Reorganisation means any variation in the share capital or reserves of the Company (including, without limitation by way of capitalisation issue, rights issue, sub-division, consolidation or reduction);

Company means Reuters Group PLC registered in England and Wales No. 03296375 by whatever name from time to time;

Control has the meaning given by section 840 of the Taxes Act;

Date of Grant means the date on which the Grantor makes an Award;

Discretionary Share Plan means an Employees' Share Scheme in which participation is solely discretionary;

Eligible Employee means any bona fide employee of any member of the Group;

Employees' Share Scheme has the meaning given by section 743 of the Companies Act 1985;

Grantor means either:

- (a) the Board in respect of Awards made or to be made by the Company; or
- (b) the Trustee in respect of Awards made or to be made by the Trustee.

Grant Period means the period of 42 days commencing on any of the following:

- (a) the Adoption Date;
- (b) the day immediately following the day on which the Company makes an announcement of its results for the last preceding year, half year or other period; or

- (c) any day on which the Board resolves that exceptional circumstances exist that justify the grant of Awards;

Group means the Company and its Subsidiaries and member of the Group shall be construed accordingly;

the London Stock Exchange means the London Stock Exchange plc or any successor body to it;

Market Value means in relation to a Share on any day:

- (a) if and so long as the Shares are listed on the London Stock Exchange, the closing middle market quotation for such a Share on the Date of Grant (as derived from the Daily Official List of the London Stock Exchange); or
- (b) subject to (a) above, its market value determined in accordance with Part VIII of the Taxation Chargeable Gains Act 1992;

Official List means the Official List of the UK Listing Authority;

Participant means any individual to whom an Award has been granted under the Plan (including where the context permits, the legal personal representatives of a deceased Participant);

Participating Company means the Company or any Subsidiary of the Company;

Performance Conditions means any performance conditions applicable to an Award imposed by the Board under rule 2.6;

the Plan means this Reuters Group PLC Restricted Share Plan as amended from time to time;

Registered Holder means any person or persons nominated by the Grantor to hold Shares on behalf of a Participant;

Release means the transfer to a Participant of the Shares to which he is entitled under these rules (whether automatically or pursuant to a notice of release), and Release Date shall be construed accordingly;

Restricted Period means unless foreshortened pursuant to rules 5 and 6 of this Plan, a period specified by the Grantor on the Date of Grant commencing on the Date of Grant and expiring on a Vesting Date;

Shares means fully paid and irredeemable ordinary shares in the capital of the Company or shares representing those shares following any Capital Reorganisation;

Subsidiary has the meaning given by sections 736 and 736A of the Companies Act 1985;

Taxes Act means the Income and Incorporation Taxes Act 1988;

Treasury Shares means Shares bought and held by the Company in accordance with s162 A-G of the Companies Act 1985 (as amended);

the Trustee means the trustee or trustees for the time being of any employee trust established by the Company from time to time for the benefit of (inter alia) employees of any member of the Group and which is an employees' share scheme as defined in section 743 of the Companies Act 1985;

UK Listing Authority means the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000;

Vesting means the unconditional entitlement of a Participant to call for some or all of the Shares comprised in the Award pursuant to these rules, and Vest shall be construed accordingly; and

Vesting Date means the date on which a Restricted Period expires.

1.2 Where the context permits the singular shall include the plural and vice versa and the masculine shall include the feminine. Headings shall be ignored in construing the Plan.

1.3 References to any act of Parliament shall include any statutory modification, amendment or re-enactment thereof.

2. GRANT OF AWARDS

2.1 The Grantor may, during a Grant Period, in its discretion (but always in consultation with the Board if the Board is not Grantor), grant Awards in the form of a nil cost option, a right to acquire Shares, a contingent right to acquire or receive Shares (or, in exceptional circumstances, a contingent right to receive a cash sum equal to the Market Value of the number of Shares comprised in the Award), an allocation of Shares subject to restrictions on dealings in those Shares or a conditional allocation of Shares subject to forfeiture, to any Eligible Employees selected by the Board (in consultation with the Grantor if the Board is not Grantor). Any reference to an Award being "capable of Release" or "Released" shall in the case of an Award which is granted in the form of an option be construed as being "exercisable" or "exercised" and in the case of an allocation of Shares shall be construed as being "no longer subject to any relevant restrictions" or as "no longer at risk of forfeiture" (as the case may be).

2.2 Subject to rule 3.4, the number of Shares that may be comprised in an Award granted to an Eligible Employee shall be determined by the Grantor (with the agreement of the Board where the Board is not Grantor).

2.3 The Grantor (in consultation with the Board if the Board is not Grantor) shall determine prior to the Date of Grant, and shall ensure it is specified in the Award Letter issued to a Participant, whether the Participant shall have any beneficial interest in the Shares the subject of an Award and whether he shall have any rights to dividends in respect of the Shares and such other rights commonly enjoyed by a beneficial owner of Shares or whether he shall have only a conditional right to acquire or receive such Shares in which case he shall have no beneficial interest in the Shares until the Release of such Award. If the Grantor determines that a Participant shall have a beneficial interest in the Shares, it shall nominate a Registered Holder.

2.4 If a Participant is to have beneficial ownership of the Shares the subject of an Award, the Shares shall be registered in the name of the nominated Registered Holder and:

- (a) the Participant shall not be entitled to delivery of a share certificate until the Restricted Period has expired;
- (b) the Registered Holder shall retain custody of such Shares during the Restricted Period; and
- (c) the Participant may not sell, transfer, assign, pledge, exchange (or attempt to do so) or otherwise dispose of such Shares during the Restricted Period.

The Registered Holder shall account to the Participant for any dividends paid in respect of the Shares during the Restricted Period and shall seek directions from the Participant as to how the Registered Holder should vote on a poll in respect of such Shares.

2.5 No Awards shall be granted more than 10 years after the Adoption Date.

- 2.6 The Board (subject to the subsequent agreement of the Grantor if the Board is not Grantor) may in its absolute discretion specify Performance Conditions which must, unless otherwise stated in the Rules, be satisfied prior to the Release of an Award. Such conditions:
- (a) shall be determined prior to the Date of Grant and shall be specified in the Award Letter issued to the Participant; and
 - (b) may be amended or waived after the Date of Grant if:
 - (i) those circumstances which prevailed at the Date of Grant and which were relevant to the Performance Conditions that were originally imposed regarding the Release of an Award have subsequently changed; and
 - (ii) the Grantor (with the agreement of the Board if the Board is not Grantor) is satisfied that any such amended Performance Conditions would be a fairer measure of the performance of the Participant and the Board reasonably determines that such amended Performance Conditions are no more difficult to satisfy than the original Performance Conditions.
- 2.7 There shall be no monetary consideration for the grant of any Award under the Plan.
- 2.8 Each Award shall be made by an Award Letter issued by the Grantor and shall be subject to such terms and conditions consistent with the Plan as the Grantor may determine with the agreement of the Board (if the Board is not Grantor). The Award Letter shall state:
- (a) the Date of Grant;
 - (b) the Vesting Dates relevant to the Award;
 - (c) the number of Shares comprised in the Award to be Released on each Vesting Date;
 - (d) any Performance Conditions applicable to the Award imposed under rule 2.6 and whether the Release of the Award pursuant to rule 5.2 or rule 6 is subject to the achievement of Performance Conditions; and
 - (e) any Restricted Periods applying to the Award.
- 2.9 Absent express provisions, nothing in these rules or in an Eligible Employee's contract of employment shall be construed as giving to any Eligible Employee a right to receive, or be considered for, an Award.
- 2.10 The grant of any Award under the Plan shall be subject to the provisions of the Model Code for Securities Transactions by Directors of Listed Companies and to obtaining any approval or consent required under the provisions of the Listing Rules published by the UK Listing Authority or the City Code on Takeovers and Mergers or of any regulation or enactment applicable to such grant.
3. NUMBER OF SHARES IN RESPECT OF WHICH AWARDS MAY BE GRANTED
- 3.1 No Award shall be granted to the extent that the result of that grant would be that the aggregate number of Shares that could be issued in respect of that Award and any other Awards granted at the same time, when added to the number of Shares that:
- (a) could be issued in respect of any subsisting Awards or options granted during the preceding ten years under the Plan or any other Employees' Share Scheme established by the Company or any company under the Control of the Company; and

- (b) have been issued in respect of any Awards or options granted during the preceding ten years under the Plan or any other Employees' Share Scheme established by the Company or any company under the Control of the Company,

would exceed 10 per cent of the ordinary share capital of the Company for the time being in issue.

3.2 Reference in this rule 3 to the issue of Shares shall, for the avoidance of doubt, mean the issue and allotment (but not transfer) of Shares.

3.3 In determining the above limits no account shall be taken of any newly issued Shares where the right to acquire/purchase the Shares was released, lapsed or otherwise became incapable of exercise.

3.4 An Award shall not be granted to an Eligible Employee if such grant would cause the total Market Value of the maximum number of Shares that may be acquired on Release of the Award (as measured at the Date of Grant of the Award) when aggregated with the total Market Value of the maximum number of Shares that may be acquired pursuant to any other Award granted to the Eligible Employee under the Plan in the previous 12 months, to exceed 100% of the Eligible Employee's Basic Salary as at the Date of Grant or, if the Board considers that circumstances exist which justify a higher amount, such higher amount as the Board may in its absolute discretion determine up to and including an amount equal to 200% of his Basic Salary.

4. RELEASE OF AWARDS

4.1 Save as otherwise permitted in these Rules and subject to rule 4.2, an Award (or part thereof) shall not Vest and be capable of Release until the expiry of the relevant Restricted Period.

4.2 Save as otherwise permitted in these Rules an Award (or part thereof) shall not Vest and be capable of Release unless:

- (a) the Participant remains an employee of any member of the Group until the end of the relevant Restricted Period; and
- (b) any Performance Condition to which the Award is subject has been satisfied.

4.3 If the Award is subject to a Performance Condition, as soon as reasonably practicable after the end of the relevant Restricted Period the Board shall determine the extent to which the Performance Condition has been satisfied and an Award (or part thereof) has become Vested and capable of Release.

4.4 Subject to rule 4.6, the Release of an Award (or part thereof) that is granted in the form of an option or a right to acquire Shares shall be made no later than six months after the expiry of the relevant Restricted Period. A Participant must request the Release of such an Award (or part thereof) by giving notice in writing to the Company (or such other person or entity as the Grantor may direct) in the prescribed form.

4.5 Subject to any necessary consents and to compliance by the Participant with the terms of the Plan, the Grantor shall procure not later than 30 days after receipt of a valid notice of Release of an Award (or part thereof) by a Participant or after any date on which an Award (or part thereof) has Vested and become capable of Release, the delivery to the Participant (or, to his nominee) of the Shares (which may be Treasury Shares) to which he is entitled (or where it was so determined at grant, a cash sum equal to the Market Value of such Shares) free from any liens, charges or encumbrances. The Grantor shall (unless the Shares have been issued in uncertified form) as soon as practicable deliver or procure the delivery to the Participant (or his nominee) of a definitive share certificate or other evidence of title in respect of such Shares.

- 4.6 Where the Release of an Award (or part thereof) or the issue or transfer of Shares under the Plan would be prohibited by law or the Model Code for Securities Transactions by Directors of Listed Companies, the Award (or part thereof) shall not be treated as having Vested and the period during which the Award (or part thereof) may be Released and during which Shares may be issued or transferred shall not be treated as commencing until such period of prohibition no longer applies.
- 4.7 An Award shall be personal to the Participant and the Participant shall not sell, transfer, pledge, assign (or attempt to do so) or otherwise dispose of all or any Shares which are the subject of any part of an Award which has not reached its Vesting Date or any interest therein until the relevant Vesting Date. Any attempt by the Participant to sell, transfer, pledge, assign or otherwise dispose of such Shares or any interest in them shall result in the immediate lapse of the Award.
- 4.8 In relation to any Participant resident in the United States of America, the Shares to which such Participant is entitled may, at the Participant's election, be delivered in the form of ADSs (rounded down in the case of any fractional ADSs to a whole number of ADSs).
- 4.9 On the Release of any Award under rule 5 or rule 6 below the Shares to which the Participant is entitled will, in the case of any fractional Shares, be rounded down to a whole number of Shares.
5. LAPSE OF AWARDS AND CESSATION OF EMPLOYMENT
- 5.1 Save as otherwise provided in these rules, any part of a Participant's Award which has not reached its Vesting Date shall lapse automatically and any Shares which are subject thereto of which the Participant has beneficial ownership shall be forfeited automatically on the earliest of:
- (a) the Participant being declared bankrupt or entering into any general composition with or for the benefit of his creditors, including a voluntary arrangement under the Insolvency Act 1986;
 - (b) the Participant ceasing to be an employee of a member of the Group (whether lawfully or unlawfully);
 - (c) any sale, transfer, pledge, assignment (or attempt to do so) or other disposal of the Shares which are the subject of the Award;
 - (d) the expiry of the later of the periods in rule 5.2 or rule 5.4;
 - (e) in the expiry of any applicable period under rule 6.
- 5.2 Where a Participant ceases to be an employee of a member of the Group by reason of:
- (a) injury, disability or ill-health;
 - (b) retirement;
 - (c) redundancy (within the meaning of the Employment Rights Act 1996);
 - (d) his employing company ceasing to be a member of the Group;
 - (e) the business (or part of the business) in which he is employed being transferred to a transferee which is not a member of the Group; or
 - (f) any other reason the Board (with the subsequent agreement of the Grantor if the Board is not Grantor) so decides,

subject to any different terms specified in the Award Letter (including in relation to the achievement of Performance Conditions), the Participant's Award (or part thereof) shall Vest and be capable of Release from the date on which the Participant's employment ceases in respect of: (i) the Shares comprised in any part of the Award that has passed its Vesting Date and have not already been Released, and (ii) such number of Shares as is calculated by multiplying the number of Shares comprised in the next part of the Award (if any) to Vest by the fraction A/B (where A is the number of whole months between the date on which the Participant's employment ceased and the relevant previous Vesting Date and B is 12 or such other number determined by the Board (with the subsequent agreement of the Grantor if the Board is not Grantor)) and the Grantor will procure the delivery of such Shares to the Participant within 90 days and the remainder of the Award shall lapse SAVE THAT the Board (with the subsequent agreement of the Grantor if the Board is not Grantor) may, prior to such cessation, determine that the Participant's Award shall Vest and be capable of Release in full.

5.3 For the purpose of rule 5, a female Participant shall not be treated as ceasing to be an employee of a member of the Group if absent from work wholly or partly because of pregnancy or confinement, until she ceases to be entitled to exercise any statutory or contractual entitlement right to return to work.

5.4 If the Participant dies while in service or at any time after leaving service when he holds an Award (or part thereof), subject to any different terms specified in his Award Letter (including in relation to the achievement of Performance Conditions), the Participant's Award (or part thereof) shall Vest and be capable of Release by his legal personal representatives within twelve months of the date on which death occurred in respect of: (i) the Shares comprised in any part of the Award that has passed its Vesting Date and have not already been Released, and (ii) such number of Shares as is calculated by multiplying the number of Shares comprised in the next part of the Award (if any) to Vest by the fraction A/B (where A is the number of whole months between the date on which death occurred and the relevant previous Vesting Date and B is 12 or such other number determined by the Board (with the subsequent agreement of the Grantor if the Board is not Grantor)) and the Grantor will procure the delivery of such Shares within 90 days and the remainder of the Award shall lapse SAVE THAT the Board (with the subsequent agreement of the Grantor if the Board is not Grantor) may determine that the Participant's Award shall Vest and be capable of Release in full.

6. GENERAL OFFER FOR THE COMPANY ETC.

6.1 If any person (either alone or together with any person acting in concert with him) makes a general offer to acquire the whole of the share capital of the Company (other than those shares which are already owned by him and/or any person acting in concert with him), the Company shall, as soon as reasonably practicable thereafter, give notice to each Participant of such general or other offer and prior to the date on which the offer becomes or is declared unconditional in all respects. Subject to any different terms specified in the Award Letter (including in relation to the achievement of Performance Conditions), the Shares comprised in the Participant's Award shall be Released on the date on which the offer becomes or is declared unconditional and the Grantor shall procure the delivery of the Shares to the Participant within 30 days of the date on which the change of Control occurs SAVE THAT the Board (with the subsequent agreement of the Grantor if the Board is not Grantor) may prior to such date determine that the Award shall be Released only in respect of: (i) the number of Shares comprised in any part of the Award that has passed its Vesting Date and have not already been Released, and (ii) such number of Shares as is calculated by multiplying the number of Shares comprised in the next part of the Award (if any) to Vest by the fraction A/B (where A is the number of whole months between the date on which the offer becomes or is declared unconditional in all respects and the relevant previous Vesting Date and B is 12 or such other number determined by the Board (with the subsequent agreement of the Grantor if the Board is not Grantor)) and the remainder of the Award shall lapse.

Scheme of Arrangement

6.2 If a Court sanctions a compromise or scheme of arrangement under section 425 of the Companies Act 1985 for the purposes of considering a scheme of arrangement involving the reconstruction of the Company, subject to any different terms specified in the Award Letter (including in relation to the achievement of Performance Conditions), the Shares comprised in the Participant's Award shall be Released on the date of court approval or sanction and the Grantor shall procure the delivery of the Shares to the Participant within 30 days of such date SAVE THAT the Board (with the subsequent agreement of the Grantor if the Board is not Grantor) may prior to such date determine that the Award shall be Released only in respect of: (i) the number of Shares comprised in any part of the Award that has passed its Vesting Date and have not already been Released, and (ii) such number of Shares as is calculated by multiplying the number of Shares comprised in the next part of the Award (if any) to Vest by the fraction A/B (where A is the number of whole months between the date on which the compromise or scheme is sanctioned or approved by the court and the relevant previous Vesting Date and B is 12 or such other number determined by the Board (with the subsequent agreement of the Grantor if the Board is not Grantor)) and the remainder of the Award shall lapse PROVIDED THAT other than in exceptional circumstances (as determined by the Board (with the subsequent agreement of the Grantor if the Board is not Grantor)) Shares shall not be transferred under this Rule 6.2 if the purpose and effect of the scheme of arrangement is to create a new holding company for the Company, such company having substantially the same shareholders and proportionate shareholdings as those of the Company immediately prior to the scheme of arrangement, the Board shall instead recommend that the provisions of Rule 6.3 should apply automatically.

6.3 If any person (the Acquiring Company) obtains Control of the Company as a result of any of the transactions described in Rules 6.1 or 6.2 above then, subject to the proviso to Rule 6.2 above, each Participant may by agreement with the Acquiring Company elect that his outstanding Awards should continue. On this basis, Participants' Awards (Old Awards) will become awards (New Awards) in respect of shares in the Acquiring Company. Each New Award will be equivalent to each Old Award before the change of Control. The New Awards will not be regarded as equivalent to the Old Awards unless:

- (a) they are governed by the rules of the Plan in effect immediately before the release of the Old Awards; and
- (b) the total Market Value of the Shares the subject of the Old Awards is equal to the total Market Value immediately after the release of the shares the subject of the New Awards. The provisions of the Plan will, for this purpose, be construed as if the New Awards were granted under the Plan at the same time as the Old Awards.

References to Shares will, in relation to the New Award, be taken as references to shares of the company whose shares are under New Awards. References to the Company shall be taken to be references to the company whose shares are under the New Awards, where appropriate.

Demerger

6.4 If the Board becomes aware that the Company is or is expected to be affected by any demerger, dividend in specie, super-dividend or other transaction which, in the opinion of the Board, would affect the current or future value of any Awards, subject to any different terms specified in the Award Letter (including in relation to the achievement of Performance Conditions), the Board (with the subsequent agreement of the Grantor if the Board is not Grantor) may determine that all or some of the Shares comprised in the Participant's Award shall be Released on a date determined by the Board (with the subsequent agreement of the Grantor if the Board is not Grantor) and the Grantor shall procure the delivery of such Shares to the Participant within 30 days of the Shares

becoming capable of Release. If the Board determines (with the subsequent agreement of the Grantor if the Board is not Grantor) that Shares may be Released under this rule 6.4, it shall also determine whether the remaining Shares comprised in an Award shall lapse.

Voluntary Winding-up

- 6.5 If notice is duly given of a resolution for a voluntary winding-up of the Company then subject to any different terms specified in the Award Letter (including in relation to the achievement of Performance Conditions), the Board may determine (with the subsequent agreement of the Grantor if the Board is not Grantor) that all or some of the Shares comprised in the Participant's Award shall be Released on a date determined by the Board (with the subsequent agreement of the Grantor if the Board is not Grantor) and the Grantor shall procure the delivery of such Shares to the Participant within 30 days of the Shares becoming capable of Release SAVE THAT the Board (with the subsequent agreement of the Grantor if the Board is not Grantor) may prior to such date determine that the Award shall be Released only in respect of: (i) the number of Shares comprised in any part of the Award that has passed its Vesting Date and have not already been Released, and (ii) such number of Shares as is calculated by multiplying the number of Shares comprised in the next part of the Award (if any) to Vest by the fraction A/B (where A is the number of whole months between the date on which the resolution is passed and the relevant previous Vesting Date and B is 12 or such other number determined by the Board (with the subsequent agreement of the Grantor if the Board is not Grantor)) and the remainder of the Award shall lapse.

7. ADJUSTMENTS OF AWARDS

- 7.1 In the event of any Capital Reorganisation or the implementation by the Company of a demerger or the payment by the Company of a dividend in specie or a super-dividend (which in the case of a demerger or payment of a dividend would materially affect the value of an Award), the definition of Shares and the number of Shares comprised in an Award may be adjusted in such manner as the Board (with the subsequent agreement of the Grantor if the Board is not Grantor) may determine PROVIDED THAT in respect of an Award under which Shares are to be transferred, prior notification shall be given to the person holding the Shares to which the award relates.

8. TAXATION AND SOCIAL SECURITY CONTRIBUTIONS

- 8.1 Any liability of a Participant to taxation arising in respect of any Award shall be for the account of the Participant. The grant of any Award shall be conditional on the Eligible Employee agreeing to comply with any arrangements specified by the Company or the Grantor for the payment of taxation and any social security contributions in respect of the Award (including without limitation the right of the Company or the Grantor to arrange the sale on his behalf of sufficient Shares to satisfy any taxation or social security liability on his part which the Company or any member of the Group might be liable to withhold were the Participant to be subject to the maximum rates of taxation and/or social security at the material time and thereafter account to the relevant member of the Group with the net proceeds of sale for the Shares in order to enable the tax and/or social security liabilities to be settled and if following such sale, there shall be any balance of the proceeds of sale not required to meet such liabilities, such balance shall be paid by the member of the Group to the participant for his own use and benefit absolutely).

- 8.2 To the extent legally possible, the Grantor may determine that the Release of an Award is conditional on the Participant entering into

- (a) an agreement to reimburse any member of the Group that employs the Participant in whole or in part for any secondary Class 1 national insurance contributions arising in connection with such Award; or

- (b) an election with any member of the Group that employs the Participant to assume the liability for any Secondary Class 1 national insurance contributions, payable in connection with such an Award including an agreement or election under paragraph 3A or 3B of Schedule 1 to the Social Security Contributions and Benefits Act 1992.

9. AMENDMENT AND ADMINISTRATION

9.1 The decision of the Board shall be final and binding in all matters relating to the Plan, subject to it obtaining the consent of the Grantor where specifically provided in these Rules. The Board (with the subsequent agreement of the Grantor if the Board is not Grantor) may take any actions it considers necessary or desirable to remedy errors of a purely administrative nature made in connection with the operation of the Plan and may, at any time, discontinue the grant of further Awards.

9.2 The Board (with the subsequent agreement of the Grantor where the Board is not Grantor) may amend any of the provisions of the Plan in any way it thinks fit, provided that:

- (a) no amendments can be made that would materially prejudice the interests of existing Participants except with the prior consent or sanction of Participants who, if their Awards Vested in full, would thereby become entitled to not less than three-quarters of all the Shares which would fall to be allotted or transferred upon exercise in full of all outstanding Awards; and
- (b) no amendment to the advantage of Eligible Employees or Participants may be made to:
 - (i) the definition of Eligible Employee in rule 1.1;
 - (ii) the limitations on the numbers of Shares subject to the Plan;
 - (iii) the maximum entitlement of an Eligible Employee under the Plan;
 - (iv) the basis for determining an Eligible Employee's entitlement to Shares under the Plan;
 - (v) the terms of Shares to be provided under the Plan;
 - (vi) the adjustment provisions of rule 7 of the Plan,without the prior approval of the Company in general meeting except in the case of minor amendments to benefit the administration of the Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for Eligible Employees and Participants or any member of the Group; and
- (c) without prejudice to any provision of the Plan which provides for the lapse of an Award, the Grantor may not cancel an Award unless the Participant agrees in writing to such cancellation.

9.3 Notwithstanding any other provision of the Plan, the Board may establish separate plans mirroring the terms of the Plan for the purpose of granting Awards to Eligible Employees of non-UK tax resident members of the Group, subject to such modifications as may be necessary or desirable to take account of tax, exchange control or securities laws provided that any Shares made available under such plans shall count towards the limit set out in rule 3.

10. GENERAL

- 10.1 Any member of the Group may provide money to the Trustees or any other person to enable them or him to acquire Shares to be held for the purposes of the Plan, or enter into any guarantee or indemnity for that purpose, to the extent not prohibited by section 151 of the Companies Act 1985.
- 10.2 The Plan shall terminate upon the tenth anniversary of the Adoption Date or at any earlier time by the passing of a resolution by the Board or an ordinary resolution of the Company in general meeting. Termination of the Plan shall be without prejudice to the subsisting rights of Participants.
- 10.3 The rights and obligations of any individual under the terms of his office or employment with the Group shall not be affected by his participation in the Plan or any right he may have to participate in the Plan. An individual who participates in the Plan waives all and any rights to compensation or damages in consequence of the termination of his office or employment with any company for any reason whatsoever (whether lawfully or unlawfully), insofar as those rights arise or may arise from his ceasing to have rights under the Plan as a result of such termination, or from the loss or diminution in value of such rights or entitlements. In the event of any conflict between the terms of this rule 10.3 the Participant's terms of employment, this rule will take precedence.
- 10.4 The existence of any Award shall not affect in any way the right or power of the Company or its shareholders to make or authorise any or all adjustments, recapitalisations, reorganisations or other changes in the Company's capital structure, or any merger or consolidation of the Company, or any issue of Company shares, bonds, debentures, preferred or prior preference stocks ahead of, or convertible into, or otherwise affecting the Shares or the rights thereof, or the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.
- 10.5 Any notice or other document required to be given under or in connection with the Plan may be delivered to a Participant or sent by post to him at his home address according to the records of his employing company or such other address as may appear to the Grantor to be appropriate including any electronic address. Notices sent by post shall be deemed to have been given on the first business day following the date of posting and notices sent by electronic means shall be deemed to have been given twelve hours after the time of despatch or at such earlier time as receipt is acknowledged. Any notice or other document required to be given to the Company or the Grantor under or in connection with the Plan may be delivered or sent by post to it at its registered office (or such other place or places as the Company or the Grantor may from time to time determine and notify to Participant).
- 10.6 Benefits under the Plan shall not be pensionable.
- 10.7 The Company, or where the Board so directs any Participating Company, shall pay the appropriate stamp duty on behalf of Participants in respect of any transfer of Shares on the Release of Awards except where such liability arises as a result of the Participant's request to receive ADSs on Release unless the Board directs otherwise.
- 10.8 These Rules shall be governed by and construed in accordance with English law. All disputes arising out of or in connection with the rules shall be subject to the exclusive jurisdiction of the courts of England and Wales.

11. DATA PROTECTION

By participating in the Plan the Participant consents to the holding and processing of personal data provided by the Participant to the Company for all purposes relating to the operation of the Plan. These include, but are not limited to:

- (a) administering and maintaining Participant records;
- (b) providing information to trustees of any employee benefit trust, registrars, brokers savings carrier or other third party administrators of the Plan;
- (c) providing information to future purchasers of the Company or the business in which the Participant works; and
- (d) transferring information about the Participant to a country or territory outside the European Economic Area.

APPENDIX 1

THE REUTERS GROUP PLC GLOBAL RESTRICTED SHARE PLAN

US SUB-PLAN

1. GENERAL

- 1.1 This US Sub-Plan shall be used for all Participants who are, or may become prior to the Release of Awards, US taxpayers. In the event that a Participant becomes a US taxpayer after the grant of an Award, such Award may be modified in a manner consistent with this Sub-Plan.
- 1.2 The purpose of this Sub-Plan is to ensure that Awards made under the Plan comply with the requirements of section 409A of Title 26 of the United States Code (the "Internal Revenue Code") and should be interpreted in a manner consistent with such requirements. Notwithstanding the foregoing, this Sub-Plan should also be interpreted and applied in a manner consistent with other legal requirements under laws in relevant jurisdictions, including but not limited to applicable securities laws.
- 1.3 Words and phrases defined in the Plan shall bear the same meaning in this US Sub-Plan except as otherwise provided.
- 1.4 The rules of the Plan apply to this US Sub-Plan except as otherwise provided for below.
- 1.5 The Board (with the subsequent agreement of the Grantor) may amend any of the provisions of this US Sub-Plan to take account of a change in US legislation, in particular in relation to section 409A of the US Internal Revenue Code.

2. GRANT OF AWARDS

- 2.1 Clause 2.1 shall be amended as follows:

"The Grantor may, during a Grant Period, only grant Awards in the form of a contingent right to acquire or receive Shares."

3. RELEASE OF AWARDS

- 3.1 The following wording shall be inserted in Rule 4.5 of the Plan:

"If a valid notice of Release of an Award is not returned within 90 days of Vesting or by 31 January following the end of the calendar year of Vesting if earlier, the Participant shall be deemed to have submitted a valid notice of Release and the Grantor shall procure not later than 30 days after the deemed date of receipt of the notice of Release of an Award the delivery to the Participant (or to his nominee) of the Shares (which will have been subscribed by the Trustee) to which he is entitled (or where it was so determined at grant, a cash sum equal to the Market Value of such Shares) free from any liens, charges or encumbrances."

4. LAPSE OF AWARDS AND CESSATION OF EMPLOYMENT

- 4.1 Rule 5.2 of the Plan is amended as follows:

"Where a Participant ceases to be an employee of a member of the Group by reason of:

- (a) injury, disability or ill-health;
- (b) retirement;

- (c) redundancy (within the meaning of the Employment Rights Act 1996);
- (d) his employing company ceasing to be a member of the Group;
- (e) the business (or part of the business) in which he is employed being transferred to a transferee which is not a member of the Group; or
- (f) any other reason the Board (with the subsequent agreement of the Grantor) so decides,

subject to any different terms specified in the Award Letter (including in relation to the achievement of Performance Conditions), the Participant's Award (or part thereof) shall Vest and be capable of Release from the date on which the Participant's employment ceases in respect of: (i) the Shares comprised in any part of the Award that has passed its Vesting Date and have not already been Released, and (ii) such number of Shares as is calculated by multiplying the number of Shares comprised in the next part of the Award (if any) to Vest by the fraction A/B (where A is the number of whole months between the date on which the Participant's employment ceased and the relevant previous Vesting Date and B is 12 or such other number determined by the Board (with the subsequent agreement of the Grantor)) and the Grantor will procure the delivery of such Shares to the Participant within 90 days, or by 15 March following the end of the calendar year of Vesting if earlier, and the remainder of the Award shall lapse SAVE THAT the Board (with the subsequent agreement of the Grantor) may, prior to such cessation, determine that the Participant's Award shall Vest and be capable of Release in full.

4.2 Rule 5.4 of the Plan is amended as follows:

"If the Participant dies while in service or at any time after leaving service when he holds an Award (or part thereof), subject to any different terms specified in his Award Letter (including in relation to the achievement of Performance Conditions), the Participant's Award (or part thereof) shall Vest and be capable of Release by his legal personal representatives within twelve months of the date on which death occurred in respect of: (i) the Shares comprised in any part of the Award that has passed its Vesting Date and have not already been Released, and (ii) such number of Shares as is calculated by multiplying the number of Shares comprised in the next part of the Award (if any) to Vest by the fraction A/B (where A is the number of whole months between the date on which death occurred and the relevant previous Vesting Date and B is 12 or such other number determined by the Board (with the subsequent agreement of the Grantor)) and the Grantor will procure the delivery of such Shares within 90 days, or 15 March following the end of the calendar year of Vesting if earlier, and the remainder of the Award shall lapse SAVE THAT the Board (with the subsequent agreement of the Grantor) may determine that the Participant's Award shall Vest and be capable of Release in full."

REUTERS GROUP PLC

Rules of the Reuters Group PLC

International

SAYE Share Option Plan 1997

Date approved at EGM	:	16 December 1997
Date adopted by Board of Directors	:	12 December 1997
Date amendments approved at EGM	:	24 April 2001
Date EGM amendments adopted by the Board of Directors	:	12 February 2001
Date latest amendments approved by SPAC	:	14 March 2005
Expiry Date	:	No grants after 11 December 2007

The Board of Reuters Group plc reserves the right up to the time of the Extraordinary General Meeting on 24 April 2001 to make such amendments to the Rules of this Plan as it may consider necessary or desirable, provided that such amendments or additions do not conflict in any material respects with the details of the proposed changes to the Plan set out in the circular dated 14 March 2001 to the Shareholders of Reuters Group PLC.

THIS DOCUMENT IS AVAILABLE FOR INSPECTION ONLY AND MAY NOT
BE REMOVED FROM THE OFFICES OF
REUTERS GROUP PLC, 85 FLEET STREET, LONDON EC4P 4AJ
OR, AS THE CASE MAY BE, THE OFFICES OF
THE US DEPOSITARY, 60 WALL STREET, NEW YORK 10260

1. Definitions

- (a) In these Rules the following words and expression have the following meanings:

Act	means the Income and Corporation Taxes Act 1988.
Announcement Date	means the date on which the Company announces its half yearly or final results to The London Stock Exchange.
Associated Company	shall have the meaning it bears in paragraph 47(1) of Schedule 3 to ITEPA.
Board	means the board of directors for the time being of the Company or the directors present at a duly convened meeting of the directors of the Company at which a quorum is present, or a committee appointed by the board of directors.
Bonus	means the interest deemed by the Board to be payable to Participants in respect of the relevant Savings Contract.

Company	means Reuters Group PLC registered in England number 3296375.
Control	means control within the meaning of Section 840 of the Act (and "Controlled" shall be construed accordingly).
Date of Grant	the date on which an Option is granted under Rule 3.
Eligible Employee	<p>means any person who:</p> <ul style="list-style-type: none"> (i) either is an employee or an executive director of a Participating Company; and (ii) was an employee or an executive director of a Participating Company on 31 December in the year immediately preceding the Invitation Date, or any other qualifying period as the Board may from time to time determine. <p>In addition, it means any person who is designated by the Board as an eligible employee, including a trustee acting on behalf of any person, provided that the person agrees to enter into a Savings Contract in accordance with the Rules.</p>

Exercise Price	<p>the price at which Shares may be acquired in respect of each Option shall be such amount as the Board may determine in each Plan Location being not less than the greater of:</p> <p>(i) 80 per cent of middle market quotation of a Share as derived from the Daily Official List of The Stock Exchange or such other exchange on which the Shares are directly or indirectly listed on the dealing day which immediately precedes the relevant Invitation Date; or</p> <p>(ii) in respect of Options giving a right to subscribe for Shares, the nominal value of a Share.</p>
Group	means the Company and any company for the time being under the Control of the Company whether incorporated in any part of the United Kingdom or elsewhere.
Invitation Date	means the date on which the Board invites Eligible Employees to apply for the grant of an Option.
ITEPA	means the Income Tax (Earnings and Pensions) Act 2003.
The Stock Exchange	means the London Stock Exchange plc or its successor.
Maturity Date	means the termination date of the relevant Savings Contract.
Minimum Monthly Contribution	means the minimum monthly limit, if any, determined by the Board for a Plan Location from time to time.
Maximum Monthly Contribution	<p>means the maximum monthly limit determined by the Board for a Plan Location from time to time being not more than the greater of:</p> <p>(i) (pound)250 or if greater the monthly contribution specified in ITEPA; or</p> <p>(ii) 10% of the Eligible Employee's Salary</p> <p>provided that for the purposes of calculating the above sterling limits in any Plan Location local currency equivalents shall be taken at a rate of conversion specified by the Board in its discretion from time to time.</p>

Option	means the right to acquire Shares to be granted pursuant to the Plan or which has been so granted and is still subsisting.
Participating Company	means: <ul style="list-style-type: none"> (i) the Company; and (ii) any Company which is under the Control of the Company whether incorporated in the UK or elsewhere; except for those companies which are designated by the Board as non-participating companies for the purposes of the Plan.
Participant	any person who has been granted and still has subsisting an Option under the Plan. Reference to a Participant shall include, where the context so admits or requires, his personal representatives.
Plan	means the Reuters Group PLC International SAYE Share Option Plan 1997 constituted for the time being and established by the Rules.
Plan Location	means a territory in which persons are employed by one or more Participating Companies.
Rules	means these rules as amended from time to time in accordance with the provisions hereof.
Salary	means the base salary of an Eligible Employee or in the case of an Eligible Employee on assignment to another company in any country but continuing employment with a Participating Company their notional home base salary as determined by the Company.
Savings Contract	means an agreement to save with a savings body or the Company for a period not exceeding 60 months as extended by up to six months if applicable by reason of any failure to pay a contribution on or before its due date (or any such other period as is necessary to comply with any local securities, exchange or preferential tax legislation) in accordance with the terms designated by the Board.
Schedules	means the schedules to these Rules.

Shares means fully paid ordinary shares of 25 pence of the Company that comply with paragraphs 18 to 22 of Schedule 3 to ITEPA.

- (b) Words or expressions defined in the Act and in the Companies Acts 1985 and 1989 of England and Wales shall bear the same meanings in these Rules and where there is a conflict the definitions in the Act shall take precedence.
- (c) Where the context so admits or requires words importing the singular shall include the plural and vice versa and words importing the masculine shall include the feminine.
- (d) Any reference to a statutory provision shall be deemed to include that provision as the same may from time to time be amended or re-enacted and any statutory instrument pursuant thereto.

2. Application for Options

- (a) The Board may, in their absolute discretion, invite applications for Options from all Eligible Employees within any Plan Location:
 - (i) during the period of 42 days immediately following the date on which the Shares are admitted to the Daily Official List of The Stock Exchange;
 - (ii) in any year during the period of 42 days immediately following an Announcement Date;
 - (iii) at any other time in the event local securities, company and tax legislation does not allow the invitation to be sent out within the period of 42 days immediately following an Announcement Date.
- (b) The Board shall determine and upon inviting applications for Options, announce in relation to that invitation:
 - (i) either the Exercise Price or the date the Exercise Price will be fixed;
 - (ii) subject to Rule 4(b) the maximum aggregate number of Shares over which Options may be granted, if any;
 - (iii) the Minimum Monthly Contribution and Maximum Monthly Contribution that may be made under the Savings Contract;
 - (iv) the Bonus;
 - (v) when the Option will become exercisable; and
 - (vi) the closing date for receipt by the Company of applications for the Options being not less than 14 days after the issue of the invitation.
- (c) An invitation shall be made to all Eligible Employees to apply for an Option at the relevant Exercise Price subject to the limits specified by paragraph (b)(iii) above and paragraph (f) below and shall be made by means of notices on notice boards of all

Participating Companies, circulars, letters or such other method as the Board may determine.

- (d) Each Eligible Employee may, before the closing date stated in the invitation, apply for an Option. Each application shall be in writing or electronically in such form as the Board may from time to time prescribe and shall:
 - (i) state the monthly amount which such Eligible Employee wishes to save under a Savings Contract;
 - (ii) state the Eligible Employee's agreement to the terms of the Savings Contract; and;
 - (iii) authorise the Board to complete and/or amend such application on behalf of the Eligible Employee in such manner as the Board may determine having regard to the requirements of paragraphs (b)(ii) and (iii) above, (f) below and Rules 3(b) and 3(c).
- (e) The number of Shares over which an Option is applied for under this Rule shall be deemed to be the whole number of Shares (rounding down) obtained by dividing the amount repayable under the relevant Savings Contract (including Bonus) by the relevant Exercise Price.
- (f) No Option shall be granted to an Eligible Employee if the contribution payable by such Eligible Employee in any month under the Savings Contract to be entered into by him in connection with the Option for which he has applied:
 - (i) is less than the Minimum Monthly Contribution; or
 - (ii) when added to the contribution or contributions payable in such month under any other Savings Contract in respect of this Plan or any other savings related or share purchase scheme operated by the Company or any company under its Control or an Associated Company previously entered into by such Eligible Employee is greater than the Maximum Monthly Contribution.

3. Grant of Options

- (a) Options will be granted by the Board in accordance with Rule 2 and paragraphs (b) and (c) below within a reasonable time following the Invitation Date to those Eligible Employees who have applied hereunder (and not withdrawn such application) and to no other person whatsoever provided that the person is still an Eligible Employee at the Date of Grant.
- (b) In the event that following any invitation pursuant to Rule 2 the Board receives valid applications which would result in the grant of Options over a greater number of Shares than permitted under Rule 4(b) or than specified by the Board in accordance with Rule 2(b)(ii) then the Board shall scale down pro rata the monthly contribution proposed by each Eligible Employee in excess of the Minimum Monthly Contribution (referred to in Rule 2(b)(iii)).
- (c) In the event this results in insufficient Shares to cover the Minimum Monthly Contribution (referred to in Rule 2(b)(iii)) of applicants, Options based on such

Minimum Monthly Contribution shall be granted to those Eligible Employees who are selected by lot.

- (d) An Option certificate will be issued in such form as the Board may from time to time prescribe and will be sent to each Participant specifying the Date of Grant, the number of Shares over which the Option is granted and the Exercise Price within 30 days after the grant of the Option.
- (e) All Options shall be deemed to be a right to subscribe for Shares in accordance with these Rules unless and until they are designated as a right to require the Company to procure the transfer of Shares, by the Company including the relevant provisions in the Option certificate or where an Option has already been granted by serving notice to that effect on the relevant Participant. Options granted in and after 2004 will only be options to subscribe for new Shares.
- (f) No Option shall be capable of transfer or assignment and if a Participant shall do or suffer any act or thing whereby he parts with or is deprived of the legal and/or beneficial ownership of an Option, that Option shall lapse.

4. Limitation on the Issue of Shares

- (a) No Option shall be granted more than 10 years after the date of adoption of the Plan.
- (b) In respect of Options giving a right to subscribe for Shares the total number of such Shares over which Options may be granted under the Plan, when added to the number of Shares issued and remaining issuable pursuant to rights to subscribe for Shares granted under any other share option or share acquisition scheme of the Company or of Reuters Holdings PLC other than under Plan 2000 or under any sub plans to Plan 2000 during the preceding 10 years shall not exceed 10 per cent of the issued Shares from time to time on the relevant Date of Grant.

5. Exercise of Options

- (a) Subject to Rule 8 and paragraph (b) below, Options may be exercised by a Participant only within six months following the Maturity Date of the relevant Savings Contract or if earlier within six months of:
 - (i) ceasing to hold an office or employment within the Group by reason of injury, illness, disability, redundancy or on reaching retirement age; or
 - (ii) attaining pensionable age while continuing to hold an office or employment within the Group; or
 - (iii) ceasing to hold an office or employment within the Group by reason only that:
 - (aa) his office or employment is in a company of which the Company ceases to have Control; or
 - (bb) his office or employment relates to a business or part of a business which is transferred to a person who is neither an Associated

Company of the Company nor a company of which the Company has Control; or

(iv) in the circumstances and within the periods specified in Rule 8.

- (b) No Participant shall be treated for the purposes of paragraphs (a)(i) and (iii) above as ceasing to hold the office or employment by virtue of which he is eligible to participate in the Plan until he ceases to hold an office or employment in the Company or any Associated Company of the Company or any company of which the Company has Control.
- (c) If a Participant dies prior to the Maturity Date of the relevant Savings Contract his Option may be exercised within the period of 12 months after the date of his death or if he dies within six months after the completion of the Savings Contract, his Option may be exercised within the period of 12 months after the completion of the Savings Contract.
- (d) No Option shall be exercisable more than thirty months after the Maturity Date of the relevant Savings Contract.
- (e) Save as provided in paragraphs (a)(i), (iii) and (iv) and (b) above an Option shall be exercised by a Participant only if at the date of exercise he is a director or employee of a company in the Group or an Associated Company.
- (f) Subject to paragraph (g) below an Option shall be exercisable once only in whole or in part during the periods referred to in paragraphs (a) and (b) above by the Participant delivering to the Secretary of the Company at the registered office of the Company notice in writing or by e-mail in such form as the Board may from time to time determine specifying the number of Shares in respect of which the Option is exercised together with the relevant remittance to be delivered in a form specified by the Board, [and any evidence of saving and termination if required by the Board]. Subject to Rule 8(c) the date of receipt by the Secretary of the Company of such notice together with such remittance shall be the date upon which the Option is deemed to be exercised.
- (g) If upon exercise of an Option the remittance as referred to in paragraph [(f)] above is less than the amount required to pay for all the Shares in respect of which the Option is exercisable the Option shall be deemed to have been exercised in respect of such whole number of Shares as may be acquired with the amount of the remittance and the Option to the extent not so deemed to be exercised shall immediately lapse.
- (h) If a Participant exercises an Option the Board may in lieu of allotting or transferring Shares in accordance with Rule 9(a) of the Scheme:
 - (i) pay to such Participant a cash sum equal to the amount by which the value of the Shares in respect of which the notice of exercise was given (calculated as the middle market quotation of The Stock Exchange for the dealing day prior to the date of exercise) exceeds the Exercise Price of those Shares; or
 - (ii) transfer to him such number of Shares as may be acquired with the cash sum calculated in accordance with (i) above at the relevant date of exercise,

provided that if a payment or a transfer of Shares is made to a Participant pursuant to this paragraph, he shall have no further rights in respect of the Shares for which the notice of exercise is given, and return the remittance of the Option Price.

- (i) The Participant shall pay all expenses and taxes which arise or result from the exercise of an Option or payment of cash or transfer of Shares, provided that the Company in its absolute discretion may meet any stamp duty liability arising from the exercise of an Option giving a right to require the Company to acquire Shares or any other taxes or expenses which it deems necessary.
- (j) Prior to exercise of an Option and delivery of Shares, the Participant shall have no rights to any dividends nor shall the Participant be entitled to any voting rights on any Shares represented by outstanding Options.

6. Lapse and Surrender of Options

- (a) An Option shall immediately lapse and cease to be exercisable:
 - (i) as provided in Rule 3(f);
 - (ii) upon the Participant ceasing to hold an office or employment within the Group in any circumstances other than those described in Rule 5(a)(i), (iii), (iv) and (b);
 - (iii) upon the expiration of any of the periods referred to in Rule 5(a), (b) and (c) (except that referred to in Rule 5(a)(ii)) and in the event of more than one period applying to an Option it shall be upon the expiry of the earlier (except as provided for in Rule 5(b));
 - (iv) as provided in Rule 5(g);
 - (v) as provided in Rule 8;
 - (vi) upon the Participant:
 - (aa) making a written application to the nominated building society, bank or other savings institution for repayment under the related Savings Contract prior to the Option becoming exercisable; or
 - (bb) giving notice to the building society, bank or savings institution that he intends to stop paying contributions under the related Savings Contract; or
 - (cc) failing to pay a monthly contribution under the related Savings Contract on or before the due date on seven occasions,in each case before the earliest date on which the Option becomes exercisable under Rule 5(a);
 - (vii) upon the Participant being adjudicated bankrupt; or

(viii) the date on which the resolution is passed or order is made by the Court for the compulsory winding up of the Company.

- (b) A Participant may at any time prior to the exercise thereof surrender an Option (in whole but not in part) by serving notice in writing on the Board of such intention. The surrender shall be effective from the date of receipt of such notice by the Board, upon which date the relevant Option shall immediately lapse.
- (c) It shall be a condition of the Plan that a Participant shall not be entitled to any compensation in the event of cessation, lapse or alteration of any rights under the Plan or under any Option granted pursuant thereto. No provisions of the Plan form part of any contract of employment between the Company or any Participating Company and a Participant.
- (d) Nothing in this Plan or in any instrument executed pursuant hereto shall confer upon any person any right to continue in the employ of the Company or any company Controlled by the Company or an Associated Company, or shall affect the right of the Company or any company Controlled by the Company to terminate the employment of any person without liability at any time with or without cause, or shall impose upon the Company or any company Controlled by the Company, the Board or their respective agents and employees any liability for any forfeiture or termination of Options which may result if that person's employment is so terminated.

7. Adjustments

- (a) If any variation of the issued ordinary share capital of the Company shall take place then:
 - (i) the Exercise Price; and
 - (ii) the number of shares subject to any Option;shall be adjusted in such manner and with effect from such date as the Board may determine to be appropriate (not excluding retrospective adjustments).
- (b) If an adjustment made to the Exercise Price of unissued Shares would have the effect of reducing the Exercise Price to less than the nominal value of a Share it shall only be made if and to the extent that the Board is authorised to capitalise from the reserves of the Company a sum equal to the amount by which the nominal value of the Shares in respect of which the Option is exercisable exceeds the adjusted Exercise Price. The Board may apply such sum in paying up such amount on such Shares so that on the exercise of any Option in respect of which such a reduction shall have been made, the Board shall capitalise such sum (if any) and apply the same in paying up such amount aforesaid.
- (c) Notice of any such adjustments shall be given to participants by the Board who may call in Option certificates for endorsement or replacement.

8. Change in Control, Reconstruction and Winding up of the Company

- (a) If, in consequence of any general offer made to the holders of Shares or otherwise, as specified in paragraph 37 of Schedule 3 to ITEPA, any person obtains Control of the Company, then the Board shall as soon as practicable thereafter notify every Participant accordingly and each Participant shall be entitled at any time within the period of six months after such Control has been obtained but not later than six months following the Maturity Date to exercise his Option. To the extent that it has not been so exercised, any Option shall upon the expiry of such period lapse provided that if during such period any person becomes entitled or bound to acquire Shares in the Company under Sections 428 and 430F of the Companies Act 1985 and gives notice to any holders of Shares that he intends to exercise such rights the Board shall as soon as practicable thereafter notify each Participant accordingly. All Options may be exercised at any time when such person remains so entitled or bound and if not so exercised shall then cease to be exercisable but will continue to be capable of release under the provisions of Rule 8(d) until the end of the six month period pursuant to this Rule 8(a). For the purpose of this paragraph Control shall include the obtaining of control by a person and others acting in concert with him.
- (b) If under Section 425 of the Companies Act 1985 the Court sanctions a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other companies any Option held by a Participant may be exercised within six months of the Court sanctioning the compromise or arrangement and if not so exercised shall lapse.
- (c) If notice is duly given of a General Meeting of the Company at which a resolution will be proposed for the voluntary winding-up of the Company, Options granted under the Plan may be exercised until the expiry of one month following the passing of the resolution for such winding-up (within the meaning of Section 165 of the Insolvency Act 1986) provided that the purported exercise of an Option under this paragraph shall be of no effect if the resolution is not passed before the expiry of six months after the Maturity Date of the relevant Savings Contract. Subject thereto all Options shall lapse upon the commencement of the winding up of the Company.
- (d) Where the person mentioned in paragraphs (a) above is a company within the meaning of ITEPA or where another company has obtained Control of the Company in circumstances where Rule 5 (b) applies (in either case "the Acquiring Company"), any Option holder may, by agreement with the Acquiring Company and notwithstanding anything to the contrary in this Plan, release, within the appropriate period within the meaning of paragraph 38(3) of Schedule 3 to ITEPA, his rights under this Plan ("the old rights") in consideration of the grant to him of rights ("the new rights") which, within the meaning of paragraph 39 of Schedule 3 to ITEPA, are equivalent to the old rights but relate to shares in a different company (whether the Acquiring Company or some other company falling within paragraph 18(b) or (c) of Schedule 3 to ITEPA) and references in Rules 7, this Rule, Rule 9, 10 and 12 to the term "Shares" shall be construed accordingly with effect from the date of release and references to "the Company" and "the Board" shall, in relation to the new rights, be considered as references to the Acquiring Company or that other company and to the board of such company as the case may be.

9. Allotment, Transfer and Listing

- (a) Subject to receipt of the appropriate remittance and to paragraph (b) below, any Shares to be issued pursuant to the exercise of an Option will be allotted and issued, and any Shares to be transferred shall be transferred to the relevant Participant or a nominee nominated by a Participant not later than 30 days after the date of exercise of the Option. Such Shares will not carry the right to dividends paid by reference to a record date falling before the date of such exercise but otherwise will rank *pari passu* in all respects and form one uniform class with the Shares in issue on the date of exercise.
- (b)
 - (i) Any allotment and issue or transfer of Shares hereunder shall be subject to such consents (if any) of HM Treasury or other authorities (whether of the United Kingdom or elsewhere) as may from time to time be required and it shall be the responsibility of the Participant to obtain such consents.
 - (ii) In a case where a Participating Company is obliged to account for any tax and/or social security contributions for which the Participant is liable by reference to the exercise of an Option, any such allotment and issue or transfer of Shares shall be further subject to such company either being able to make a full withholding from the relevant Participant's remuneration, receiving payment in full from him of the full amount required to be withheld, by selling sufficient shares on behalf of the Participant to cover the full amount to be withheld, or by making any other arrangements as it considers necessary.
- (c) As soon as practicable following the exercise of an Option giving a right to subscribe to Shares the Company will apply to The Stock Exchange or such other exchange on which the Shares are directly or indirectly listed for Shares subscribed to be admitted to the Official List as soon as practicable after allotment.

10. Availability of Shares, etc

- (a) The Company shall at all times keep available for issue sufficient authorised and unissued Shares to satisfy all rights to subscribe for Shares from time to time subsisting under Options granted pursuant to the Plan, taking account of any other obligations of the Company to allot and issue unissued Shares.
- (b) The Company shall ensure that at all times there are available for transfer sufficient existing Shares to satisfy all rights to acquire Shares from time to time subsisting under Options granted pursuant to the Plan, taking account of any other obligations of the Company to arrange for the transfer of shares.
- (c) The Company shall bear the costs of establishing and administering the Plan.
- (d) The Company shall maintain or cause to be maintained all necessary accounts and records relating to the Plan.

11. Regulations, Amendments and Termination

- (a) The Plan shall be administered by the Board who may from time to time make such regulations not being inconsistent with these Rules as necessary. Any question concerning the interpretation of these Rules or of such regulations as aforesaid

including the eligibility of a person to participate or the extent to which he shall participate or continue to participate in the Plan or as to whether an event has occurred upon which any Option has become exercisable or has lapsed or any issue relating to the Plan shall be determined by the Board in its sole discretion and such decision shall be final and binding upon both the Company and the Participant.

- (b) The Board by resolution shall be entitled to amend all or any of the provisions of the Scheme provided that:
 - (i) no amendment to the advantage of existing or future Participants will be made to Rules 4(b), and 7 and the definitions of "Eligible Employee" and "Maximum Monthly Contribution" (except for minor amendments to benefit its administration to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for Participants or the Company or members of the Participating Companies) without the prior consent of the Company in general meeting; and
 - (ii) no amendment shall be effective which would materially prejudice the interests of Participants in relating to Options already granted to them unless with such prior consent or sanction of Participants as would be required under the provisions for the alteration of class rights contained in the Articles of Association of the Company for the time being if the Shares to be allotted or transferred on the exercise of the Options constituted a separate but single class of Shares (or two or more classes of such shares according to the respective Dates of Grant as the Board may deem appropriate) and such shares were entitled to such rights.
- (c) The Board may determine to issue no further invitations or to grant no further Options and may from time to time modify or at any time suspend or terminate the Scheme (but without prejudice to Options already granted).
- (d) No Options shall be granted hereunder more than ten years after the date on which the Plan is adopted by the Company but any rights of Participants still subsisting will remain in force.

12. Data Protection

By participating in the Plan the Participant consents to the holding and processing of personal data provided by the Participant to the Company, any member of the Group, trustee or third party service provider for all purposes relating to the operation of the Plan. These include, but are not limited to:

- (a) administering and maintaining Participant records;
- (b) providing information to members of the Group, trustees of any employee benefit trust, registrars, brokers, savings carrier or other third party administrators of the Plan;
- (c) providing information to future purchasers of the Company or the business in which the Participant works;
- (d) transferring information about the Participant to a country or territory outside the European Economic Area that may not provide the same statutory protection for the information as the Participant's home country.

13. Notices

- (a) The provisions of the Company's Articles of Association for the time being with regard to the service of notices on members shall apply in the same way to any notice to be given under the Plan to a Participant.
- (b) A Participant shall not be entitled to receive copies of any notice or other document sent by the Company to its Shareholders prior to the exercise of an Option by that Participant.

14. Governing Law

These Rules and Options granted pursuant thereto shall be governed by and construed in accordance with English Law.

SCHEDULE - AUSTRALIA

1. Options shall be granted under this Australian Schedule subject to the requirements stated herein.
2. For the purposes of this Schedule the following definitions will amend or be additional to the definitions in the Rules and will take precedence over such definitions:

Savings Contract means an agreement to save with a bank registered in Australia in an interest bearing account for a period not exceeding 60 months as extended by up to six months if applicable by reason of any failure to pay a contribution on or before its due date in accordance with the terms designated by the Board.
3. The following shall be added at the end of Rule 2(c) after "... The Board may determine":

"and shall include a summary of the Plan Rules."
4. The following paragraph will be added to Rule 2:

"(g) Within 7 days of any invitation being made to Eligible Employees the Board will submit the documents provided to Eligible Employees to the Australian Securities Commission."
5. The following paragraph will be added to Rule 3:

"(g) No Option shall be granted before the date an exemption has been obtained for the Savings Contract from the Australian Securities Commission."
6. The following paragraph will be added to Rule 4:

"(c) In respect of Options giving a right to subscribe for Shares to Eligible Employees in Australia the total number of such Shares over which Options may be granted under the Plan, when added to the number of Shares issued and remaining issuable pursuant to rights to subscribe for Shares under any other share option or share acquisition scheme of the Company or of Reuters Holdings PLC during the preceding five years shall not exceed five per cent of the issued Shares from time to time on the relevant Date of Grant."
7. The following paragraph will be added to Rule 5:

"(k) During the 21 days preceding the date upon which an Option becomes exercisable and throughout the period the Option remains exercisable the Board shall at the request of a Participant provide the Participant with the Exercise Price and the middle market quotation of a Share as derived from the Daily Official List of The Stock Exchange or such other exchange on which the Shares are directly or indirectly listed converted to Australian dollars."

SCHEDULE - CANADA

1. Options shall be granted under this Canadian Schedule subject to the requirements stated herein.
2. For the purposes of this Schedule the definition "Exercise Price" and the meaning given thereto shall be deleted and the following definition substituted therefor:

Exercise Price	the price at which Shares may be acquired in respect of each Option being the middle market quotation of a Share as derived from the Daily Official List of The Stock Exchange or such other exchange on which the Shares are directly or indirectly listed on the dealing day which immediately precedes the relevant Invitation Date, provided that in respect of Options giving a right to subscribe for Shares it shall be the nominal value of a Share if this is greater.
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SCHEDULE - FRANCE

1. Options shall be granted under this French Schedule subject to the requirements state herein.
2. For the purposes of this Schedule the following definitions will amend or be additional to the definitions in the Rules and will take precedence over such definitions:

Board means the board of directors for the time being of the Company or the directors present at a duly convened meeting of the directors of the Company at which quorum is present or a committee appointed by the board of directors comprising mainly board directors.

Eligible Employee means any person who:

- (i) either is an employee or an executive director (within the meaning of Article L.225-185 of the French Commercial Code) of a Participating Company; and
- (ii) was an employee or an executive director of a Participating Company on 31 December in the year immediately preceding the Invitation Date, or any other qualifying period as the Board may from time to time determine.

In addition, it means any person who is designated by the Board as an eligible employee, provided that the person agrees to enter into a Savings Contract in accordance with the Rules, and provided that the person owns less than 10% of the Shares of the Company.

Exercise Price the price at which Shares may be acquired in respect of each Option shall be such amount as the Board may determine being not less than the greater of:

- (i) 80 per cent of the middle market quotation of a Share as derived from the Daily Official List of The Stock Exchange or such other exchange on which the Shares are directly or indirectly listed on the dealing day which immediately precedes the relevant Invitation Date; or
- (ii) in respect of Options giving a right to subscribe for Shares, the nominal value of a Share,

but which in any event may not be less than 80 per cent of the average of the middle market quotations of a Share as derived from the Daily Official List of the London Stock Exchange or such other exchange on which the Shares are directly or

indirectly listed for the twenty dealing days which immediately precede the relevant Date of Grant.

Participating Company means a subsidiary of the Company as defined in the 1966 French Companies Law Section 208-4.

3. The following shall be added at the end of rule 2(a):

"subject to the provision that no invitations may be made in the period of twenty dealing days after Shares are traded ex-dividend, ex-rights or ex any other distribution on The Stock Exchange or such other exchange on which the Shares are directly or indirectly listed."

4. The following paragraph shall replace (a) of Rule 5:

(a) Subject to Rule 8 and paragraph (b) below Options may be exercised by a Participant only within six months following the Maturity Date of the relevant Savings Contract or if earlier within:

(i) six months of:

(aa) attaining pensionable age while continuing to hold an office or employment within the Group; or

(bb) ceasing to hold an office or employment within the Group by reason only that:

(1) his office or employment is a company of which the Company ceases to have Control; or

(2) his office or employment relates to a business or part of a business which is transferred to a person who is neither an Associated Company of the Company nor a company of which the Company has Control;

(3) it is due to injury, illness, disability or redundancy; or

(cc) in the circumstances and within the periods specified in Rule 8.

(ii) four months prior to ceasing to hold office or employment within the Group by reason of retirement.

5. The following paragraph shall replace paragraph (c) of Rule 5:

"(c) If a Participant dies prior to the Maturity Date of the relevant Savings Contract or within 6 months after the completion of the Savings Contract, his Option may be exercised within the period of six months after the date of his death."

6. Rule 5(h) shall not apply to Options granted under this Schedule.

7. Rule 8(d) shall not apply to Options granted under this Schedule.

8. The following paragraphs will be added to Rule 9:

- "(d) Participants may not sell, transfer, assign or otherwise dispose of or be deprived of the legal ownership of the Shares acquired on the exercise of an Option under the Plan until after the fourth anniversary of the Date of Grant, except in the specific circumstances set out in paragraph (f) below.
- (e) The share certificates of the Shares acquired on the exercise of an Option under the Plan will be retained by the Company and will only be released to the Participant after the fourth anniversary of the Date of Grant, except in the specific circumstances set out in paragraph (f) below.
- (f) Notwithstanding paragraphs 9(d) and (e) above, Participants will be entitled to sell or otherwise dispose of the Shares acquired upon exercise of an Option under the Plan before the expiry of a period of 4 years from the Date of Grant in the following circumstances:
 - (i) dismissal of the Participant, provided that the Option had been exercised in accordance with the Rules and at least 3 months before the date of notification of the dismissal; or
 - (ii) forced retirement of the Participant, provided that the Option had been exercised in accordance with the Rules and at least 3 months before the date of termination of the contract of employment; or
 - (iii) disability of the Participant under the meaning of Article L.341-4 of the Social Security Code; or
 - (iv) death of the Participant."

SCHEDULE - ITALY

1. Options shall be granted under this Italian Schedule subject to the requirements stated herein.
2. The following paragraph shall be added to paragraph 2(b):
"(vii) the maximum number of Shares over which Options may be granted to Eligible Employees of a Participating Company."
3. Paragraph 5(h) is deleted.

SCHEDULE - NEW ZEALAND

1. Options shall be granted under this New Zealand Schedule subject to the requirements stated herein.
2. For the purposes of this Schedule, the following definitions will amend or be additional to the definitions in the Rules and will take precedence over such definitions:

Participating Company means a subsidiary of the Company.
3. The following shall be added to the end of Rule 2(c) after "... or such other method as the Board may determine":

"but in any event shall include as part of the invitation a copy of the current rules of the Plan and a copy of the most recent Company annual report and accounts."
4. The following paragraph will be added to Rule 3:

"(g) No option shall be granted before the date an exemption is obtained from the Securities Commission of New Zealand for the Company and any company under the Control of the Company incorporated in New Zealand."

SCHEDULE - UK

1. Options shall be granted under this UK Schedule in accordance with Schedule 3 of ITEPA and so shall be subject to the requirements stated in this Schedule.

2. For the purposes of this Schedule the following definitions will amend or be additional to the definitions in the Rules and will take precedence over such definitions:

Approval Date means the date [] on which the Scheme was formally approved by the Inland Revenue.

Bonus means the terminal bonus payable under the relevant Savings Contract.

Bonus Date means the earliest date on which the Bonus (or the maximum Bonus in the case of a seven year Option) is payable.

Eligible Employee means any person who satisfies the conditions set out below. The conditions are that the person:

- (i) either is an employee (but not a director) of a Participating Company, or is a director of a Participating Company who is required to work for the company for at least 25 hours a week (excluding meal breaks); and
- (ii) has earnings in respect of his office or employment within paragraph (i) above which are general earnings (or would be if there were any) to which Section 15 or Section 21 of ITEPA applies; and
- (iii) has such qualifying period (if any) of continuous service (not exceeding five years prior to the Date of Grant) as the Directors may from time to time determine;

In addition, it means any person who is an executive director or employee of a Participating Company who is nominated by the Directors (or is nominated as a member of a category of such executive directors or employees).

However, the definition of "Eligible Employee" does not include anyone who is excluded from participation because of paragraph 11 of Schedule 3 to ITEPA (material interest provisions);

Grantor means either:

- (i) the Board in respect of Options granted or to be granted by the Company; or
- (ii) the Trustee in respect of Options granted or to be granted by the Trustee.

Maximum Monthly Contribution

means the maximum monthly limit determined by the Board from time to time being not more than the greater of (pound)250 or the monthly contribution specified in the regulations governing Savings Contracts in force from time to time which shall not be more than the amount permitted under ITEPA.

Minimum Monthly Contribution

means the minimum monthly limit, if any, determined by the Board from time to time being not less than (pound)5 per month nor greater than (pound)10 per month.

Participating Company

means:

- (i) the Company; and
- (ii) any company which is under the Control of the Company whether incorporated in the UK or elsewhere,

except for those companies which are designated by the Board as non-participating companies for the purposes of the Plan provided such company has been notified to the Inland Revenue as a participating company.

Plan Location

means the United Kingdom

Savings Contract

means a savings contract between an Eligible Employee and an approved savings authority (within the meaning of Section 326 of the Act), approved by the Inland Revenue for the purposes of Schedule 3 to ITEPA, nominated by the Board for a maximum period of 60 months as extended by up to six months if applicable by reason of any failure to pay a contribution on or before its due date.

Trustee

means the trustee or trustees for the time being of any employee share ownership trust which has been or may be established from time to time by any Group Company and which is an employees' share scheme as defined in section 743 of the Companies Act 1985.

3. Rule 3(a) will be replaced with:
- "Options will be granted by the Grantor in accordance with Rule 2 not later than:
- (i) the twenty-ninth day following the Invitation Date to those Eligible Employees who have applied hereunder (and not withdrawn such application) and to no other person whatsoever; or
 - (ii) the forty-first day following the Invitation Date if the number of applications pursuant results in the Board exercising the powers of scaling down under Rules 3(b) and (c),
- provided that the person is still an Eligible Employee at the Date of Grant".
4. The following paragraph will be added to Rule 3:
- "(g) no Option shall be granted before the Approval Date."
5. Redundancy as referred to in Rule 5(a)(i) will have the same meaning as within the Employment Rights Act 1996.
6. Retirement as referred to in Rule 5(a)(i) will mean age 62 or any other age at which he is bound to retire in accordance with the terms of his contract of employment.
7. Pensionable age as referred to in Rule 5(a)(ii) will be age 62.
8. There shall be an additional paragraph to Rule 5(a) as follows:
- (v) "ceasing to hold the office or employment by virtue of which he is eligible to participate in the Plan more than three years after the relevant Date of Grant by reason of retirement in circumstances (other than those specified in sub paragraph (i) above) which entitle him to receive an immediate pension from his employing company."
9. Rule 5(d) shall not apply to Options granted under this Schedule.
10. Rule 5(e) will be replaced with:
- "Save as provided in paragraphs (a)(i), (iii), (iv) and (v) and (b) above an Option shall be exercised by a Participant only if at the date of exercise he is a director or employee of a Participating Company provided that, if at the Bonus Date a Participant is a director or employee of a company which is not a Participating Company but which is an Associated Company or a company of which the Company has Control, subject to sub-rule (c) above an Option held by such Participant may be exercised within six months of the Bonus Date."
11. Rule 5(h) shall not apply to Options granted under this Schedule.
12. The following paragraphs will be added to Rule 5:
- "(k) It is a condition of the exercise of an Option under the Scheme that the Shares acquired on such exercise shall be paid for with monies not exceeding the amount of

repayment (including any Bonus or interest) made under the related Savings Contract. For this purpose repayment under the Savings Contract shall exclude the repayment of an monthly contributions, the due date for payment of which falls more than one month after the date on which repayment was made.

- (1) No Option may be exercised by a Participant who is excluded by paragraph 11 of Schedule 3 to ITEPA".

13. There shall be added at the end of Rule 7(a) after "retrospective adjustments)" the words "subject to prior Inland Revenue approval."

14. Rule 9(b)(ii) shall not apply to Options granted under this Schedule. However, for the avoidance of doubt, in circumstances where a Participant who has been granted an approved Option under this Schedule is abroad and a tax charge is triggered in the host country, Rule 9(b)(ii) will apply to enable the appropriate tax to be withheld.

15. The following paragraphs will be added to Rule 11(b):

"(iii) If the approved status of the Plan is to be maintained, any change to a key feature of the Rules after it has been approved under ITEPA will take effect from the later of:

- (a) the date that the change is approved by the Inland Revenue; and
(b) the date the Board resolve to approve the amendment. A "key feature" is any provision necessary to meet the requirements of ITEPA."

16. (i) In Rules 2(a), 2(b), 2(f), 3(a) 3(b) and 7(a) references to the "Board" will be replaced with "Grantor with the prior approval of the Board" provided that in Rule 3(b) the first reference to the "Board" shall instead be replaced with the "Board as agent for the Grantor".

(ii) In Rule 5(f) insert after "Secretary of the Company" the words "as agent of the Trustee" and after "Subject to paragraph (g)" the words "and paragraph (n)".

17. The following paragraph will be added to Rule 5:

- (m) Where another company has obtained Control of the Company pursuant to an arrangement or compromise sanctioned by a Court pursuant to section 425 of the Companies Act 1985, then an Option shall be exercisable in whole or in part by delivering written notice and remittance to the Secretary of the Company as agent for the Trustee as specified in Rule 5(f) only in so far as the trustee holds sufficient Shares to satisfy an Option. For the purposes of this Rule the Trustee shall be deemed to satisfy each Option so exercised in the order in which the relevant written notice and remittance are received by the Secretary of the Company and where written notices and remittances in respect of more than one such Option are received by the Secretary of the Company at the same time the Trustee shall be deemed to satisfy such proportion of those Options as they have sufficient Shares available to satisfy (treating notices and remittances received from all Optionholders in the same manner). In so far as the Trustee does not hold sufficient Shares to satisfy all such Options then an Option shall be exercisable in whole or in part by delivering written

notice and remittance to the Secretary of the Company in the same manner as described in Rule 5(f) however with the Secretary of the Company acting as principal and not as agent for the Trustee.

18. The following paragraph will be added to Rule 5:

"(n) Notwithstanding paragraph 5(i) above the Company shall meet any stamp duty liability arising on the exercise of an option".

SCHEDULE -- UNITED STATES

1. Options shall be granted under this US Schedule subject to the requirements stated herein.

2. For the purposes of this Schedule the following definitions will amend or be additional to the definitions in the Rules and will take precedence over such definitions:

	means American Depositary Receipts evidencing ADSs
ADRs	
ADSs	means American Depositary Shares, each of which currently represents six (6) shares
Bonus	(i) means in the case of all Options, the interest deemed by the Board to be payable to Participants in respect of the relevant Savings Contract, and (ii) shall include, in the case of Incentive Stock Options equal to 20% of the Exercise Price of such Incentive Stock Options.
Code	Means the US Internal Revenue Code of 1986, as amended from time to time, and any successor thereto.
Eligible Employee	Means any person who at the relevant Invitation Date is an employee of a Participating Company who: <ul style="list-style-type: none">(a) is on a US payroll, or is employed outside the US but is considered US-based for benefits purpose(b) was an employee or an executive director of a Participating Company on 31 December in the year immediately preceding the Invitation Date, or any other qualifying period as the Board may from time to time determine;(c) is scheduled to work 17.5 hours or more per week;(d) is not actively contributing to Reuters America Inc. Employee Stock Purchase Plan; and(e) is not (1) a foreign national on temporary assignment in the US or (2) a person included in a unit of employees covered by a collective bargaining agreement that does not expressly provide for participation in the plan.
Exercise Price	The price at which Shares or ADSs may be acquired in respect of an Option, determined as follows; <ul style="list-style-type: none">(a) in the case of an Incentive Stock Option, the Exercise Price shall be equal to the Fair Market Value of the Shares or ADSs as the case may be, on the relevant Date of Grant; and(b) in the case of a Non-qualified option, the Exercise Price shall be such amount as the Board may determine being not less than 80% of the Fair Market Value of the Shares or ADSs, as the case may be, on the trading day immediately preceding the relevant Invitation Date.

Fair Market Value	Means as of any given day; <ol style="list-style-type: none"> (a) in the case of Shares, the middle market quotation of a Share on the relevant date derived from the Daily Official List of The London Stock Exchange or such other exchange on which the Shares are then directly or indirectly listed. (b) in the case of ADSs, the average of the reported high and low sale prices of an ADS on the relevant date on the on The Nasdaq Stock Market or such other exchange on which the ADRs are the directly or indirectly listed.
First Exercise Date	Means, in any calendar year, the date on which an Option first becomes exercisable by a Participant.
Incentive Option	Stock Means an Option that is intended to qualify as an "incentive stock option" under Section 422 of the Code or any successor provision.
Non-qualified Option	Means an Option that does not qualify as an Incentive Stock Option
Option	Means the right to acquire Shares or ADSs granted pursuant to the Plan. The term "Option" shall include Options granted as Incentive Stock Options and Options granted as Non-qualified Options.
Shares	Means fully paid ordinary shares of 25 pence of the Company that comply with paragraphs 10-14 of Schedule 9 to the Act. Unless the context otherwise requires, the term "Shares" includes Shares represented by ADSs.
2.	The following paragraph will be added to Rule 2(b); "(vii) whether the option is intended to qualify as an Incentive Stock Option or is a Non-qualified Option"
3.	Rule 2(e) is amended to add the words "or ADSs" after the word "Shares" in both places in which it appears.
4.	Rule 4(b) is amended (a) to add "(i)" between the words "exceed" and "10 per cent", and (b) to add the following at the end of the paragraph; "or (ii) in the case of Incentive Stock Options, 142,237, 527 Shares."
5.	The following paragraphs will be added to Rule 4: "(c) To the extent required to qualify for "Incentive Stock Option" treatment under section 422 of the Code, the aggregate Fair Market Value (determined as of the First Exercise Date) of the Shares with respect to which Incentive Stock Options are exercisable for the first time by a Participant during any calendar year under the Plan and/or any other share option plan

of the Company or any subsidiary corporation (within the meaning of Section 424 of the Code) shall not exceed \$100,000."

"(d) No option which is intended to qualify for "Incentive Stock Option" treatment under section 422 of the Code shall be granted to any employee who, on the relevant Date of Grant, owns Shares (or ADSs) possessing more than 10 per cent of the total combined voting power of all Shares on such date."

6. Rule 5(h)(i) is amended by adding after the words "date of exercise" the following: "or, in the case of an Option to purchase ADSs, calculated as the last reported sale price of an ADS on The Nasdaq Stock Market for the dealing day prior to the date of exercise)".

AMENDED AND RESTATED
 REUTERS AMERICA INC.
 EMPLOYEE STOCK PURCHASE PLAN

EFFECTIVE JUNE 1, 1995;
 AMENDED AND RESTATED EFFECTIVE AUGUST 23, 1999

TABLE OF CONTENTS

ARTICLE	PAGE
I. Purpose of the Plan	3
II. Definitions	4
III. Participation	6
IV. Contributions	7
V. Accounts	8
VI. Investment of the Fund	9
VII. Fees and Expenses	10
VIII. Vesting, Retirement or Termination of Employment	11
IX. Designation of Beneficiary	13
X. Withdrawals	14
XI. Administration	15
XII. Miscellaneous	16
XIII. Amendment and Termination	18

ARTICLE I

PURPOSE OF THE PLAN

1.01 The Reuters America Inc. Employee Stock Purchase Plan has been established to provide Eligible Employees a convenient and systematic method of acquiring a proprietary interest in the Company's parent corporation, Reuters Group PLC, through the purchase and ownership of American Depositary Shares representing as of the date hereof six Ordinary Shares of 25p each in the capital of Reuters Group PLC through payroll deductions, supplemented by Company matching contributions, and to provide a mechanism for capital accumulation by such employees.

1.02 The Plan is not intended to be a plan qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended, and is not intended to be subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended.

ARTICLE II

DEFINITIONS

When used herein, the following terms shall have the following meanings unless the context clearly indicates otherwise:

2.01 "Account" means the Account established and maintained by the Custodian on behalf of each Participant to record the balance of cash and ADSs, including any income or other investment return thereon, on behalf of such Participant.

2.02 "American Depositary Shares" or "ADSs" means the American Depositary Shares of Reuters Group PLC. The ADSs are evidenced by American Depositary Receipts ("ADRs") issued pursuant to a Deposit Agreement, dated as of February 18, 1998, among Reuters Group PLC, Morgan Guaranty Trust Company of New York, as Depositary, and the holders from time to time of ADRs.

2.03 "Base Pay" means the basic regular salary as paid by the Company to a Participant that is in effect for such Participant for the applicable pay period and shall be determined as of the business day that amounts are withheld from such Participant's paycheck pursuant to the terms of this Plan.

2.04 "Broker" or "Custodian" means Putnam Fiduciary Trust Company, or such other broker or custodian subsequently appointed by Reuters America Inc.

2.05 "Code" means the Internal Revenue Code of 1986, as amended.

2.06 "Committee" means the Committee as appointed by Reuters America Inc. to administer the terms of this Plan for the benefit of the Participants participating in the Plan.

2.07 "Company" means Reuters America Inc. and those of its subsidiaries and affiliates as may be designated by the Board of Directors of Reuters America Inc. from time to time as being eligible to participate in the Plan.

2.08 "Eligible Employee" means any person who on the date in question is an employee of a "Participating Company" (as such term is defined in the Rules of the Reuters Group PLC International SAYE Share Option Plan 1997) who:

- (a) is on a US payroll, or is employed outside the US but is considered US-based for benefits purposes;
- (b) was actively employed by a Participating Company on December 31 of the year immediately preceding the date in question;
- (c) is scheduled to work 17.5 hours or more per week;
- (d) is not actively contributing to the Reuters Group PLC International SAYE Plan 1997; and
- (e) is not (1) a foreign national on temporary assignment in the US or (2) a person included in a unit of employees covered by a collective

bargaining agreement that does not expressly provide for participation in the Plan.

2.09 "Entry Date" means the first day of each calendar quarter or such other date as set by the Committee.

2.10 "Fund" means all of the assets held by the Custodian under the terms of the Plan.

2.11 "Matching Contribution" means the Company contribution made to the Plan on behalf of a Participant on account of such Participant's contribution hereunder.

2.12 "Participant" means any Eligible Employee who participates in the Plan in accordance with its terms and conditions.

2.13 "Participation Agreement" means an enrollment form executed by an Eligible Employee under which such Eligible Employee signifies his or her desire to participate in the Plan and elects to have his or her Base Pay reduced as of each pay period and to have such amounts applied to this Plan.

2.14 "Plan" or "ESPP" means the Reuters America Inc. Employee Stock Purchase Plan as set forth in this document and as may be amended from time to time.

2.15 "Plan Year" means a calendar year.

2.16 "Purchase Period" means the period coincident with each pay period of the Company.

2.17 "Voice Response Unit" or "VRU" means the voice response unit maintained pursuant to procedures established by the Broker or Custodian.

ARTICLE III
PARTICIPATION

3.01 Each Eligible Employee shall be notified by the Committee of his or her eligibility to participate and shall be provided with information concerning the terms and conditions of this Plan as well as forms for enrollment. Any determination as to eligibility shall be made solely by the Committee and such determination shall be final.

3.02 Participation in the Plan is voluntary on the part of an Eligible Employee.

3.03 Each Eligible Employee who elects to participate in the Plan shall be enrolled in the Plan as of the Entry Date following such election upon the completion of a Participation Agreement authorizing payroll deductions from such Eligible Employee's paycheck.

3.04 An Eligible Employee who has elected to participate for a Purchase Period shall automatically continue to participate in the Plan for each successive Purchase Period under the same terms and conditions that were applicable under the Participation Agreement relating to the immediately preceding Purchase Period until the Eligible Employee makes an election to revise payroll deductions or terminate participation in the Plan or becomes ineligible to participate. Any such election and authorization shall continue in effect for each Purchase Period until cancelled by use of the VRU by the Eligible Employee or until the Eligible Employee becomes ineligible to participate.

3.05 Any Participant who discontinues his or her contributions hereunder shall remain a Participant until such time as he or she withdraws all funds held in his or her Account under the terms of the Plan.

ARTICLE IV
CONTRIBUTIONS

4.01 A Participant shall authorize after-tax payroll deductions from such Participant's paycheck in an amount equal to a minimum of 1% to a maximum of 10% (in multiples of 1%) of his or her Base Pay to a maximum of \$175 per biweekly pay period (which amount shall stay in effect until changed in the sole discretion of the Board of Directors of Reuters America Inc.), which deduction shall be applied, together with the Matching Contribution, to the purchase of ADSs pursuant to the terms of this Plan.

4.02 A Participant may, at any time, either increase, decrease or stop (to any whole percentage of his or her Base Pay between 1% and 10%, inclusive) his or her contributions through payroll deduction by use of the VRU prior to the next payroll date. Such change shall be effective as of the first available Purchase Period thereafter.

4.03 The Company shall contribute, as a Matching Contribution, an amount equal to twenty (20%) percent of the payroll deduction which each Participant authorizes to be withheld from his or her Base Pay. Each Matching Contribution shall be contributed by the Company and allocated to the Account of a Participant at the same time that the Participant's contribution is paid to the Plan.

4.04 The amount of the Matching Contribution may be changed at any time in the sole discretion of the Board of Directors of the Reuters America Inc., provided that such change shall not apply until the first full Purchase Period after Participants have been notified of the change by the Committee.

4.05 All payroll deductions made pursuant to the Plan shall be transmitted by the Company to the Custodian as soon as administratively practicable following a Purchase Period. Such amounts shall be credited to a Participant's Account under the Plan and shall be applied by the Broker to purchase ADSs for each Participant's Account.

ARTICLE V

ACCOUNTS

5.01 The Committee shall establish and maintain a separate Account for each Participant in the Plan. The records of such Account shall identify all Participant contributions and Matching Contributions allocated to such Participant's Account, and all income, loss, dividends or other investment return or capital gain or loss incurred by the Fund on behalf of such Participant in each Plan Year. Such records will include all funds received, the price and number of full and fractional shares credited, and any dividends received. The Broker will keep a record of all Participants. Periodically, but not less frequently than quarterly, the Broker shall send to each Participant a statement of such Participant's Account under the Plan.

5.02 The Broker will hold and act as custodian of ADSs purchased and any other assets maintained pursuant to the Plan. Absent instructions to the contrary from a Participant, ADRs for ADSs purchased will not be delivered by the Broker to a Participant.

ARTICLE VI

INVESTMENT OF THE FUND

6.01 A Fund shall be established by the Custodian and all contributions including Participant's contributions, Matching Contributions and cash dividends shall be paid into the Fund. All investment earnings shall accrue to the Participants according to the provisions of Article V.

6.02 All contributions to the Fund, including Matching Contributions, shall be invested as provided in this Article VI by the Broker as soon as practicable following the receipt of such contributions.

6.03 The Broker shall purchase ADSs for the Participants' Accounts in transactions on the NASDAQ/NMS at the market prices available thereon.

6.04 All ADSs purchased under the Plan will be retained by the Custodian and will be credited to the Account of each Participant in proportion to the funds credited to such Account.

6.05 Cash dividends paid on ADSs credited to an Account shall be automatically reinvested in additional ADSs at no charge to the Participant who has been credited with such cash dividends. Cash dividends will be paid directly to any Participant if such Participant has instructed the Broker to have the ADSs registered in his or her name.

6.06 Except as otherwise provided in Section 6.05, the Broker shall apply cash dividends received and credited to Participant Accounts towards the purchase of ADSs by aggregating such amounts with any payroll deductions and Matching Contributions already deposited in a Participant's Account, and purchasing ADSs as provided in this Plan.

6.07 Upon request of the Broker, a certificate will be issued to the Participant for any full ADSs held in such Participant's Account. Also, if requested, fractional ADSs credited to a Participant's Account, if any, shall be aggregated with other Participants' fractional ADSs into whole ADSs and sold by the Broker in transactions on the NASDAQ/NMS and the proceeds of such sale will be paid to the Participant in cash.

6.08 A Participant may sell some or all of the ADSs held in such Participant's Account, from time to time, through the Broker, in which case the Broker will be acting as the Participant's broker solely on his or her behalf. The Company assumes no responsibility in connection with such transactions, and all commissions, servicing fees, charges or other expenses of such sales shall be borne directly by the Participant as provided in the Plan.

ARTICLE VII

FEES AND EXPENSES

7.01 The Company shall pay brokerage commissions, fees and service charges incurred for purchases of ADSs made under the Plan.

7.02 All commissions, fees, service charges and expenses in connection with sales of whole or fractional ADSs not made through the Plan will be paid directly by the Participant in connection with such transactions. In addition, any commissions, fees, service charges or expenses charged by the Broker in connection with a Participant's request to have certificates representing ADSs registered in the Participant's name or if ADSs are sold while he or she is a Participant under the Plan shall be charged directly to the Participant.

7.03 Upon a Participant's withdrawal from the Plan upon termination of employment, if the Participant's Account is maintained thereafter as an individual account with the Broker, all commissions, fees, service charges and expenses relating to such account will be the direct responsibility of the former Participant or his or her beneficiary.

7.04 No interest shall accrue on any cash held in a Participant's Account.

ARTICLE VIII

VESTING, RETIREMENT OR TERMINATION OF EMPLOYMENT

8.01 A Participant shall be fully vested at all times in the amounts accumulated in his or her Account.

8.02 Upon termination of employment, a Participant shall be required to withdraw all ADSs or other amounts accumulated in his or her Account under the Plan and shall direct the Broker as to whether ADSs shall be converted to the individual's name and maintained in an individual account outside the Plan or whether such ADSs shall be sold and the proceeds distributed in cash.

8.03 If the Participant elects to receive the value of his Account in cash, the amount payable shall be determined by the Broker, and shall be based upon the proceeds of the sale of such Participant's ADSs at the market price obtainable in transactions on the NASDAQ/NMS less any applicable commissions, fees and service charges. The Broker shall take such action as soon as practicable after receipt of notification from the Participant. The amount thus determined shall be paid in a lump sum to the Participant.

8.04 Upon payment of the entire balance of the Participant's Account to the Participant by delivery of ADRs or cash, such Account shall be cancelled.

8.05 A Participant who dies or whose employment is terminated for any reason (whether voluntarily or involuntarily, and with or without cause) shall immediately cease to be a Participant, whereupon the amounts deducted from his or her pay which have not been applied pursuant to the terms of this Plan shall be returned to the Participant or to his or her beneficiary or estate, as applicable, without interest.

8.06 Upon the death of a Participant, in the event there is a surviving beneficiary as provided in Article IX, the Committee shall direct the Broker to transfer such Participant's Account to an individual account for the benefit of such beneficiary. Upon notification by the Committee of such transfer, the beneficiary shall direct the Broker as to all matters concerning such individual account and all commissions, fees, service charges and expenses relating to such account shall be borne by the beneficiary thereafter.

8.07 Upon the death of a Participant, in the event there is either no beneficiary designated or no surviving beneficiary, the Committee shall direct the Broker to liquidate such Participant's Account and to distribute the proceeds, less any applicable commissions, fees, service charges and expenses, to the Participant's estate as soon as administratively possible.

8.08 If within ninety (90) days after termination of employment a Participant shall not have notified the Broker of his election as set forth herein, the Committee shall direct the Broker to have Morgan Guaranty Trust Company of New York, as Depositary, deliver ADRs registered in the name of such Participant to such Participant's last known address.

ARTICLE IX

DESIGNATION OF BENEFICIARY

9.01 A Participant shall, by written notice to the Committee, designate a person or persons to receive the benefit payable on his or her death under the Plan. A Participant may, by written notice to the Committee during employment, alter or revoke such designation from time to time, subject always to the provisions of any law governing the designation of beneficiaries from time to time in force which may apply to such individual. Such written notice shall be in such form and shall be executed in such manner as the Committee in its discretion may from time to time determine.

9.02 If on the death of a Participant, there shall be no designated beneficiary, or if the person designated by the Participant as his or her beneficiary should not be living, any benefit that may be payable on or after his or her death shall be paid to the individual's estate.

ARTICLE X

WITHDRAWALS

10.01 At any time in each Plan Year a Participant may withdraw from participation in the Plan by use of the VRU of the Broker by electing to cease contributions thereafter and requesting a full liquidation of the ADSs in his Account, and such Participant's participation therein shall cease. Unless the Participant elects otherwise, ADRs evidencing full ADSs credited to such Participant's Account shall be registered in the name of the Participant, at the Participant's expense. The Broker shall, in accordance with VRU instructions from the Participant, (i) send such ADRs to the Participant, (ii) retain such ADRs in an individual account for the benefit of the Participant, in which case the Participant shall bear all expenses after such withdrawal from the Plan, or (iii) sell the ADSs evidenced by such ADRs and send the Participant the resulting proceeds, less commissions, fees, service charges, expenses and other charges.

ARTICLE XI

ADMINISTRATION

11.01 The Plan shall be administered by a Committee appointed by Reuters America Inc. Such Committee shall consist of such members as shall be determined by the Board of Directors of Reuters America Inc. and confirmed to the Custodian. Reuters America Inc. shall advise the Custodian of any changes in the membership of the Committee.

11.02 The Committee shall establish rules for the administration of the Plan, and shall advise the Custodian on matters of interpretation of the terms of the Plan.

11.03 The Committee shall furnish an explanation in writing to each Participant of the terms and conditions of the Plan and amendments thereto together with an explanation of the rights and duties of such Participant under the terms and conditions of the Plan.

11.04 The Committee shall take such action as shall be necessary to ensure that the Plan complies with all applicable federal and state regulations, including federal and state securities laws.

ARTICLE XII

MISCELLANEOUS

12.01 A Participant shall direct the Custodian as to how to vote the full ADSs credited to his Account. The aggregate number of remaining ADSs representing fractional ADSs under all Participants' Accounts shall be voted by the Committee in its sole discretion.

12.02 A Participant's right to purchase ADSs under the Plan are exercisable, during his or her lifetime, only by such individual and may not be pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution. Any attempt to pledge, assign or transfer such rights shall be void and shall automatically cause any purchase rights held by the Participant to be terminated. In such event, the Committee shall direct the Broker to have Morgan Guaranty Trust Company of New York, as Depositary, deliver ADRs registered in the name of such Participant to such Participant's last known address and/or may refund in cash, without interest, all amounts credited to the Account of such Participant.

12.03 ADSs may be registered in the name of the Participant, or, if he or she so designates, in his or her name jointly with his or her spouse, with a right of survivorship.

12.04 The Plan shall not be deemed to constitute a contract of employment between the Company and any Participant, nor shall it interfere with the right of the Company to terminate any Participant and treat him or her without regard to the effect which such treatment might have upon such Participant under the Plan.

12.05 The Company shall withhold from amounts to be paid to the Participant as wages, any applicable Federal, state or local withholding or other taxes which it is from time to time required by law to withhold on account of Matching Contributions.

12.06 The Company may direct the Broker to delay the delivery of any ADR registered in the name of a Participant or beneficiary if it determines that listing, registration or qualification of the ADSs evidenced thereby upon NASDAQ/NMS or any national securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the sale or purchase of ADSs under the Plan, until such listing, registration, qualification, consent or approval shall have been effected or obtained, or otherwise provided for, free of any conditions not acceptable to the Company.

12.07 The Broker shall be an "agent independent of the issuer" within the meaning of Rule 10b-18 under the Securities Exchange Act of 1934, as amended, and neither Reuters America Inc. nor any of its subsidiaries or affiliates shall (subject to the provisions in paragraph (a)(6)(ii) thereof) exercise any direct or indirect control or influence over the times when, or the prices at which, the Broker may purchase ADSs for the Plan, the amounts of ADSs to be purchased, the manner in which the ADSs are to be purchased, or the selection of a broker or dealer other than the Broker itself through which purchases may be executed.

12.08 The Plan shall be governed by, and construed in accordance with, the laws of the

State of New York and without regard to the conflict of laws principles of such state.

ARTICLE XIII

AMENDMENT AND TERMINATION

13.01 The Board of Directors of Reuters America Inc. may at any time terminate or amend the Plan in any respect in its sole discretion.

13.02 The Plan and all rights of Participants to purchase any ADSs hereunder shall terminate at the earlier of the conclusion of the last Purchase Period authorized herein, or as otherwise determined by and at the discretion of the Company.

13.03 Upon termination of the Plan, ADRs shall be delivered to Participants, and cash, if any, remaining in the Accounts of the Participants, shall be refunded to them, as if the Plan were terminated at the end of a Purchase Period.

13.04 Upon termination of the Plan, the Participant may elect that the balance of his Account be paid to him or her in accordance with the provisions set forth herein or as otherwise provided by the Committee.

13.05 No amendments to this Plan which affects the responsibilities or duties of the Broker shall be effective without the agreement and approval of the Broker.

September 28, 2006

The Reuters Building
South Colonnade
Canary Wharf
London, E14 5EP
England

Dear Sirs:

I am the General Counsel of Reuters Group PLC, a company registered in England and Wales (the "Company"), in connection with the Company's Registration Statement on Form S-8 filed September 28, 2006 with the Securities and Exchange Commission under the Securities Act of 1933, as amended, with respect to the offering of up to 17,497,956 Ordinary Shares, nominal value 25 pence per share (the "Shares"), of the Company, to be issued pursuant to the Reuters Group PLC Long-Term Incentive Plan 1997, as amended; the Reuters Group PLC Discretionary Stock Option Plan, as amended; the Reuters Group PLC International SAYE Share Option Plan 1997, as amended; the Reuters Group PLC Global Restricted Share Plan; and the Reuters Group PLC Restricted Share Plan; (collectively, the "Plans").

I have examined the signed Registration Statement, the terms of the Plans, the Memorandum and Articles of Association of the Company and such documents, records, certificates and other instruments as in my judgment are necessary or appropriate to enable me to render the opinion expressed below.

My opinion set forth below is limited to the laws of England as in effect on the date hereof, and I do not express any opinion herein concerning any other law.

Based upon the foregoing and having regard for such legal considerations as I have deemed relevant, I am of the opinion that the Shares have been duly authorized by the Company and, when (a) issued and delivered by the Company in accordance with the terms of the relevant Plan and (b) paid for in full in accordance with the terms of the relevant Plan, the Shares will be validly issued and fully paid and no further contributions in respect of the Shares will be required.

I hereby consent to the filing of this opinion as an exhibit to the Registration Statement.

Very truly yours,

/s/ Rosemary Martin

ROSEMARY MARTIN
GENERAL COUNSEL & COMPANY SECRETARY
REUTERS GROUP PLC

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-8 of our report dated 10 March 2006 relating to the financial statements, which appears in the 2005 Annual Report of Reuters Group PLC on Form 20-F for the year ended 31 December 2005.

/s/ PricewaterhouseCoopers LLP

London

28 September 2006