

**THIS DOCUMENT AND THE ACCOMPANYING FORM OF PROXY AND IF APPLICABLE ELECTION FORM IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, another appropriately authorised independent financial adviser in your own jurisdiction.**

**If you have sold or otherwise transferred, or sell or transfer before 6.00 p.m. on 26 September 2011, all of your Existing Ordinary Shares, please forward this document (but not the enclosed personalised Form of Proxy and Election Form) as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents should not be distributed, forwarded or transmitted in or into any jurisdiction in which such an act would constitute a breach of the relevant laws of such jurisdiction.**

Collins Stewart Europe Limited (“**Collins Stewart**”), which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for the Company and for no-one else in connection with the Proposals or any other matter referred to in this document and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Collins Stewart nor for providing advice to any other person in relation to the Proposals or any other matter referred to in this document.

Application will be made for the New Ordinary Shares to be issued pursuant to the Proposals to be admitted to trading on AIM. It is expected that dealings in the Existing Ordinary Shares will continue until 5.00 p.m. on 28 September 2011 and that Admission of the New Ordinary Shares will become effective and dealings in them will commence on AIM at 8.00 a.m. on 29 September 2011. No application will be made to AIM or any other investment exchange or trading platform for listing or admission to trading of the B Shares, C Shares or 2011 Deferred Shares to be issued pursuant to the Proposals.



## **SPARK Ventures plc**

*(incorporated in England and Wales under registered number 03813450)*

### **Notice of Annual General Meeting**

#### **Proposed Return of Cash to Shareholders equivalent to one penny per Existing Ordinary Share by way of either a Tender Offer or a Special Dividend**

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Notice of the Annual General Meeting of SPARK, to be held at the offices of Bracher Rawlins LLP, 2nd Floor, 77 Kingsway, London WC2B 6SR and convened for 10.00 a.m. on Wednesday 28 September 2011 is set out at the end of this document. This document should be read as a whole. Your attention is drawn to the letter from David Potter, Chairman of SPARK, which is set out in Part 1 of this document and which recommends that you vote in favour of all of the Resolutions to be proposed at the Annual General Meeting. **The implementation of the Return of Cash is conditional upon, *inter alia*, approval by Shareholders of Resolution 10 at the Annual General Meeting and Admission.**

**A summary of the action to be taken by Shareholders is set out in paragraph 8 of Part 1 of this document.**

**None of the B Shares, C Shares, 2011 Deferred Shares nor the New Ordinary Shares have been or will be registered under the US Securities Act or the state securities laws of the United States and none of them may be offered or sold in the United States unless pursuant to a transaction that has been registered under the US Securities Act and the relevant state securities laws or that is not subject to the registration requirements of the US Securities Act or such laws, either due to an exemption therefrom or otherwise.**

**None of the B Shares, C Shares, 2011 Deferred Shares, New Ordinary Shares nor this document have been approved, disapproved or otherwise recommended by any US federal or state securities commission or other regulatory authority or any non-US securities commission or regulatory authority nor have such authorities confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary is a criminal offence in the United States.**

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time and date for receipt of the Form of Proxy or CREST Proxy Instruction for the Annual General Meeting and record time for determining entitlement to participate in the AGM	10.00 a.m. on 26 September 2011
Latest time and date for receipt of Forms of Election and TTE Instructions in respect of the Alternatives	1.00 p.m. on 27 September 2011
Record Time for determining entitlement to participate in the Tender Offer for the B Shares and the Special Dividend on the C Shares	6.00 p.m. on 27 September 2011
Annual General Meeting	10.00 a.m. on 28 September 2011
Latest time and date for dealings in Existing Ordinary Shares and Existing Ordinary Share register closed	5.00 p.m. on 28 September 2011
Cancellation of trading of Existing Ordinary Shares	7.00 a.m. on 29 September 2011
New Ordinary Shares admitted to trading on AIM and dealings in the New Ordinary Shares commence and Share Split effective	8.00 a.m. on 29 September 2011
Credit CREST accounts with, or despatch cheques in respect of, the Tender Offer for the B Shares and the Special Dividend on the C Shares	By 7 October 2011
Creation of the 2011 Deferred Share register following payment of the Special Dividend on the C Shares	By 7 October 2011

### Notes:

1. References to times in this document are to London times. If any of the above times or dates should change, the revised times and/or dates will be notified to Shareholders by an announcement on a Regulatory Information Service.
2. Completion of all events in the above timetable following the holding of the Annual General Meeting are conditional upon, *inter alia*, the passing of Resolution 10 at the Annual General Meeting.

## PART 1

### LETTER FROM THE CHAIRMAN

*Directors:*

David Roger William Potter (*Non-Executive Chairman*)  
Andrew Bruce Carruthers (*Investment Manager Representative*)  
Jayesh Ramesh Patel (*Investment Manager Representative*)  
Michael Keith Whitaker (*Non-Executive Director*)  
Charles Richard Berry (*Non-Executive Director*)  
Helen Rachelle Sinclair (*Non-Executive Director*)

SPARK Ventures plc  
33 Glasshouse Street  
London  
W1B 5DG

31 August 2011

*To Shareholders and, for information only, to participants in the SPARK Share Option Schemes*

Dear Shareholder

#### Notice of Annual General Meeting

#### **Proposed Return of Cash to Shareholders equivalent to one penny per Existing Ordinary Share by way of either a Tender Offer or a Special Dividend**

##### **1. Introduction**

I am writing to give you details of certain special business to be considered at the Company's forthcoming Annual General Meeting to be held on Wednesday 28 September 2011 at 10.00 a.m. at the offices of Bracher Rawlins LLP, 2nd Floor, 77 Kingsway, London, WC2B 6SR.

As you are aware, on 7 August 2009 the Company received the approval of Shareholders to an alteration to the Company's investing strategy so that no more investments would be made into new businesses and that existing investments would be sold, when appropriate, with a view to all existing investments being realised over the period to 31 March 2014.

SPARK has successfully implemented this strategy, returning approximately £4.1 million to shareholders during 2010 pursuant to a Return of Cash scheme authorised at SPARK's previous annual general meeting.

SPARK is now seeking to provide Shareholders with a further Return of Cash of an amount equivalent to one penny per Existing Ordinary Share excluding treasury shares (in aggregate approximately £4.1 million). This Return of Cash will be carried out in the same manner as the 2010 Return of Cash.

The purpose of this document is to explain and seek Shareholder approval for the Proposals and also to explain the choices available to Shareholders in relation to the Return of Cash. The implementation of the Return of Cash is conditional upon approval by Shareholders of Resolution 10 at the Annual General Meeting and Admission.

**Please read the whole of this document and not just the summarised information set out in this letter. Shareholders' attention is drawn to the further information set out in Parts 2 to 5 of this document.**

##### **2. Background to and reasons for the Return of Cash**

Further to the announcement on 28 June 2011 of SPARK'S preliminary unaudited annual results for 31 March 2011, SPARK announced today its intention to provide Shareholders with a further Return of Cash of an amount equivalent to one penny per Existing Ordinary Share excluding treasury shares (in aggregate approximately £4.1 million). This represents approximately:

- 11.8 per cent. of the Company's closing middle-market share price of 8.5 pence per Existing Ordinary Share on 25 August 2011 (the dealing day immediately prior to the announcement of the Return of Cash); and

- 6.9 per cent. of the Group's net asset value as at 31 March 2011, being the date of the last published net asset value of the Group.

It is proposed that the Return of Cash will be effected by means of the issue to Shareholders of B Shares and/or C Shares, which are intended to give Shareholders, where eligible under their prevailing tax regime (such as the UK), the flexibility to treat the Return of Cash as either capital or income for tax purposes, or a combination of the two.

The implementation of the Return of Cash involves a number of steps, which are all subject to approval of the Shareholders at the Annual General Meeting:

- each Existing Ordinary Share in issue at the Record Time will be sub-divided into one New Ordinary Share together with either one C Share or (at the election of the Shareholders of such Existing Ordinary Shares) one B Share. The B Shares will be purchased by Collins Stewart as principal pursuant to the Tender Offer for one penny per B Share and the C Shares will entitle their holders to receive the Special Dividend of one penny per C Share;
- Shareholders will automatically receive C Shares unless they elect for B Shares;
- Shareholders (except for Non-United Kingdom Shareholders who will be deemed to have elected for C Shares) who elect to participate in the Tender Offer will have their B Shares purchased by Collins Stewart as principal for one penny per B Share. Collins Stewart has a put option to sell such B Shares off-market to the Company for cancellation pursuant to the Repurchase Agreement;
- Shareholders (including Non-United Kingdom Shareholders who will be deemed to have elected for C Shares) who elect to receive a Special Dividend will be paid a Special Dividend of one penny per C Share held and, following such payment, each C Share shall automatically convert into a 2011 Deferred Share; and
- the New Ordinary Shares will be traded on AIM in the same way as Existing Ordinary Shares and will be equivalent in all other respects to the Existing Ordinary Shares, with the exception of the difference in nominal value and subject to the rights of the B Shares, C Shares, existing D Shares and 2011 Deferred Shares (as applicable).

If the Return of Cash is approved by Shareholders at the Annual General Meeting, it is expected that CREST accounts will be credited, or cheques despatched, in respect of the Tender Offer for the B Shares and the Special Dividend on the C Shares, by 7 October 2011.

Further details of the steps required to implement the Return of Cash are set out in Part 2 of this document. The Alternatives are described more fully below in paragraph 3 of this Part 1.

### **3. The Alternatives**

The Alternatives for the Return of Cash available to Shareholders are summarised below and explained in further detail in Part 4 of this document. Shareholders may split the aggregate amount to be returned to them between the Alternatives.

**Shareholders who do not make a valid election and Non-United-Kingdom Shareholders will be deemed to have elected for the Dividend Alternative in respect of ALL of their Share Entitlement.**

The general guidance on the UK tax treatment included below is only a summary, is based on current UK law and practice as at the date of this document and applies only to Shareholders who are resident and, if they are individuals, ordinarily resident in the UK for tax purposes and who hold their Existing Ordinary Shares, B Shares and/or C Shares beneficially as investments and not on trading account. UK tax resident Shareholders should read Part 5 of this document as the Alternatives will have different UK tax consequences.

**Shareholders who are in any doubt as to their tax position, or are subject to tax in a jurisdiction other than the United Kingdom, should consult an appropriate professional adviser without delay.**

- ***Alternative 1 – Capital Alternative (B Shares)***

Shareholders who elect for the Capital Alternative in respect of their Share Entitlement will receive one B Share (in addition to one New Ordinary Share) for each Existing Ordinary Share they hold at the Record Time.

It is intended that the B Shares will be purchased pursuant to the Tender Offer by Collins Stewart as principal and the amount paid pursuant to the Tender Offer will be one penny for each B Share purchased. Proceeds will be sent to relevant Shareholders by 7 October 2011. The terms and conditions of the Tender Offer are set out in paragraph 5 of Part 2 of this document. Collins Stewart has a put option to sell such B Shares off-market to the Company for cancellation pursuant to the Repurchase Agreement

The amounts received under the Capital Alternative should generally be taxed as capital for UK tax purposes. UK tax resident Shareholders should read Part 5 of this document for further information.

The attention of Non-United Kingdom Shareholders is drawn to paragraph 4 of Part 2 of this document.

- ***Alternative 2 – Dividend Alternative (C Shares)***

Shareholders who elect or are deemed to have elected for the Dividend Alternative in respect of their Share Entitlement will receive one C Share (in addition to one New Ordinary Share) for each Existing Ordinary Share they hold at the Record Time. A Special Dividend of one penny will become payable on each such C Share and will be paid to relevant Shareholders by 7 October 2011. Immediately after payment of the Special Dividend, the C Shares will automatically convert into 2011 Deferred Shares. The 2011 Deferred Shares arising on conversion of the C Shares will not be listed, will have extremely limited rights and will have negligible value. The Company will have the right to purchase all of the 2011 Deferred Shares for an aggregate sum of one penny. If the Company purchases the 2011 Deferred Shares, this will be treated as a disposal of the 2011 Deferred Shares by the Shareholders. In view of the negligible amount of this consideration, Shareholders' entitlements to it will not be paid.

The amounts received under the Dividend Alternative should generally be taxed as income for UK tax purposes. UK tax resident Shareholders should read Part 5 of this document for further information.

The attention of Non-United Kingdom Shareholders is drawn to paragraph 4 of Part 2 of this document.

**Details of how to complete and return an Election Form are set out in Part 3 of this document. Shareholders electing through CREST should refer to paragraph 2 of Part 3 of this document for further information.**

**Shareholders wishing to receive the Special Dividend in respect of all of their Share Entitlement need NOT complete or return the Election Form or make an election through CREST as C Shares will be issued and the Special Dividend paid automatically in respect of all of the Share Entitlement in relation to which a Shareholder has not elected for the Capital Alternative in respect of any of its Share Entitlement.**

#### **4. SPARK Share Option Schemes**

Participants in the SPARK Share Option Schemes are not, by virtue of the options they hold, entitled to participate in the Return of Cash. However, the schemes contain provision for adjusting the terms of options where there is a variation of capital. The Return of Cash constitutes such a variation of capital.

##### ***2001 Plan***

In accordance with the rules of the 2001 Plan, the Board must adjust options in such a manner as the Board thinks fit in the event of a variation of capital. All options outstanding under the 2001 Plan are currently exercisable with an exercise price per share of 2.5 pence. In light of the fact that all optionholders therefore

have the opportunity to exercise their options and participate in the Return of Cash, the Board has determined that no adjustment to options under the 2001 Plan should be made. The intention is that any exercise of options will be satisfied by the transfer of shares currently held by the trustees of The NewMedia SPARK plc 2001 Employee Benefit Trust (the “EBT”). To the extent that shares held in the EBT are not transferred in this way prior to the Record Time, the trustees of the EBT will be treated in the same way as other holders of Existing Ordinary Shares.

### ***2005 Plan***

Under the 2005 Plan, 8,090,909 share options are in issue over ordinary shares, all with an exercise price of 8 pence per share (originally 11 pence but reduced following the repayment to shareholders of 2p per share in August 2009 and 1p per share in September/October 2010) and all of which are vested. In 2009, it was agreed between the remuneration committee of the Board and the holders of share options, that the rules of the 2005 Plan relating to variations of capital be amended to allow the vested options to be adjusted by a reduction in the exercise price with no adjustment to the number of shares under option. Furthermore, it was agreed that the adjustment to options made in respect of any subsequent returns of cash will be on the same basis (subject to the overriding requirement that the exercise price per share may not be reduced below the nominal value of such share). Consequently, in accordance with the current rules, the exercise price of the share options under the 2005 Plan will be further reduced to 7 pence per ordinary share after the Annual General Meeting if approval to implement the Return of Cash is given.

## **5. Proposed amendments to the Articles of Association**

A number of amendments to the Articles of Association are required to implement the Proposals and these amendments require approval at the Annual General Meeting by the passing of a special resolution. The proposed amendments relate to the rights and restrictions attaching to the B Shares, C Shares and 2011 Deferred Shares and certain consequential amendments to the Articles of Association. The changes are summarised in Part 4 of this document.

## **6. Further information**

Shareholders’ attention is drawn to the further information set out in Parts 2 to 5 of this document.

**Shareholders should read and rely on the whole of this document and not just the summarised information set out in this letter.**

## **7. Annual General Meeting**

The Annual General Meeting has been convened at the offices of Bracher Rawlins LLP, 2nd Floor, 77 Kingsway, London WC2B 6SR at 10.00 a.m. on 28 September 2011 in order to consider and vote on each of the Resolutions. Shareholders will find enclosed a Form of Proxy for use in respect of the Annual General Meeting.

Resolutions 1 to 7 (inclusive) will be proposed as ordinary resolutions and will be passed if more than 50 per cent. of the votes cast (whether in person or by proxy) are in favour. Resolutions 8 to 11 (inclusive) will be proposed as special resolutions and will be passed if at least 75 per cent. of the votes cast (whether in person or by proxy) are in favour.

### ***Resolution 1 – Annual report and accounts***

The Chairman will present the annual report and accounts for the year ended 31 March 2011 (“**Annual Report**”) to the meeting. These accounts will be available on the Company’s website from 31 August 2011 and will be sent to Shareholders who have opted out of the electronic communications regime on 31 August 2011.

### ***Resolutions 2, 3 and 4 – Director appointment***

Resolutions 2, 3 and 4 deal with the reappointment of certain of the Directors, being David Roger William Potter, Charles Richard Berry and Andrew Bruce Carruthers. Biographies of each of the Directors seeking reappointment can be found on page 6 of the Annual Report. The Board has confirmed, following a performance review, that all Directors standing for reappointment continue to perform effectively and demonstrate commitment to their role.

### ***Resolutions 5 and 6 – Re-appointment of auditors***

Resolution 5 relates to the appointment of PKF (UK) LLP as the Company's auditors to hold office until the next AGM of the Company and Resolution 6 authorises the directors to set their remuneration.

### ***Resolution 7 – Allotment of share capital***

At the last AGM of the Company held on 22 September 2010, the Directors were given authority to allot ordinary shares in the capital of the Company up to a maximum nominal amount of £684,591 representing approximately 33.3 per cent. of the Company's then issued ordinary share capital (excluding treasury shares).

The Board considers it appropriate that a further similar authority be granted to allot ordinary shares in the capital of the Company up to a maximum nominal amount of £616,132 representing approximately 33.3 per cent. of the Company's issued ordinary share capital (excluding treasury shares) as at 25 August 2011 (the latest practicable date before publication of this document) during the period up to the conclusion of the next AGM in 2012.

As at the date of this document the Company is holding 39,245,220 shares in treasury representing 9.6 per cent. of the Company's issued ordinary share capital (excluding treasury shares) as at 25 August 2011 (the latest practicable date before publication of this document).

### ***Resolution 8 – Disapplication of statutory pre-emption rights***

Resolution 8 will empower the Directors to allot ordinary shares in the capital of the Company for cash on a non-pre-emptive basis:

- in connection with a rights issue or other *pro rata* offer to existing Shareholders; and
- (otherwise than in connection with a rights issue or other *pro rata* offer) up to a maximum nominal value of £92,419, representing approximately 5 per cent. of the issued ordinary share capital of the Company as at 25 August 2011 (the latest practicable date before publication of this document).

The Directors will use this authority in circumstances where they consider it to be in the best interests of the Company to issue shares for cash other than to existing Shareholders.

### ***Resolutions 9 and 11 – Authority to purchase own shares***

Resolution 9 gives the Company authority to make market purchases of up to 61,613,216 Existing Ordinary Shares, representing 14.99 per cent. of the Company's issued ordinary share capital (excluding treasury shares) as at 25 August 2011 (the latest practicable date before publication of this document). The Resolution sets minimum and maximum prices. This authority will expire at the conclusion of the next AGM in 2012.

Resolution 11, which is conditional on Resolution 10 being passed and becoming effective, and is in substitution for all existing authorities, including the authority proposed in Resolution 9, gives the Company authority to make market purchases of up to 61,613,216 New Ordinary Shares, representing 14.99 per cent. of the Company's issued ordinary share capital (excluding treasury shares) following the implementation of the Proposals. The Resolution sets minimum and maximum prices. This authority will expire at the conclusion of the next AGM in 2012.

The Directors have no present intention of exercising either of the authorities in Resolution 9 or 11 (as the case may be) to purchase the Company's ordinary shares but will keep the matter under review, taking into account the financial resources of the Company, the Company's share price and future funding opportunities.



The relevant authority will be exercised only if the Directors believe that to do so would be in the interests of Shareholders generally. Any purchases of ordinary shares would be by means of market purchases through the London Stock Exchange.

Listed companies purchasing their own shares are allowed to hold them in treasury as an alternative to cancelling them. No dividends are paid on shares whilst held in treasury and no voting rights attach to treasury shares.

If Resolution 9 and/or 11 is passed at the Annual General Meeting, it is the Company's current intention to cancel all of the shares it may purchase pursuant to the authority granted to it. However, in order to respond properly to the Company's capital requirements and prevailing market conditions, the Directors will need to reassess at the time of any and each actual purchase whether to hold the shares in treasury or cancel them, provided it is permitted to do so. The Company may hold a maximum of up to 10 per cent. of its issued share capital in treasury in accordance with guidelines issued by the ABI.

### ***Resolution 10 – Return of Cash***

Resolution 10 seeks approval for the Proposals and sets out the formal mechanics for its implementation.

Paragraph (a) provides for the sub-division and re-designation of the Existing Ordinary Shares in issue at the Record Time into New Ordinary Shares together with either one C Share or (at the election of the Shareholders of such Existing Ordinary Shares) one B Share. The rights and restrictions attached to the B Shares and the C Shares are summarised in Part 4 of this document.

Paragraph (b) provides for the payment of the Special Dividend on the C Shares, subject to the Company having sufficient distributable reserves.

Paragraph (c) provides for the Company to enter into a contract to purchase the B Shares from Collins Stewart at a fixed price of one penny per B Share.

Paragraph (d) provides for the Company to enter into a contract to purchase the 2011 Deferred Shares for an aggregate consideration of one penny.

Paragraph (e) provides for the adoption of new articles of association which set out the rights and restrictions attached to the B Shares, C Shares and 2011 Deferred Shares and paragraph (f) provides that the rights of the New Ordinary Shares shall be the same in all respects as the Existing Ordinary Shares with the exception of the difference in nominal value and subject to the rights of the B Shares, C Shares, existing D Shares and the 2011 Deferred Shares.

Resolution 10 is conditional on Admission becoming effective by 8.00 a.m. on the Admission Date (or such later time and/or date as the Directors may in their absolute discretion determine).

## **8. Action to be taken**

**A Form of Proxy for use in connection with the Annual General Meeting is enclosed. Whether or not Shareholders intend to be present at the Annual General Meeting, they are requested to complete and sign the accompanying Form of Proxy and return it, in accordance with the instructions printed on it, by post or (during normal business hours only) by hand to Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU to arrive as soon as possible and, in any event, by no later than 10.00 a.m. on 26 September 2011. Shareholders who hold their Existing Ordinary Shares in CREST may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Capita Registrars so that it is received by no later than 10.00 a.m. on 26 September 2011. The return of a completed Form of Proxy or the transmission of an electronic proxy or CREST Proxy Instruction will not prevent a Shareholder from attending the Annual General Meeting and voting in person (in substitution for their proxy vote) should they wish to do so and are so entitled.**

**An Election Form for use by Shareholders (with the exception of Shareholders who hold their Existing Ordinary Shares in CREST) in connection with the Capital Alternative is enclosed with this document. To be valid, Election Forms must be validly completed and returned so as to be received by Capita**

Registrars by no later than 1.00 p.m. on 27 September 2011. If Shareholders do not use the envelope provided, the Election Form should be sent by post or delivered by hand (during normal business hours only) to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU and postage will (where applicable) be payable. Full details on how to complete and return the Election Form are set out in Part 3 of this document.

Shareholders who hold their Existing Ordinary Shares in CREST will not be sent Election Forms and may only elect for the Capital Alternative through CREST. Please see paragraph 2 of Part 3 of this document for further information.

#### **9. Recommendation**

The Board considers the Resolutions are likely to promote the success of the Company and are in the best interests of the Company and its Shareholders as a whole. The Directors unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the Annual General Meeting.

The Directors intend to vote in favour of all of the Resolutions at the Annual General Meeting in respect of their own beneficial holdings, amounting in aggregate to 28,647,353 Existing Ordinary Shares (representing approximately 6.97 per cent. of the current issued share capital of SPARK) at the date of this document.

Yours faithfully,

**David Potter**  
*Chairman*

## **PART 2**

### **DETAILS OF THE RETURN OF CASH**

#### **1. Return of Cash**

The proposed Return of Cash consists of the Share Split (see paragraph 2 below) and the Alternatives (see paragraph 3 below).

The Return of Cash is conditional on:

- the passing of Resolution 10 at the Annual General Meeting;
- the Repurchase Agreement becoming unconditional and not being terminated; and
- Admission.

If these conditions are not satisfied by 8.00 a.m. on 29 September 2011 or such later time and/or date as the Directors may determine (but being not later than 7 October 2011), no New Ordinary Shares will be created, no B Shares or C Shares will be issued and the Return of Cash will not take effect.

#### **2. Share Split**

Subject to the approval of Shareholders at the Annual General Meeting and Admission, each Existing Ordinary Share in issue at the Record Time will be sub-divided into one New Ordinary Share together with either one C Share or (at the election of the Shareholders of such Existing Ordinary Shares) one B Share.

The exact number of B Shares and C Shares to be issued will depend on the elections made (or deemed to be made) by each Shareholder between the Alternatives, but the number of B Shares and C Shares together will be the same number as the Existing Ordinary Shares held by the relevant Shareholder at the Record Time. As at 25 August 2011 (the latest practicable date prior to the publication of this document) there were 450,000,000 Existing Ordinary Shares in issue, of which 39,245,220 are held in treasury.

The rights and restrictions to be attached to the B Shares and the C Shares are more fully set out in Part 4 of this document. No application has been, or will be, made for the B Shares or the C Shares to be listed or admitted to trading on AIM or any other investment exchange or trading platform.

New Ordinary Shares will be traded on AIM in the same way as the Existing Ordinary Shares and will be equivalent in all other respects to the Existing Ordinary Shares, with the exception of the difference in nominal value and subject to the rights of the B Shares, C Shares, existing D Shares and the 2011 Deferred Shares (as applicable).

Application will be made for the New Ordinary Shares to be admitted to trading on AIM, with dealings expected to commence at 8.00 a.m. on 29 September 2011. The Company will apply for the New Ordinary Shares to be admitted to CREST with effect from Admission so that general market transactions in the New Ordinary Shares may be settled within the CREST system.

Share certificates will not be issued nor will CREST accounts be credited in respect of New Ordinary Shares arising as a result of the Share Split. Existing share certificates will remain valid with new certificates only being issued as a result of subsequent changes in the register. Shareholders who hold their Existing Ordinary shares in CREST will hold their New Ordinary Shares under the existing ISIN.

#### **3. The Alternatives**

All United Kingdom Shareholders may choose between the Alternatives (the Dividend Alternative and the Capital Alternative) or a combination of the Alternatives in respect of their Share Entitlement. Details of how to make an election are set out in Part 3 of this document and on the Election Form enclosed with this document (for Shareholders holding their Existing Ordinary Shares in certificated form only). Shareholders who hold their Existing Ordinary Shares in CREST will not be sent Election Forms. Such Shareholders may

only elect in respect of the Alternatives through CREST and should refer to paragraph 2 of Part 3 of this document for further information.

**Shareholders who do not make a valid election and Non-United Kingdom Shareholders will be deemed to have elected for the Dividend Alternative in respect of ALL of their Share Entitlement.**

The general guidance on the UK tax treatment included below is only a summary, is based on current UK law and practice as at the date of this document and applies only to Shareholders who are resident and, if they are individuals, ordinarily resident in the UK for tax purposes and who hold their Existing Ordinary Shares, B Shares and/or C Shares beneficially as investments and not on trading account. UK tax resident Shareholders should read Part 5 of this document before electing for any of the Alternatives as the two Alternatives will have different UK tax consequences. **Shareholders who are in any doubt as to their tax position, or are subject to tax in a jurisdiction other than the United Kingdom, should consult an appropriate professional adviser without delay.**

***Alternative 1 – Capital Alternative***

Shareholders (other than Non-United Kingdom Shareholders who are deemed to have elected for the Dividend Alternative) who elect for the Capital Alternative in respect of some or all of their Share Entitlement will receive one B Share (in addition to one New Ordinary Share) for each Existing Ordinary Share they hold at the Record Time in respect of which a valid election is received.

Shareholders who elect for the Capital Alternative will have all their B Shares purchased pursuant to the Tender Offer by Collins Stewart as principal for one penny for each such B Share. The terms and conditions of the Tender Offer are set out in paragraph 5 of this Part 2. The Company will fund the buyback of B shares from Collins Stewart pursuant to the Repurchase Agreement using its existing distributable reserves.

Shareholders entitled to receive the payment pursuant to the Capital Alternative will be sent cheques or, if Shareholders hold their Existing Ordinary Shares in CREST, are expected to have their CREST accounts credited, by 7 October 2011.

The proceeds received under the Capital Alternative should generally be taxed as capital for UK tax purposes. UK tax resident Shareholders should read Part 5 of this document for further information.

To elect for the Capital Alternative in respect of some or all of their Share Entitlement, Shareholders should follow the instructions in Part 3 of this document or, if they hold their Existing Ordinary Shares in CREST, Shareholders should refer to paragraph 2 of Part 3 of this document for further information.

The B Shares will not be listed or admitted to trading on AIM or any other investment exchange or trading platform and cannot be held in CREST. No share certificates will be issued in respect of the B Shares issued pursuant to the Capital Alternative.

The rights and restrictions to be attached to the B Shares are more fully set out in Part 4 of this document. The attention of Non-United Kingdom Shareholders is drawn to paragraph 4 of this Part 2.

***Alternative 2 – Dividend Alternative***

Shareholders who elect, or are deemed to have elected, for the Dividend Alternative in respect of their Share Entitlement will receive one C Share (in addition to one New Ordinary Share) for each Existing Ordinary Share they hold at the Record Time in respect of which such an election is made or deemed to be made. A Special Dividend of one penny will be payable on each such C Share. It is expected that Shareholders entitled to receive the Special Dividend will be sent cheques or, if Shareholders hold their Existing Ordinary Shares in CREST, have their CREST accounts credited with the consideration, by 7 October 2011.

Non-United Kingdom Shareholders will be deemed to have elected for the Dividend Alternative in respect of all of their Existing Ordinary Shares.

The amounts received under the Dividend Alternative should generally be taxed as income for UK tax purposes. UK tax resident Shareholders should read Part 5 of this document for further information.

**Shareholders who wish to elect for the Dividend Alternative in respect of ALL of their Share Entitlement need take no further action and need not return their Election Form nor send a TTE Instruction.** To elect for the Dividend Alternative in respect of some only of their Share Entitlement, Shareholders should follow the instructions in Part 3 of this document or, if they hold their Existing Ordinary Shares in CREST, Shareholders should refer to paragraph 2 of Part 3 of this document for further information.

Following payment of the Special Dividend, all C Shares will automatically be converted into 2011 Deferred Shares, with the Shareholders receiving one 2011 Deferred Share for each such C Share. The 2011 Deferred Shares will not be listed, will carry extremely limited rights as more fully described in Part 4 of this document and will have negligible value.

The Company will have the right to repurchase all 2011 Deferred Shares then in issue at any time for an aggregate consideration of one penny. If the Company repurchases the 2011 Deferred Shares, this will be treated as a disposal of the 2011 Deferred Shares by Shareholders. In view of the negligible amount of this consideration, Shareholders' entitlements to it will not be paid.

The C Shares will not be listed or admitted to trading on AIM or any other investment exchange or trading platform and cannot be held in CREST. No share certificates will be issued in respect of the C Shares.

The rights and restrictions to be attached to the C Shares are more fully set out in Part 4 of this document. The attention of Non-United Kingdom Shareholders is drawn to paragraph 4 of this Part 2.

#### **4. Non-United Kingdom Shareholders**

Non-United Kingdom Shareholders will be deemed to have elected for the Dividend Alternative and therefore need not return their Election Form or send a TTE Instruction. Any Election Form or TTE Instruction from a Non-United Kingdom Shareholder purporting to elect for the Capital Alternative will be void and of no effect.

Non-United Kingdom Shareholders should consult their professional advisers to ascertain whether the Return of Cash (including, as may be relevant in each case, the creation, holding or conversion (into 2011 Deferred Shares) of the B Shares and/or the C Shares) will be subject to any restrictions or require compliance with any formalities imposed by the laws or regulations of, or any body or authority located in, the jurisdiction in which they are resident or to which they are subject. In particular, it is the responsibility of any Non-United Kingdom Shareholder to satisfy himself as to full observance of the laws of each relevant jurisdiction in connection with the Return of Cash, including the obtaining of any government, exchange control or other consents which may be required, or the compliance with other necessary formalities needing to be observed and the payment of any issue, transfer or other taxes or duties in such jurisdiction.

The distribution of this document in certain jurisdictions may be restricted by law. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Neither this document nor any other document issued or to be issued by or on behalf of the Company in connection with the Return of Cash constitutes an invitation, offer or other action on the part of the Company in any jurisdiction in which such invitation, offer or other action is unlawful.

Each Shareholder by whom, or on whose behalf, an Election Form is executed or a TTE Instruction is given, irrevocably represents, warrants, undertakes and agrees to and with the Company that such Shareholder has observed the laws of all relevant territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with any election for either or both of the Alternatives in any territory and such Shareholder has not taken or omitted to take any action which may result in the Company or any other persons acting in breach of the legal or regulatory requirements of any territory in connection with the Return of Cash or such Shareholder's election for either or both of the Alternatives. The Company, Collins Stewart and any person acting on their behalf shall be entitled to be fully indemnified and held harmless by such Shareholder for any such issue, transfer or other taxes as such person may be required to pay.

The above provisions of this paragraph relating to Non-United Kingdom Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Directors in their absolute discretion. Subject to this, the provisions of paragraph 4 above supersede any terms of the Tender Offer inconsistent herewith.

## **5. Terms and conditions of the Tender Offer**

The Tender Offer is being made by Collins Stewart acting as principal. A maximum of 410,754,780 B Shares may be purchased under the Tender Offer, for a maximum aggregate cash consideration of £4.108 million. Collins Stewart and the Company have entered into the Repurchase Agreement pursuant to which the Company has granted a put option to Collins Stewart to purchase from Collins Stewart the B Shares purchased by Collins Stewart pursuant to the Tender Offer for one penny per B Share.

Collins Stewart hereby offers to purchase B Shares from B Shareholders on and subject to the following terms and conditions:

- (a) The Tender Offer is conditional upon the following:
  - (i) the passing of Resolution 10 at the Annual General Meeting;
  - (ii) the Repurchase Agreement becoming unconditional and not being terminated; and
  - (iii) Admission.
- (b) If these conditions are not satisfied, the Tender Offer will be void.
- (c) The consideration payable under the Tender Offer is one penny per B Share validly tendered in accordance with an election Form or TTE Instruction (as the case may be) in cash.
- (d) The Tender Offer is only available to B Shareholders that elect for the Capital Alternative in respect of the number of B Shares registered in their respective names on the Admission Date.
- (e) The Tender Offer will close at 1.00 p.m. on 27 September 2011 and no tenders in accordance with an election Form or TTE Instruction (as the case may be) received after that time will be accepted.
- (f) Only all of a holding of B Shares may be tendered. B Shares successfully tendered will be sold to Collins Stewart fully paid and free from all liens, charges, equitable interests and encumbrances and with all rights attaching to the same. Successfully tendered B Shares will be purchased from Collins Stewart by the Company pursuant to the Repurchase Agreement if Collins Stewart exercises the put option granted to it and will be cancelled and will not rank for any future dividends.
- (g) Each Shareholder by whom, or on whose behalf, an Election Form is executed or a TTE Instruction is given, irrevocably represents, warrants, undertakes and agrees to and with the Company and Collins Stewart, so as to bind such holder and their personal or legal representatives, heirs, successors and assigns, that the execution of the Election Form or the completion of the TTE Instruction will, effective upon Resolution 10 being passed and becoming effective, constitute the irrevocable appointment of any Director, or other person nominated by the Company, as such holder's attorney and agent ("**attorney**"), and an irrevocable instruction to the attorney to complete and execute all or any contracts and/or other documents at the attorney's discretion in relation to purchase of the B Shares by Collins Stewart and to do all such other acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the Tender Offer and Capital Alternative.
- (h) Each B Shareholder shall not take any action which would prevent the Company or Capita Registrars from cancelling the B Shares to which the Tender Offer relates.
- (i) Each B Shareholder must have been registered at the Admission Date as the holder of the B Shares tendered.

- (j) The Company reserves the right to require that Collins Stewart does not proceed with the Tender Offer if it concludes, at any time prior to Admission, that its implementation is no longer in the best interests of the Company.

## **6. Proposed amendments to the Articles of Association**

A number of amendments to the Articles of Association are required to implement the Proposals and these amendments require approval at the Annual General Meeting by the passing of a special resolution. The proposed amendments relate to the rights and restrictions attaching to the B Shares, C Shares and 2011 Deferred Shares and certain consequential amendments to the Articles of Association. The changes are summarised in Part 4 of this document.

## **7. Dealings and despatch of documents**

The Return of Cash will be made by reference to holdings of Existing Ordinary Shares on the Company's register of members at the Record Time.

Dealings and settlement within the CREST system of the Existing Ordinary Shares will continue until 5.00 p.m. on 28 September 2011 when, in the case of Existing Ordinary Shares held in certificated form, the register of members will be closed for transfers and no further transfers of Existing Ordinary Shares will be possible. The registration of uncertificated holdings in respect of the Existing Ordinary Shares will be 'disabled' in CREST at such time.

The Company will apply for the New Ordinary Shares to be admitted to CREST with effect from the Admission Date. Accordingly, settlement of transactions in the New Ordinary Shares may take place within the CREST system in respect of general market transactions. The New Ordinary Shares, the B Shares and the C Shares are not renounceable and will be in registered form.

Shareholders who hold their Existing Ordinary Shares in CREST will hold their New Ordinary Shares under the existing ISIN. Existing Ordinary Share certificate(s) will remain valid after the Share Split.

No share certificates will be issued by the Company in respect of B Shares, C Shares or 2011 Deferred Shares. Shareholders holding New Ordinary Shares through the CREST system will not receive any share certificates.

Shareholders entitled to receive the Special Dividend are expected to be sent cheques or, if Shareholders hold their Existing Ordinary Shares in CREST, have their CREST accounts credited, by 7 October 2011.

Shareholders entitled to receive the Capital Repayment pursuant to the Capital Alternative are expected to be sent cheques or, if Shareholders hold their Existing Ordinary Shares in CREST, have their CREST accounts credited with the consideration, by 7 October 2011.

All cheques will be sent by post, at the risk of the Shareholder entitled to them, to the registered address of the relevant Shareholders (or, in the case of joint Shareholders, to the address of that joint Shareholder whose name stands first in the register in respect of such joint shareholding).

Subject to any instructions to the contrary, share registration and dividend payment mandates in respect of holdings of Existing Ordinary Shares will continue to apply in respect of New Ordinary Shares.

## **8. Share capital**

The issued fully paid share capital of the Company as at the date of this document is as follows:

	<i>Issued</i>	
	<i>Number</i>	<i>£</i>
Existing Ordinary Shares	450,000,000	2,025,000
D Shares	2,000,000	10,000

The number of issued Existing Ordinary Shares includes 39,245,220 Existing Ordinary Shares held in treasury.

Following completion of the Share Split, 450,000,000 New Ordinary Shares of the Company will be in issue and admitted to trading on AIM and 39,245,220 New Ordinary Shares of the Company will be held in treasury.

Each recipient of C Shares will hold one 2011 Deferred Share for every C Share received once the Special Dividend has been paid, which if the put option is exercised by Collins Stewart will be repurchased and subsequently cancelled on or before 31 December 2012. No Special Dividend will be paid on the C Shares issued in respect of Existing Ordinary Shares held by the Company in treasury.

Each B Share bought back from Collins Stewart by the Company pursuant to the Repurchase Agreement will be cancelled.



## PART 3

### MAKING YOUR ELECTION

#### 1. Completing your Election Form

To make an election for the Capital Alternative, Shareholders who hold their Existing Ordinary Shares in certificated form must complete and return the Election Form enclosed with this document. Shareholders who hold their Existing Ordinary Shares in CREST will not be sent Election Forms and instead should refer to paragraph 2 of this Part 3 for further information.

**Shareholders wishing to receive the Special Dividend in respect of ALL of their Share Entitlement need NOT complete or return the Election Form or make an election through CREST. C Shares will be issued and the Special Dividend paid automatically in respect of ALL of the Share Entitlement in relation to which a Shareholder has not elected for either of the Alternatives.**

The following instructions describe what Shareholders should do when completing an Election Form. Any decisions reached by Shareholders as between the Alternatives should be based on the information contained in this document.

References to Boxes refer to the boxes indicated on the Election Form.

#### *Name(s) of Shareholder(s)*

The Election Form shows the name of the Shareholder, and if applicable names of joint Shareholders, of Existing Ordinary Shares for which an election can be made. When the Election Form is completed, the Shareholder, or all joint Shareholders, must sign the Election Form (in Box 2, as applicable) and the signatures of Shareholders who are individuals signing in Box 2A need to be witnessed (the witness must be over 18 years of age and cannot be the Shareholder or one of the joint Shareholders, although one person could separately witness the signature of all joint Shareholders). If the Election Form is executed under a power of attorney, such power of attorney should be lodged with the Election Form.

#### *Number of Existing Ordinary Shares held*

Box A shows the number of Existing Ordinary Shares in the name(s) of Shareholder(s) at 6.00 p.m. on 25 August 2011 and is for information purposes only. If Shareholders do not purchase, sell or transfer any Existing Ordinary Shares registered in their name(s) between that date and the Record Time, then this number will remain the number of Existing Ordinary Shares upon which your Share Entitlement will be based. If Shareholders do, prior to the Record Time, purchase, sell or transfer any Existing Ordinary Shares registered in their name(s), they should take care to ensure that their election is in respect of their Share Entitlement that corresponds to the number of Existing Ordinary Shares that will be registered in their name(s) at the Record Time.

#### *How Shareholders may elect for one Alternative in respect of all of their Share Entitlement*

- To elect for the **Capital Alternative** in respect of all of their Share Entitlement, Shareholders should mark an "X" in Box 1.
- To elect for the **Dividend Alternative** in respect of all of their Share Entitlement, Shareholders should take no further action. Shareholders who do not complete or return the Election Form will automatically receive only C Shares in respect of all of their Share Entitlement on which the Special Dividend will be paid.

#### *How Shareholders may split their Share Entitlement between both Alternatives*

To split their Share Entitlement between both Alternatives, a Shareholder should enter, in numbers, the number of Existing Ordinary Shares they wish to elect for the Capital Alternative in Box 1. The balance of their Share Entitlement will automatically receive the Dividend Alternative.

***The default position where a Shareholder makes an election which in total exceeds their holding of Existing Ordinary Shares at the Record Time***

If Shareholders enter a number in Box 1 of the Election Form, which in total exceeds their holding of Existing Ordinary Shares at the Record Time, their election for the Capital Alternative will only apply to the number of shares held in their name at the Record Time.

***The default position where a Shareholder makes an election which in total is less than their holding of Existing Ordinary Shares at the Record Time***

If Shareholders enter a number in Box 1 of the Election Form, which in total is less than their holding of Existing Ordinary Shares at the Record Time, they will be deemed to have elected for the Dividend Alternative in respect of the balance of their holding.

***Subsequent dematerialisation of Existing Ordinary Shares***

If the Existing Ordinary Shares to which any election made on the enclosed Election Form relates are currently held in certificated form and are subsequently dematerialised into uncertificated form before the Election Deadline, any election made by the submission of an Election Form will become invalid. Shareholders who subsequently hold their Existing Ordinary Shares in uncertificated form in CREST will need to give a valid TTE Instruction in place of the submitted Election Form by the Election Deadline.

***General***

The Company shall determine all questions as to the form and validity (including time and place of receipt) of any Election Form, in its absolute discretion, which determination shall be final and binding. The Company also reserves the absolute right to waive any defect or irregularity in relation to, or in relation to the receipt of, any Election Form completed by or on behalf of any Shareholder, and such determination will be binding on such Shareholder. The Company shall not be liable to Shareholders for any loss arising from the determination of questions as to the form and validity (including time and place of receipt) of any Election Form and the Company shall not be under any duty to give notification of any defect or irregularity in any Election Form or incur any liability for failure to give any such notice.

After the end of the Election Period, any election made is irrevocable. If the Election Period is extended, withdrawal rights will also be extended (withdrawal rights are described more fully in paragraph 4 of this Part 3). No authority conferred by or agreed to by the signing of an Election Form will be affected by, and all such authorities will survive, the death or incapacity of the Shareholder executing such form or giving such instruction. All obligations of such Shareholder will be binding upon the heirs, personal representatives, successors and assigns of such Shareholder.

***Final instructions on completing an Election Form***

Shareholders returning an Election Form must sign in Box 2A and/or Box 2B.

All Shareholders named on an Election Form must sign the Election Form. Once completed, signed and witnessed, this Election Form should be returned in the prepaid envelope provided. No stamps will be needed if posted in the United Kingdom. To be valid, Election Forms must be returned so as to be received by Capita Registrars by the Election Deadline (expected to be 1.00 p.m. on 27 September 2011). If Shareholders do not use the envelope provided, the Election Form should be sent by post or delivered by hand (during normal business hours) to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU and postage will (where applicable) be payable.

**Shareholders who do not validly complete and return their Election Form or, in the case of Shareholders who hold their Existing Ordinary Shares in CREST, do not send a valid TTE Instruction, will be deemed to have elected for the Dividend Alternative in respect of all of their Share Entitlement.**

## 2. Electing through CREST

If Shareholders hold their Existing Ordinary Shares in CREST they will not be sent an Election Form with this document. Such Shareholders should take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Existing Ordinary Shares held at the Record Time in respect of which they are making an election to an escrow balance, specifying Capita Registrars in its capacity as a CREST receiving agent (under its participant ID referred to below) as the escrow agent, as soon as possible and in any event so that the transfer to escrow settles not later than the Election Deadline. If Shareholders purchase, sell or transfer any Existing Ordinary Shares registered in their name(s) before the Record Time, they should take care to ensure that their election is in respect of the number of Existing Ordinary Shares that will be registered in their name(s) at the Record Time.

If Shareholders are CREST personal members, they should refer to their CREST sponsor before taking any action. CREST sponsors will be able to confirm details of Shareholders' participant ID and the member account ID under which their Existing Ordinary Shares are held. In addition, only CREST sponsors will be able to give the TTE Instruction to Euroclear by which Shareholders are making their election.

### *How to elect for the Capital Alternative*

Shareholders who hold their Existing Ordinary Shares in CREST and who wish to elect for the Capital Alternative in respect of some or all of their Share Entitlement should give (or, if they are a CREST personal member, procure that their CREST sponsor gives) a TTE Instruction with the information listed below.

To make an election for the Capital Alternative, Shareholders should give (or, if they are a CREST personal member, procure that their CREST sponsor gives) a TTE Instruction, which must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- the ISIN number for the Existing Ordinary Shares. This is **GB0008550286**;
- the number of Existing Ordinary Shares to be transferred to the escrow account;
- the participant ID;
- the member account ID;
- the participant ID of Capita Registrars, which is **RA10**;
- the member account ID of Capita Registrars, which for these purposes is **27474SPA**;
- the corporate action number of the Return of Cash. This is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- the intended settlement date for the transfer to escrow, which should be as soon as possible and in any event not later than the Election Deadline;
- the standard delivery instruction priority of 80; and
- the name and contact number inserted in the shared note field.

### *The default position where a Shareholder makes an election which in total is less than their holding of Existing Ordinary Shares at the Record Time*

If Shareholders send a TTE Instruction which details a number of Existing Ordinary Shares to be transferred to the escrow account which in total is less than their holding of Existing Ordinary Shares at the Record Time, they will be deemed to have elected for the Dividend Alternative in respect of the balance of their holding.

### *General*

The Company shall determine all questions as to the form and validity (including time and place of receipt) of any TTE Instruction, in its absolute discretion, which determination shall be final and binding. The

Company also reserves the absolute right to waive any defect or irregularity in relation to, or in relation to the receipt of, any TTE Instruction completed by or on behalf of any Shareholder, and such determination will be binding on such Shareholder. The Company shall not be liable to Shareholders for any loss arising from the determination of questions as to the form and validity (including time and place of receipt) of any Election Form or TTE Instruction and the Company shall not be under any duty to give notification of any defect or irregularity in any TTE Instruction or incur any liability for failure to give any such notice.

After the end of the Election Period, any election made is irrevocable. If the Election Period is extended, withdrawal rights will also be extended (withdrawal rights are described more fully in paragraph 4 of this Part 3). No authority conferred by or agreed to by the giving of a TTE Instruction will be affected by, and all such authorities will survive, the death or incapacity of the Shareholder giving such instruction. All obligations of such Shareholder will be binding upon the heirs, personal representatives, successors and assigns of such Shareholder.

#### ***Final instructions on sending a TTE Instruction***

In order for an election through CREST to be valid, the TTE Instruction must comply with the requirements as to authentication and contents set out above and must settle by the Election Deadline (expected to be 1.00 p.m. on 27 September 2011).

CREST members and (where applicable) their CREST sponsors should note that the last time at which a TTE Instruction may settle is the Election Deadline.

After settlement of the TTE Instruction, Shareholders will not be able to access the Existing Ordinary Shares concerned in CREST for any transaction, notwithstanding that they will be held by Capita Registrars, in its capacity as escrow agent. Capita Registrars will release the Existing Ordinary Shares from escrow on 28 September 2011 by way of a TFE Instruction.

**Shareholders who do not send a valid TTE Instruction or, in the case of Shareholders who hold their Existing Ordinary Shares in certificated form, do not validly complete and return their Election Form, will be deemed to have elected for the Dividend Alternative in respect of all of their Share Entitlement.**

#### ***Shareholder helpline***

**Shareholders who need assistance completing the Election Form, transmittal of electronic proxies, CREST Proxy Instructions or TTE Instructions, may telephone the Shareholder helpline on by calling 0871 664 0321 from within the UK or on +44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice. You are reminded that, if you are a CREST sponsored member, you should contact your CREST sponsor before taking any action.**

### **3. Withdrawal rights**

Shareholders should note that any election, whether made by the signing of an Election Form or the giving of a TTE Instruction, relating to the Alternatives may be withdrawn by Shareholders at any time prior to the end of the Election Period. If an election is validly withdrawn, the Shareholder may make a new election within the Election Period, but if a new valid election is not made by the end of the Election Period, the Shareholder will be deemed to have elected for the Dividend Alternative in respect of all of their Share Entitlement. After the end of the Election Period, any election made is irrevocable. If the Election Period is extended, withdrawal rights will also be extended.

Shareholders wishing to withdraw their election must inform the Shareholder helpline as referred to in paragraph 2 above. If such Shareholders wish to re-elect in respect of the Alternatives, they can request a replacement Election Form or receive instructions on how to re-elect through CREST from the Shareholder

helpline. Shareholders will need to take into account the postal time necessary for a replacement Election Form to reach Capita Registrars by the Election Deadline.

For a withdrawal of any election to be effective, a written notice of withdrawal signed by the person(s) who signed the relevant Election Form or the Shareholder(s) who gave the relevant TTE Instruction must:

- specify the name(s) and address(es) of the person(s) who is/are tendering the election to be withdrawn, the account number (which, for Shareholders who hold their Existing Ordinary Shares in certificated form, appears on the front page of the relevant Election Form) and the exact number of their Share Entitlement to be withdrawn; and
- in the case of an election originally made by a TTE Instruction, be accompanied by a valid ESA Message given by the person(s) who gave the relevant TTE Instruction,

and be received by Capita Registrars not later than three hours before the Election Deadline.

Each ESA Message must, in order to be valid and settle, include the following details:

- the ISIN number for the Existing Ordinary Shares. This is **GB0008550286**;
- the number of Existing Ordinary Shares to be withdrawn;
- the participant ID of the accepting Shareholder;
- the member account ID of the accepting Shareholder;
- the participant ID of the Escrow Agent, Capita Registrars. This is **RA10**;
- the member account ID of Capita Registrars, which is **27474SPA**;
- the CREST transaction ID of the electronic acceptance to be withdrawn, to be inserted at the beginning of the shared note field;
- input with a **standard delivery instruction priority of 80**;
- the intended settlement date for the withdrawal; and
- the corporate action number of the Return of Cash. This is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST.

Any such withdrawal will be conditional upon Capita Registrars verifying that the withdrawal is validly made. Accordingly, Capita Registrars will, on behalf of the Company, reject or accept the withdrawal by transmitting in CREST a receiving agent reject (AEAD) or a receiving agent accept (AEAN) message, as the case may be.

Telex, facsimile, electronic mail or other electronic means of transmission or any form of copy of written notice will not constitute a written instruction of withdrawal.

Withdrawals may not be rescinded, but re-elections may be made at any time prior to the end of the Election Period. Withdrawals and any re-elections in respect of Share Entitlements that are received by Capita Registrars after the end of the Election Period will be deemed invalid for the purposes of the Alternatives. Any Shareholder who withdraws their election before the end of the Election Period and does not re-elect their Share Entitlement will be deemed to have elected for the Dividend Alternative in respect of all of their Share Entitlement.

The Company and Collins Stewart shall determine all questions as to the form and validity (including time and place of receipt) of all notices of withdrawal, in their absolute discretion, which determination shall be final and binding. The Company and Collins Stewart also reserves the absolute right to waive any defect or irregularity in relation to, or in relation to the receipt of, any withdrawal by any Shareholder, and such determination will be binding on such Shareholder. None of the Company, Capita Registrars or any other person will be under any duty to give notification of any defect or irregularity in any notice of withdrawal or incur any liability for failure to give any such notification or for any reason with regard to withdrawal and re-election.

## PART 4

### RIGHTS AND RESTRICTIONS ATTACHED TO THE B SHARES, C SHARES AND THE 2011 DEFERRED SHARES

#### 1. Rights attaching to the B Shares

The following constitutes the proposed article to be incorporated into the Articles of Association relating to the rights and restrictions attaching to the B Shares:

#### “165. RIGHTS AND RESTRICTIONS ATTACHED TO THE B SHARES

##### 165.1 Election Form

165.1.1 Together with a circular to all Shareholders dated 31 August 2011 (the “**Circular**”), Shareholders who held their Existing Ordinary Shares in certificated form were sent a form of election (“**Election Form**”) relating to the B Shares and C Shares proposed to be created by the Company, as more fully described in the Circular. Pursuant to the Election Form or, where Shareholders held their Existing Ordinary Shares in uncertificated form, by following the instructions and subject to the terms set out in the Circular, Shareholders could elect (an “**Election**”), among other things, to receive B Shares that would be purchased by an intermediary or principal pursuant to a tender offer (and subsequently bought back by the Company from such intermediary or principal and cancelled) pursuant to the Return of Cash (as defined and described in the Circular) (the “**Capital Alternative**”).

165.1.2 Shareholders who do not validly complete and return their Election Form or, in the case of Shareholders who hold their Existing Ordinary Shares in uncertificated form, do not send a valid TTE instruction by 27 September 2011 (or such later time and/or date as the Directors may determine in their absolute discretion (but being not later than 30 September 2011)), will be deemed to have elected for the Dividend Alternative (as defined and described in the Circular) in respect of each Existing Ordinary Share held by them.

165.1.3 The Directors, in their absolute discretion, shall determine all questions as to the form and validity (including time and place of receipt) of any Election Form or TTE instruction, which determination shall be final and binding. The Directors also reserve the absolute right to waive any defect or irregularity in relation to, or in relation to the receipt of, any Election Form or TTE instruction completed by or on behalf of any Shareholder and such determination will be binding on such Shareholder.

##### 165.2 Income

The B Shares shall confer no right to participate in the profits of the Company.

##### 165.3 Capital

165.3.1 Except as provided in Article 165.5, on a return of capital on winding-up or otherwise (including a court-approved reduction of capital paid up on the B Shares pursuant to the 2006 Act), the holders of B Shares shall be entitled, in priority to any payment to the holders of every other class of share in the capital of the Company (except the C Shares) but *pari passu* with any payment to the holders of C Shares, to 0.05 pence for each B Share held by them.

165.3.2 On a winding-up, the holders of the B Shares shall not be entitled to any further right of participation in the profits or assets of the Company in excess of that specified in Article 165.3.1 above. In the event that there is a winding-up to which Article 165.3.1 applies and

the amounts available for payment are insufficient to pay the amounts due on all the B Shares in full, the holders of the B Shares shall be entitled to their *pro rata* proportion of the amounts to which they would otherwise be entitled.

165.3.3 The aggregate entitlement of each holder of B Shares on a winding-up in respect of all of the B Shares held by him shall be rounded up to the nearest penny.

165.3.4 The holders of the B Shares shall not be entitled to any further right of participation in the assets of the Company.

#### **165.4 Voting and general meetings**

The holders of B Shares shall not be entitled, in their capacity as holders of such shares, to receive notice of any general meeting of the Company nor to attend, speak or vote at any such general meeting.

#### **165.5 Class rights**

165.5.1 The Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority or subsequent to the B Shares. The creation, allotment or issue of any such further shares (whether or not ranking in any respect in priority to the B Shares) shall be treated as being in accordance with the rights attaching to the B Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the B Shares.

165.5.2 A reduction by the Company of the capital paid up or credited as paid up on the B Shares and the cancellation of such shares shall be treated as being in accordance with the rights attaching to the B Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the B Shares.

165.5.3 Without prejudice to the foregoing, the Company is authorised to reduce (or purchase shares in) its capital of any class or classes and such reduction (or purchase) shall not involve a variation of any rights attaching to the B Shares for any purpose or require the consent of the holders of the B Shares.

165.5.4 If at any time a currency other than Sterling is accepted as legal tender in the United Kingdom in place of or in addition to Sterling, the Directors shall be entitled, without the consent of holders of ordinary shares, B Shares, C Shares, D Shares, 2011 Deferred Shares, to make such arrangements and adjustments in respect of the method of calculation and payment of any of the entitlements of holders of B Shares under these Articles as the Directors consider necessary, fair and reasonable in the circumstances to give effect to the rights of the B Shares. Any such arrangements and adjustments shall not involve a variation of rights attaching to the B Shares for any purpose.

#### **165.6 Deletion of Articles 165.1 to 165.6**

Articles 165.1 to 165.6 shall remain in force until there are no longer any B Shares in existence notwithstanding any provision in the Articles to the contrary. Thereafter Articles 165.1 to 165.6 shall be deemed to be of no effect (save to the extent that the provisions of Articles 165.1 to 165.6 are referred to in other Articles) and shall be deleted and replaced with the wording “Articles 165.1 to 165.6 have been deleted”, and the separate register for the holders of B Shares shall no longer be required to be maintained by the Company; but the validity of anything done under Articles 165.1 to 165.6 before that date shall not otherwise be affected and any actions taken under Articles 165.1 to 165.6 before that date shall be conclusive and shall not be open to challenge on any grounds whatsoever.”

## 2. Rights attaching to the C Shares

The following constitutes the proposed article to be introduced into the Articles of Association relating to the rights and restrictions attaching to the C Shares:

### “166. RIGHTS AND RESTRICTIONS ATTACHED TO THE C SHARES

#### 166.1 Election Form

166.1.1 Together with the Circular, Shareholders who held their Existing Ordinary Shares in certificated form were sent an Election Form relating to the B Shares and C Shares proposed to be created by the Company, as more fully described in the Circular. Pursuant to the Election Form or, where Shareholders held their Existing Ordinary Shares in uncertificated form, by following the instructions set out in the Circular, Shareholders could make an Election, among other things, to receive C Shares in respect of which the Special Dividend (as defined in Article 166.2.1 below) would be paid.

166.1.2 Shareholders who do not validly complete and return their Election Form or, in the case of Shareholders who hold their Existing Ordinary Shares in uncertificated form, do not send a valid TTE instruction by 1.00 p.m. on 27 September 2011 (or such later time and/or date as the Directors may determine in their absolute discretion (but being not later than 30 September 2011)) and all Non-United Kingdom Shareholders, will be deemed to have elected for the Dividend Alternative (as defined and described in the Circular) in respect of each Existing Ordinary Share held by them.

166.1.3 The Directors, in their absolute discretion, shall determine all questions as to the form and validity (including time and place of receipt) of any Election Form, which determination shall be final and binding. The Directors also reserve the absolute right to waive any defect or irregularity in relation to, or in relation to the receipt of, any Election Form completed by or on behalf of any Shareholder and such determination will be binding on such Shareholder.

#### 166.2 Income

166.2.1 Out of the profits available for distribution, a special dividend of one penny per C Share (the “**Special Dividend**”) shall, subject to such conditions as the Directors may determine, be payable to those holders of C Shares who have elected or be deemed pursuant to Article 166.1.2 above to have elected to receive the Special Dividend.

166.2.2 Such Special Dividend shall, if declared, become payable on 7 October 2011 or such later date as the Directors may determine. Each C Share in respect of which such dividend becomes payable shall, on such date (or such other date as the Directors may determine), subject to and following such declaration, be automatically converted into a deferred share of 0.05 pence nominal value with the rights and restrictions described in Article 167 (a “**2011 Deferred Share**”).

166.2.2 Neither the Company nor any of its Directors, officers or employees shall have any liability to any person for any loss or damage arising as a result of the choice of the date on which the Special Dividend is declared or paid.

#### 166.3 Capital

The holders of the C Shares will not be entitled to be paid any amount on a return of capital on a winding-up or otherwise (including a court-approved reduction of capital paid up on the C Shares pursuant to the 2006 Act).



#### **166.4 Voting and general meetings**

The holders of C Shares shall not be entitled, in their capacity as holders of such shares, to receive notice of any general meeting of the Company nor to attend, speak or vote at any such general meeting.

#### **166.5 Class rights**

166.5.1 The Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority or subsequent to the C Shares. The creation, allotment or issue of any such further shares (whether or not ranking in any respect in priority to the C Shares) shall be treated as being in accordance with the rights attaching to the C Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the C Shares.

166.5.2 A reduction by the Company of the capital paid up or credited as paid up on the C Shares without the payment of any amount to holders of the C Shares and the cancellation of such shares shall be treated as being in accordance with the rights attaching to the C Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the C Shares.

166.5.3 Without prejudice to the foregoing, the Company is authorised to reduce (or purchase shares in) its capital of any class or classes and such reduction (or purchase) shall not involve a variation of any rights attaching to the C Shares for any purpose or require the consent of the holders of the C Shares.

166.5.4 If at any time a currency other than Sterling is accepted as legal tender in the United Kingdom in place of or in addition to Sterling, the Directors shall be entitled, without the consent of holders of ordinary shares, B Shares, C Shares, D Shares, or 2011 Deferred Shares, to make such arrangements and adjustments in respect of the method of calculation and payment of any of the entitlements of holders of C Shares under these Articles as the Directors consider necessary, fair and reasonable in the circumstances to give effect to the rights of the C Shares. Any such arrangements and adjustments shall not involve a variation of rights attaching to the C Shares for any purpose.

#### **166.6 Deletion of Articles 166.1 to 166.6**

Articles 166.1 to 166.6 shall remain in force until there are no longer any C Shares in existence notwithstanding any provision in the Articles to the contrary. Thereafter Articles 166.1 to 166.6 shall be deemed to be of no effect (save to the extent that the provisions of Articles 166.1 to 166.6 are referred to in other Articles) and shall be deleted and replaced with the wording “Articles 166.1 to 166.6 have been deleted”, and the separate register for the holders of C Shares shall no longer be required to be maintained by the Company; but the validity of anything done under Articles 166.1 to 166.6 before that date shall not otherwise be affected and any actions taken under Articles 166.1 to 166.6 before that date shall be conclusive and shall not be open to challenge on any grounds whatsoever.”

### **3. Rights attaching to the 2011 Deferred Shares**

The following constitutes the proposed article to be introduced into Articles of Association relating to the rights and restrictions attaching to the 2011 Deferred Shares:

#### **“167. RIGHTS AND RESTRICTIONS ATTACHED TO THE 2011 DEFERRED SHARES**

##### **167.1 Rights and restrictions**

In this Article 168: “**2011 Deferred Shares**” means the deferred shares of 0.05 pence each in the capital of the Company.

## **167.2 Income**

The 2011 Deferred Shares shall confer no right to participate in the profits of the Company.

## **167.3 Capital**

168.7.1 On a return of capital on a winding-up (excluding any intra-group re-organisation on a solvent basis) there shall be paid to the holders of the 2011 Deferred Shares the nominal capital paid up or credited as paid up on such 2011 Deferred Shares after first paying to the holders of the Ordinary Shares the nominal capital paid up or credited as paid up on the Ordinary Shares held by them respectively, together with the sum of £100,000 on each Ordinary Share.

168.7.2 The holders of the 2011 Deferred Shares shall not be entitled to any further right of participation in the assets of the Company.

## **167.4 Voting and general meetings**

The holders of the 2011 Deferred Shares shall not be entitled to receive notice of any general meeting of the Company or to attend, speak or vote at any such meeting.

## **167.5 Class rights**

167.5.1 The Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority to the 2011 Deferred Shares, and on such creation, allotment or issue any such further shares (whether or not ranking in any respect in priority to the 2011 Deferred Shares) shall be treated as being in accordance with the rights attaching to the 2011 Deferred Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the 2011 Deferred Shares.

167.5.2 The reduction by the Company of the capital paid up on the 2011 Deferred Shares shall be in accordance with the rights attaching to the 2011 Deferred Shares and shall not involve a variation of such rights for any purpose and the Company shall be authorised at any time to reduce its capital (subject to the confirmation of the court in accordance with the 2006 Act) without obtaining the consent of the holders of the 2011 Deferred Shares.

## **167.6 Transfer and purchase**

The Company may at any time (and from time to time), without obtaining the sanction of the holder or holders of the 2011 Deferred Shares:

167.6.1 appoint any person to accept any offer and agree to sell and to execute on behalf of any holder of 2011 Deferred Shares a transfer of all of the 2011 Deferred Shares or any part thereof (and/or an agreement to transfer the same) to the Company or to such person as the Directors may determine (whether or not an officer of the Company), in any case for not more than one penny for all the 2011 Deferred Shares then being purchased without any requirement to indemnify or to obtain the consent or sanction of the holders thereof or any of them and for the purposes of such purchase to appoint a person to execute (on behalf of the holders of such 2011 Deferred Shares) a contract for the sale to the Company of any 2011 Deferred Shares held by any such holders and to receive the consideration on behalf of any such holders without any obligation to pay such consideration (or any proportion thereof) or otherwise be accountable in respect thereof to such holders; and

167.6.2 cancel all or any of the 2011 Deferred Shares so purchased by the Company in accordance with the 2006 Act.

**167.7 Deletion of Articles 167.1 to 167.7 when no 2011 Deferred Shares in existence**

Articles 167.1 to 167.7 shall remain in force until there are no longer any 2011 Deferred Shares, notwithstanding any provision in the Articles to the contrary. Thereafter Articles 167.1 to 167.7 shall be deemed to be of no effect (save to the extent that the provisions of Articles 167.1 to 167.7 are referred to in other Articles) and shall be deleted and replaced with the wording “Articles 167.1 to 167.7 have been deleted”, and the separate register for the holders of 2011 Deferred Shares shall no longer be required to be maintained by the Company; but the validity of anything done under Articles 167.1 to 167.7 before that date shall not otherwise be affected and any actions taken under Articles 167.1 to 167.7 before that date shall be conclusive and shall not be open to challenge on any grounds whatsoever.”

## PART 5

# UNITED KINGDOM TAXATION IN RELATION TO THE RETURN OF CASH SUBJECT TO FURTHER CONFIRMATION FROM TAX ADVISORS

*The comments below are intended only as a general guide to the current tax position under United Kingdom law and HM Revenue & Customs practice and are not intended to be and should not be construed as legal or taxation advice to any particular Shareholder. These comments apply to Shareholders who are resident in or (in the case of individuals) ordinarily resident in the United Kingdom for tax purposes, are the beneficial owners of their Existing Ordinary Shares and hold such shares as investments and not on trading account. The position may be different for any future disposal and may alter between the date of this document and the date of the Return of Cash.*

*Shareholders who are in any doubt as to their tax position or who are subject to tax in a jurisdiction outside the United Kingdom should consult their independent professional adviser.*

### 1. Share Split

For the purposes of United Kingdom taxation of chargeable gains, the receipt of the New Ordinary Shares together with either B Shares or C Shares (as the case may be) pursuant to the Share Split should not constitute a disposal or part disposal of a Shareholder's holding of Existing Ordinary Shares and will be treated as a tax free re-organisation of the Company's share capital.

### 2. Purchase of B Shares by Collins Stewart under the Tender Offer

The purchase of B Shares by Collins Stewart under the Tender Offer from a Shareholder should not be treated as an income distribution (but see section below headed "Chapter 1, Part 13 ITA 2007") and therefore should not be subject to tax as income in the hands of Shareholders and accordingly will carry no tax credit.

The purchase of B Shares by Collins Stewart under the Tender Offer should be regarded as a disposal of those shares for the purposes of the taxation of chargeable gains. This may give rise to a chargeable gain or an allowable loss, depending upon the Shareholder's circumstances, including the Shareholder's base cost in the B Shares. It is expected that the Shareholder's original base cost in the Existing Ordinary Shares will be apportioned between his New Ordinary Shares and his B Shares, by reference to their respective market values when the B Shares are purchased by Collins Stewart under the Tender Offer. For these purposes, it is expected that HM Revenue & Customs will calculate the market value of the New Ordinary Shares by reference to their price quoted or published on the first day of dealings in the New Ordinary Shares (this is expected to be the Closing Price). It is expected that the market value of each B Share on that date will be approximately one penny.

Any gains realised by individual Shareholders (being the aggregate of the net chargeable gains on the redemption of the B and/or C Shares and all other gains realised by that shareholder in the year of assessment (and after taking into account allowable losses) above their annual exemption (£10,600 for the tax year 2011/2012) would be subject to capital gains tax at 18 per cent. to the extent that a Shareholder's total income and gains do not exceed an individual's basic rate of income tax band (£35,000 for the tax year 2011/2012). To the extent that any gains exceed the basic rate of income tax band, an individual Shareholder would be subject to capital gains tax at 28 per cent.

Gains realised by Shareholders who are subject to corporation tax would be subject to corporation tax on chargeable gains at up to 26 per cent.

### **3. Payment of Special Dividend on C Shares**

The payment of the Special Dividend in respect of each C Share should be treated as an income distribution. The payment of the Special Dividend in respect of each C Share will not be treated as giving rise to a disposal of the C Share for the purposes of the taxation of chargeable gains.

An individual Shareholder who is resident in the United Kingdom for tax purposes will be entitled to a tax credit in respect of the Special Dividend, currently equal to one-ninth of the cash dividend received or 10 per cent. of the aggregate of the cash dividend received and the related tax credit (the “**gross dividend**”). The related tax credit can be set against the individual Shareholder’s total liability to income tax on the Special Dividend.

An individual Shareholder who is liable to income tax at no more than the basic rate will be subject to income tax at the rate of 10 per cent. on the gross dividend and so the tax credit will satisfy in full the individual Shareholder’s liability to income tax on the dividend received.

An individual Shareholder who is liable to income tax at the higher rate will be subject to tax at the rate of 32.5 per cent. on the gross dividend to the extent that the gross dividend, when treated as the top slice of the Shareholder’s income, falls above the threshold for higher rate income tax and below £150,000. The related tax credit will not fully satisfy the individual Shareholder’s liability to income tax on the gross dividend and the Shareholder will have to account for additional tax equal to 22.5 per cent. of the gross dividend which equates to 25 per cent. of the net dividend received.

An individual Shareholder will be subject to tax at the rate of 42.5 per cent. on the gross dividend to the extent that the gross dividend, when treated as the top slice of the Shareholder’s income, falls above £150,000. The related tax credit will not fully satisfy the individual Shareholder’s liability to income tax on the gross dividend and the Shareholder will have to account for additional tax equal to 32.5 per cent. of the gross dividend, which equates to 36.1 per cent. of the net dividend received.

United Kingdom resident Shareholders who are not liable to United Kingdom tax on the Special Dividend will not be entitled to claim repayment of the tax credit attaching to the Special Dividend.

Corporate Shareholders who are resident in the United Kingdom will generally not be subject to corporation tax on the Special Dividend insofar as it constitutes an exempt distribution as referred to in Part 9A of the Corporation Tax Act 2009. Corporate Shareholders should consult their own tax adviser to ascertain which exempt class (if any) applies to them.

### **4. Conversion of C Shares and purchase of 2011 Deferred Shares**

For the purposes of United Kingdom taxation of chargeable gains, the conversion of C Shares to 2011 Deferred Shares should not constitute a disposal or part disposal of a Shareholder’s holding of C Shares.

The purchase of 2011 Deferred Shares by the Company will be regarded as a disposal of those shares for the purposes of the taxation of chargeable gains. However, it is expected that no chargeable gain should be realised by a Shareholder upon the disposal of his 2011 Deferred Shares.

It is also expected that the New Ordinary Shares held by a Shareholder who opts entirely for C Shares will carry a base cost broadly equal to his original base cost in the Existing Ordinary Shares, as none of the base cost of a Shareholder’s Existing Ordinary Shares should be attributable to his C Shares.

### **5. Chapter 1, Part 13 ITA 2007**

If Chapter 1, Part 13 ITA 2007 applies in respect of the purchase of B Shares by Collins Stewart under the Tender Offer, Shareholders who are United Kingdom income taxpayers might be liable to taxation as if they had received a dividend equal to the amount received. The Company has not applied for a clearance under section 701 ITA 2007 in this regard. However, having consulted with leading tax counsel, the Company does not expect that Chapter 1, Part 13 ITA 2007 should apply to Shareholders who elect for B Shares. If, however, Chapter 1, Part 13 ITA 2007 were to apply, UK income taxpayers who elect for B Shares are likely to be liable to taxation as if they had received a dividend equal to the payment received from the Company.

## 6. Stamp duty and stamp duty reserve tax

Except in relation to depositary receipt arrangements or clearance services, where special rules apply (see below):

- no stamp duty or stamp duty reserve tax (“SDRT”) will be payable on allocation or issue in uncertificated or certificated form of the New Ordinary Shares and B Shares or C Shares pursuant to the Share Split; and
- an unconditional agreement to sell New Ordinary Shares, B Shares or C Shares will normally give rise to a liability on the purchaser to SDRT, at a rate of 0.5 per cent. of the value or the amount of the actual consideration paid. Subject to an exemption for certain low value transactions, the transfer or sale of the relevant New Ordinary Shares, B Shares or C Shares outside the CREST system will be subject to stamp duty on the system of transfer at the same rate of 0.5 per cent. of the actual consideration paid (rounded up to the nearest £5). If the relevant instrument of transfer is executed and duly stamped within six years of the date of the agreement, or if the agreement was conditional the date when the agreement became unconditional, the SDRT charge will be cancelled and any SDRT already paid will be refunded.

Stamp duty at 0.5 per cent. will be payable on a purchase of B shares by Collins Stewart under the Tender Offer and on a purchase of B Shares by the Company from Collins Stewart.

Under the CREST system for paperless share transfers, deposits of shares into CREST will not be subject to stamp duty or SDRT provided that, in the case of SDRT the transfer is not for money or money’s worth. A transfer of shares effected on a paperless basis through CREST will generally be liable to SDRT, rather than stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration payable, which HMRC will collect and which will be accounted for by Euroclear (such SDRT generally being payable by the transferee or purchaser).

The above statements are intended only as a general guide to the current stamp duty and SDRT position. Transfers to certain categories of person are not liable to stamp duty or SDRT and others may be liable at a higher rate or may, although not primarily liable for SDRT, be required to notify and account for it. For example, where shares are issued or transferred to a depositary or clearance service operator, or in either case its nominee, stamp duty or SDRT will generally be payable at a higher rate of 1.5 per cent. of the value or amount of the consideration payable, or, in certain circumstances, the value of the securities (rounded up in the case of stamp duty to the nearest £5). Shareholders are strongly advised to consult their own professional tax advisers if they consider these special rules may apply to them.

## PART 6

### DEFINITIONS

The following definitions apply throughout this document and the accompanying documents including the Form of Proxy and the Election Form, unless the context otherwise requires:

<b>“2001 Plan”</b>	the NewMedia SPARK 2001 Unapproved Share Option Plan
<b>“2005 Plan”</b>	the NewMedia SPARK 2005 Executive Share Option Scheme
<b>“2006 Act”</b>	the Companies Act 2006, as amended
<b>“2011 Deferred Shares”</b>	the deferred shares of 0.05 pence each in the capital of the Company carrying the rights and restrictions summarised in Part 4 of this document and set out in Article 167
<b>“ABI”</b>	the Association of British Insurers
<b>“Admission”</b>	admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules
<b>“Admission Date”</b>	29 September 2011 (or such later date as the Directors may determine, being not later than 30 September 2011)
<b>“AGM”</b>	annual general meeting
<b>“AIM”</b>	a market operated by the London Stock Exchange
<b>“AIM Rules”</b>	the AIM rules for companies and the AIM rules for investing companies issued by the London Stock Exchange, as amended from time to time
<b>“Alternatives”</b>	the Dividend Alternative and the Capital Alternative, or either of them as the context may require
<b>“Annual General Meeting”</b>	the AGM of the Company (or any adjournment thereof) to be held at the offices of Bracher Rawlins LLP, 2nd Floor, 77 Kingsway, London WC2B 6SR at 10.00 a.m. on 28 September 2011
<b>“Articles” or “Articles of Association”</b>	the articles of association of the Company from time to time
<b>“B Shares”</b>	the non-cumulative preference shares of 0.05 pence each in the capital of the Company carrying the rights and restrictions summarised in Part 4 of this document
<b>“Board”</b>	the board of Directors present at a duly convened and quorate meeting of Directors or a duly authorised committee of the Directors as the context requires
<b>“Business Day”</b>	a day other than a Saturday, Sunday or a day on which banks are authorised to close in London
<b>“C Shares”</b>	the non-cumulative preference shares of 0.05 pence each in the capital of the Company carrying the rights and restrictions summarised in Part 4 of this document
<b>“Capita Registrars”</b>	a trading name of Capita Registrars Limited (incorporated in England and Wales with company number 2605568)

<b>“Capital Alternative”</b>	the election for B Shares to be purchased by Collins Stewart as principal pursuant to the Tender Offer as more fully described in Parts 1 and 2 of this document
<b>“certificated” or “certificated form”</b>	a share which is not in uncertificated form (that is, not in CREST)
<b>“Closing Price”</b>	the closing mid-market price as disclosed in the AIM Appendix to the London Stock Exchange Daily Official List
<b>“Collins Stewart”</b>	Collins Stewart Europe Limited, the Company’s nominated adviser and broker, a member of the London Stock Exchange and which is authorised and regulated by the FSA
<b>“Company” or “SPARK”</b>	SPARK Ventures plc (incorporated in England and Wales with company number 03813450)
<b>“CREST”</b>	the relevant system (as defined in the Regulations) in respect of which Euroclear is the Operator (as defined in such regulations)
<b>“CREST Proxy Instruction”</b>	a properly authenticated CREST message appointing and instructing a proxy to attend and vote in place of a Shareholder at the Annual General Meeting and containing the information required to be contained in the manual published by Euroclear
<b>“D Shares”</b>	the unlisted preference shares of 0.5 pence each in the capital of the Company carrying the rights and restrictions set out in Article 165 of the Articles
<b>“Directors”</b>	the directors of the Company
<b>“Dividend Alternative”</b>	the election (or deemed election) for C Shares and conferring a right to the Special Dividend as more fully described in Parts 1 and 2 of this document
<b>“Election Deadline”</b>	1.00 p.m. on 27 September 2011 (or such later time and/or date as the Directors in their absolute discretion may determine, being not later than 30 September 2011)
<b>“Election Form”</b>	the election form enclosed with this document, where this document is sent to Shareholders who hold their Existing Ordinary Shares in certificated form
<b>“Election Period”</b>	the period from the date of this document until the Election Deadline during which time Shareholders may make elections for one or more of the Alternatives
<b>“ESA Message”</b>	a message through CREST to Capita Registrars in its capacity as escrow agent requesting a withdrawal of Existing Ordinary Shares from the escrow balance
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited, the operator of CREST (formerly known as CRESTCo Limited)
<b>“Existing Ordinary Shares”</b>	the existing ordinary shares of 0.45 pence each in the capital of the Company
<b>“Form of Proxy”</b>	the form of proxy enclosed with this document for use by Shareholders in connection with the Annual General Meeting



<b>“FSA”</b>	the Financial Services Authority
<b>“Group”</b>	the Company and any company which is a subsidiary undertaking of the Company from time to time
<b>“HM Revenue &amp; Customs”</b>	Her Majesty’s Revenue & Customs
<b>“Investment Manager”</b>	SPARK Venture Management Holdings Limited (incorporated in England and Wales with company number 06906082)
<b>“ITA 2007”</b>	the Income Tax Act 2007
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“New Ordinary Shares”</b>	following the Share Split, the new ordinary shares of 0.40 pence each in the capital of the Company
<b>“Non-United Kingdom Shareholder”</b>	a Shareholder who is not resident in the United Kingdom or who is a citizen, resident or national of a country other than the United Kingdom. For the avoidance of doubt, a Shareholder who is not resident in the United Kingdom includes a Shareholder who is resident in the Channel Islands or the Isle of Man
<b>“Proposals”</b>	the Share Split and the Return of Cash
<b>“Record Time”</b>	6.00 p.m. on 27 September 2011 (or such later time and/or date as the Directors in their absolute discretion may determine, being not later than 30 September 2011)
<b>“Regulations”</b>	means the Uncertificated Securities Regulations 2001 (SI 2001 number 3755) as amended
<b>“Regulatory Information Service”</b>	a Regulatory Information Service on the list of Regulatory Information Services maintained by the FSA
<b>“Repurchase Agreement”</b>	the conditional put option agreement entered into between Collins Stewart and the Company on the date of this document
<b>“Resolutions”</b>	the resolutions set out in the notice of Annual General Meeting contained in Part 7 of this document
<b>“Return of Cash”</b>	the transaction comprising the Share Split and the Alternatives
<b>“Share Entitlement”</b>	the entitlement of each Shareholder to be allotted one B Share or one C Share for each Existing Ordinary Share held at the Record Time
<b>“Share Split”</b>	the proposed sub-division of each Existing Ordinary Share in issue at the Record Time into one New Ordinary Share and either one C Share or (at the election of the Shareholders of such Existing Ordinary Shares) one B Share
<b>“Shareholders”</b>	holders of Existing Ordinary Shares, New Ordinary Shares, B Shares, C Shares, D Shares or the 2011 Deferred Shares, as the context may require
<b>“SPARK Share Option Schemes”</b>	the 2001 Plan and the 2005 Plan
<b>“Special Dividend”</b>	a special dividend of one penny per C Share to be declared and paid in accordance with the Dividend Alternative

<b>“Tender Offer”</b>	the tender offer to B shareholders to be made by Collins Stewart on the terms and conditions set out in this document and the Election Form
<b>“TFE Instruction”</b>	transfer from escrow instruction
<b>“TTE Instruction”</b>	transfer to escrow instruction
<b>“uncertificated” or “uncertificated form”</b>	means a share of other security recorded on the relevant register as being held in uncertificated form in CREST and title to which, by virtue of the Regulations, may be transferred by means of CREST
<b>“United Kingdom” or “UK”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“United States” or “US”</b>	the United States of America, its territories, possessions, any State of the United States of America and the District of Columbia
<b>“US Securities Act”</b>	the United States Securities Act of 1933 (as amended) and the rules and regulations promulgated thereunder

## PART 7

### Notice of Annual General Meeting

#### SPARK Ventures plc

(incorporated in England and Wales with company number 03813450)

("Company")

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Company will be held at the offices of Bracher Rawlins LLP, 2nd Floor, 77 Kingsway, London WC2B 6SR at 10.00 a.m. on 28 September 2011 to consider and, if thought fit, pass the following resolutions, of which Resolutions 1 to 7 (inclusive) will be proposed as ordinary resolutions and Resolutions 8 to 11 (inclusive) will be proposed as special resolutions:

#### Ordinary Resolutions

1. TO receive the annual report of and accounts for the year ended 31 March 2011.
2. TO re-elect David Roger William Potter as a director of the Company.
3. TO re-elect Andrew Bruce Carruthers as a director of the Company.
4. TO re-elect Charles Richard Berry as a director of the Company.
5. TO appoint PKF (UK) LLP as auditors to the Company, to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
6. TO authorise the directors to determine the auditors' remuneration.
7. THAT the directors be and they are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the "**2006 Act**") in substitution for all existing authorities to exercise all the powers of the Company to allot shares and to make offers or agreements to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (together "**Relevant Securities**") up to an aggregate nominal amount of 616,132 pounds provided that this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or if earlier on the date which is 15 months after the date of the annual general meeting, except that the Company may before such expiry make an offer or agreement which would or might require Relevant Securities or equity securities as the case may be to be allotted after such expiry and the directors may allot Relevant Securities or equity securities in pursuance of any such offer or agreement as if the authority in question had not expired.

#### Special Resolutions

8. THAT the directors be and are empowered, in accordance with section 570 of the 2006 Act, to allot equity securities (as defined in section 560(1) of the 2006 Act) for cash pursuant to the authority conferred by Resolution 7 above or by way of a sale of treasury shares as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power shall be limited to:
  - 8.1 the allotment of equity securities in connection with a rights issue or other *pro rata* offer in favour of holders of ordinary shares where the equity securities respectively attributable to the interests of all those persons at such record date as the directors may determine are proportionate (as nearly as may be) to the respective numbers of equity securities held by them or are otherwise allotted in accordance with the rights attaching to such equity securities subject in each case to such exclusions or other arrangements as the directors may consider necessary or expedient to deal with fractional entitlements or legal difficulties under the laws of any territory or the requirements of a regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter whatsoever; and

8.2 the allotment (otherwise than pursuant to paragraph 7.1 above) of equity securities up to an aggregate nominal amount of 92,419 pounds,

and shall expire upon the expiry of the general authority conferred by Resolution 7 above, except that the Company may make an offer or agreement before this power expires which would or might require equity securities to be allotted and/or shares held by the Company in treasury to be sold or transferred after such expiry and the directors may allot equity securities and/or sell or transfer shares held by the Company in treasury in pursuance of such offer or agreement as if the power conferred by this resolution had not expired.

9. THAT the Company be and is hereby generally and unconditionally authorised, in accordance with section 701 of the 2006 Act, to make market purchases (within the meaning of section 693(4) of the 2006 Act) of ordinary shares of 0.45 pence each in the capital of the Company (“**Ordinary Shares**”) on such terms and in such manner as the directors may from time to time determine provided that:

9.1 the maximum number of Ordinary Shares authorised to be purchased is 61,613,216;

9.2 the minimum price which may be paid for an Ordinary Share is 0.45 pence (exclusive of expenses payable by the Company);

9.3 the maximum price which may be paid for an Ordinary Share (exclusive of expenses payable by the Company) cannot be more than the higher of:

9.3.1 105 per cent. of the average market value of an Ordinary Share for the five business days prior to the day on which the Ordinary Share is contracted to be purchased; and

9.3.2 the value of an Ordinary Share calculated on the basis of the higher of:

(a) the last independent trade of; or

(b) the highest current independent bid for,

any number of Ordinary Shares on the trading venue where the market purchase by the Company will be carried out; and

9.4 the authority conferred shall expire at the conclusion of the next annual general meeting of the Company except that the Company may before such expiry make a contract to purchase its own shares which will or may be completed or executed wholly or partly after such expiry.

10. THAT, conditional on Admission becoming effective by 8.00 a.m. on 29 September 2011 (or such later time and/or date as the directors may in their absolute discretion determine):

(a) each of the Existing Ordinary Shares be sub-divided into one New Ordinary Share and:

(i) as regards any Existing Ordinary Share in respect of which the holder thereof has validly elected to receive a B Share by notifying the Company’s registrars in writing in a form approved by the directors (or any authorised committee of the directors) on or before 1.00 p.m. on 27 September 2011 (or such later time and/or date as the directors may in their absolute discretion determine), one B Share, or

(ii) as regards any other Existing Ordinary Share in respect of which no such election as is referred to in sub-paragraph (i) of paragraph (a) of this Resolution has been made (or deemed to have not been made) by the holder thereof, one C Share;

(b) a dividend of one penny per C Share shall, subject to the Company having sufficient distributable reserves, be payable to those persons who become holders of C Shares and whose names appear on the register of members of the Company at 6.00 p.m. on 27 September 2011 (or such later time and/or date as the directors may in their absolute discretion determine);

(c) the contract for the purchase by the Company of up to 410,754,780 B Shares from Collins Stewart Europe Limited for an aggregate consideration of one penny in the form produced to

this meeting and initialled by the Chairman for the purposes of identification be and is hereby approved and the Company be and is hereby authorised to enter into such contract (the authority conferred on the Company by this Resolution to expire on 21 March 2013);

- (d) the contract for the purchase by the Company of up to 410,754,780 2011 Deferred Shares for the aggregate consideration of one penny from such persons as are set out in the schedule to the form of such contract produced to this meeting and initialled by the Chairman for the purposes of identification be and is hereby approved and the Company be and is hereby authorised to enter into such contract (the authority conferred on the Company by this Resolution to expire on 21 March 2013);
  - (e) the articles of association set out in the printed document produced to the meeting marked “A” and initialled for the purpose of identification by the Chairman be adopted as the articles of association of the Company in substitution for and to the exclusion of the articles of association of the Company existing as at the time of this Resolution;
  - (f) the rights and restrictions attaching to the New Ordinary Shares resulting from the sub-division pursuant to paragraph (a) of this Resolution shall be the same in all respects as those attached to the Existing Ordinary Shares as set out in the articles of association of the Company existing as at the time of this Resolution of the Company (save in respect of their nominal value and subject to the rights of the B Shares, C Shares, D Shares, 2011 Deferred Shares); and
  - (g) for the purposes of this Resolution and Resolution 11:
    - (i) “**2011 Deferred Shares**” means the deferred shares of 0.05 pence each in the capital of the Company carrying the rights and restrictions set out in the New Articles;
    - (ii) “**Admission**” means admission to trading on AIM, a market operated by London Stock Exchange plc;
    - (iii) “**B Shares**” means the non-cumulative preference shares of 0.05 pence each in the capital of the Company carrying the rights and restrictions set out in the New Articles;
    - (iv) “**C Shares**” means the non-cumulative preference shares of 0.05 pence each in the capital of the Company carrying the rights and restrictions set out in the New Articles;
    - (v) “**D Shares**” means the unlisted preference shares of 0.5 pence each in the capital of the Company carrying the rights and restrictions set out in the current articles of association of the Company;
    - (vi) “**Existing Ordinary Shares**” means the existing ordinary shares of 0.45 pence each in the capital of the Company;
    - (vii) “**New Articles**” means the articles of association of the Company proposed to be adopted pursuant to paragraph (e) of this Resolution; and
    - (viii) “**New Ordinary Shares**” means the new ordinary shares of 0.40 pence each in the capital of the Company carrying the rights and restrictions set out in the New Articles.
11. THAT, conditional on Resolution 10 above being passed and becoming effective, and in substitution for all existing authorities, including the authority proposed in Resolution 9 above, the Company be and is hereby generally and unconditionally authorised, in accordance with section 701 of the 2006 Act, to make market purchases (within the meaning of section 693(4) of the 2006 Act) of New Ordinary Shares on such terms and in such manner as the directors may from time to time determine provided that:
- 11.1 the maximum number of authorised to be purchased is 61,613,216;
  - 11.2 the minimum price which may be paid for a New Ordinary Share is 0.40 pence (exclusive of expenses payable by the Company);

- 11.3 the maximum price which may be paid for a New Ordinary Share (exclusive of expenses payable by the Company) cannot be more than the higher of:
- 11.3.1 105 per cent. of the average market value of a New Ordinary Share for the five business days prior to the day on which the New Ordinary Share is contracted to be purchased; and
- 11.3.2 the value of a New Ordinary Share calculated on the basis of the higher of:
- (a) the last independent trade of; or
- (b) the highest current independent bid for,
- any number of New Ordinary Shares on the trading venue where the market purchase by the Company will be carried out; and
- 11.4 the authority conferred shall expire at the conclusion of the next annual general meeting of the Company except that the Company may before such expiry make a contract to purchase its own shares which will or may be completed or executed wholly or partly after such expiry.

By order of the Board

**Andrew Betton**  
*Company Secretary*

31 August 2011

*Registered Office:*  
33 Glasshouse Street,  
London, W1B 5DG

#### NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint another person(s) (who need not be a member of the Company) to exercise all or any of his rights to attend, speak and vote at the meeting. A member can appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him.
2. Your proxy could be the Chairman, another Director of the Company or another person who has agreed to attend to represent you. Your proxy will vote as you instruct and must attend the meeting for your vote to be counted. Details of how to appoint the Chairman or another person as your proxy using the proxy form are set out in the notes to the proxy form. Appointing a proxy does not preclude you from attending the meeting and voting in person. If you attend the meeting in person, your proxy appointment will automatically be terminated.
3. An appointment of proxy is provided with this notice and instructions for use are shown on the form. In order to be valid, a completed appointment of proxy must be returned to the Company by one of the following methods:
  - 3.1 in hard copy form by post, by courier or by hand to the Company's registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU; or
  - 3.2 electronically via [www.capitashareportal.com](http://www.capitashareportal.com)
  - 3.3 in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below,and in each case must be received by the Company not less than 48 hours before the time fixed for the meeting.
4. To change your proxy instructions you may return a new proxy appointment using the methods set out above. Where you have appointed a proxy using the hard copy proxy form and would like to change the instructions using another hard copy proxy form, please contact the Company's registrars, Capita Registrars, by calling 0871 664 0321 calls cost 10p per minute plus network extras (+44 208 639 3399 of calling outside the United Kingdom) between 9.00 a.m. and 5.00 p.m. on any business day. The deadline for receipt of proxy appointments also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same meeting, the one which is last sent shall be treated as replacing and revoking the other or others.

- 4.1 CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service providers), should refer to their CREST sponsor or voting service providers), who will be able to take the appropriate action on their behalf.
- 4.2 In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear UK & Ireland’s (“**Euroclear**”) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer’s agent (ID RA10) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
- 4.3 The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- 4.4 CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages/Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
5. The Company specifies, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, that only those Shareholders registered in the register of members of the Company as at 6.00 p.m. on 26 September 2011 (or, if the meeting is adjourned, at 6.00 p.m. on the date which is two days prior to the adjourned meeting) shall be entitled to attend and vote at the meeting or adjourned meeting in respect of the number of shares registered in their respective names at that time. Changes to entries on the register after that time will be disregarded in determining the rights of any person to attend or vote at the meeting or adjourned meeting.
6. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
7. The following documents are available for inspection at the registered office of the Company and at the offices of Bracher Rawlins LLP, 2nd Floor, 77 Kingsway, London WC2B 6SR during normal business hours on each weekday (public holidays excluded) from the date of this document up to and including the date of the annual general meeting and will also be available for inspection at the place of the annual general meeting for 15 minutes prior to and during the meeting:
  - 7.1 the notice of meeting;
  - 7.2 copies of the executive directors’ service contracts with the Company;
  - 7.3 copies of letters of appointment of non-executive directors;
  - 7.4 a copy of the new articles of association proposed to be adopted by Resolution 10 (e) and a copy of the existing articles of association marked to show the changes being proposed in Resolution 10 (e);
  - 7.5 the contract for the purchase of the B Shares referred to in paragraph (c) of Resolution 10; and
  - 7.6 the contract for the purchase of the 2011 Deferred Shares referred to in paragraph (d) of Resolution 10.

