

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this document or as to the action you should take, you are recommended immediately to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other appropriately qualified independent financial adviser authorised under the Financial Services and Markets Act 2000 or, if you are in a country outside the United Kingdom, another appropriately authorised independent financial adviser.

If you were a Shareholder and have sold or otherwise transferred all your Shares, please send this document, together with the accompanying Annual Report and Accounts and Form of Proxy (but not any accompanying personalised Tender 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 onward transmission to the purchaser or transferee. However, neither this document nor any accompanying document(s) should be forwarded or transmitted to or in any Restricted Jurisdiction or any other jurisdiction outside the United Kingdom where to do so may violate any legal or regulatory requirement. If you are an existing holder of Shares and you have sold or transferred part only of your registered holding of Shares, please contact the stockbroker, bank or other agent through whom the sale or transfer was effected.

The availability of the Tender Offer to Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction in which they are located. Persons who are not resident in the United Kingdom should read paragraph 7 ("Overseas Shareholders") in Part 3 of this document and should inform themselves about, and observe, any applicable legal or regulatory requirements.

**This document does not constitute or form part of any offer to purchase, or invitation to sell, Shares in any jurisdiction in which such offer or invitation is unlawful. Without prejudice to the foregoing generality, the Tender Offer is not being made, directly or indirectly, in or into, or by use of the mails, any means or instrumentality (including, without limitation, facsimile transmission, email, other electronic transmission or telephone) of interstate or foreign commerce or any facility of a national, state or other securities exchange, of a Restricted Jurisdiction and the Tender Offer cannot be accepted by any such use, means, instrumentality, facility or otherwise or from within a Restricted Jurisdiction.**

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# DUNEDIN ENTERPRISE INVESTMENT TRUST PLC

*(Incorporated in Scotland under the Companies Acts 1948 to 1967 with registered number SC052844)  
(An investment company under section 833 of the Companies Act 2006)*

## TENDER OFFER FOR UP TO 5 PER CENT. OF THE SHARES IN ISSUE AT 475P PER SHARE

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The Tender Offer will close at 3.00 p.m. on Wednesday, 14 May 2014 and will only be available to Shareholders on the Register at the close of business on Wednesday, 14 May 2014. Shareholders wishing to tender Shares held in certificated form for purchase in the Tender Offer should ensure that their completed Tender Forms, together with their share certificate(s) and/or other documents of title in respect of the Shares tendered, are returned by post or (during normal business hours) by hand to Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to be received by not later than 3.00 p.m. on Wednesday, 14 May 2014. Shareholders wishing to tender Shares held in uncertificated form (that is in CREST) for purchase in the Tender Offer should arrange for the Shares tendered to be transferred into escrow by not later than 3.00 p.m. on Wednesday, 14 May 2014 as described in paragraph 4.3.1 of Part 3 of this document.

Alliance Trust Savings Limited will be writing to Alliance Trust Savings Product Investors with regard to the action that they will need to take if they wish to tender Shares held through the Alliance Trust Savings Product Range in the Tender Offer.

**If you do not wish to tender any of your Shares do not complete or return a Tender Form or transfer any Shares to escrow.**

**Your attention is drawn to the information paragraphs under the sub-heading "Risk Factors" on page 4 of this document, which sets out the risk factors associated with the Tender Offer. However, this document should be read in its entirety.**

Cantor Fitzgerald, which is authorised and regulated in the United Kingdom by the FCA, is acting solely as financial adviser for Dunedin Enterprise Investment Trust PLC and for no one else, including any recipient of this document, in connection with the Tender Offer and other matters referred to in this document and will not be responsible to anyone other than Dunedin Enterprise Investment Trust PLC for providing the protections afforded to clients of Cantor Fitzgerald or for affording advice in relation to the Tender Offer or any other matter referred to in this document. Nothing in this paragraph shall serve to exclude or limit any responsibilities that Cantor Fitzgerald may have under FSMA or the regulatory regime established under FSMA.

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## EXPECTED TIMETABLE

	<i>2014</i>
Annual General Meeting	11.00 a.m. on Wednesday, 14 May
Latest time and date for receipt of Tender Forms and TTE Instructions in CREST for Tender Offer	3.00 p.m. on Wednesday, 14 May
Record date for Tender Offer	close of business on Wednesday, 14 May
Result of Tender Offer announced	Thursday, 15 May
Payments through CREST made in respect of Shares held in uncertificated form successfully tendered	Tuesday, 20 May
CREST accounts settled in respect of unsold tendered Shares held in uncertificated form	Tuesday, 20 May
Cheques despatched in respect of Shares held in certificated form successfully tendered	by Friday, 23 May
Balancing certificates despatched in respect of unsold tendered Shares held in certificated form	by Friday, 30 May

### *Notes:*

- Each of the times and dates referred to in the expected timetable above and elsewhere in this document may be extended or brought forward without further notice. If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to Shareholders by an announcement through a Regulatory Information Service.*
- All times referred to in this document are, unless otherwise stated, references to London time.*

PART 1

LETTER FROM THE CHAIRMAN

Dunedin Enterprise Investment Trust PLC

*(Incorporated in Scotland under the Companies Acts 1948 to 1967 with registered number SC052844)  
(An investment company under section 833 of the Companies Act 2006)*

*Directors*

David Gamble (*Chairman*)  
Liz Airey  
Duncan Budge  
Brian Finlayson  
Federico Marescotti

*Registered Office*

Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2EN

7 April 2014

**Dear Shareholders and Alliance Trust Savings Product Investors**

Introduction

On 20 March 2014, your Board announced that, in accordance with the Company's distribution policy, we were proposing to return approximately £5.2 million via a tender offer for Shares at a price of 475p per Share.

The purpose of this document is to provide you with the terms and conditions of the Tender Offer and explain the mechanics (including an explanation of how you may tender some or all of your Shares, should you wish to do so).

Under the Companies Act 2006, the Tender Offer requires Shareholder approval. Such approval will be sought at the annual general meeting of the Company, which will be held at The Sheraton Hotel, 1 Festival Square, Edinburgh EH3 9SR, at 11.00 a.m. on Wednesday, 14 May 2014. The notice convening the Annual General Meeting is included in the Annual Report and Accounts and resolution 13 set out in that notice will seek the necessary Shareholder approval.

**In your Board's opinion, the Tender Offer is in the best interests of Shareholders as a whole. Accordingly, your Board is recommending Shareholders to vote in favour of the Tender Offer Resolution. However, this letter is not a recommendation to Shareholders or Alliance Trust Savings Product Investors to tender their Shares pursuant to the Tender Offer. Whether or not Shareholders or Alliance Trust Savings Product Investors tender their Shares will depend on, among other things, their view of the Company's prospects and their own individual circumstances, including their tax position, on which they should seek their own independent advice.**

Subject to the relevant resolution declaring the final dividend of 16.5p per Share for the year ended 31 December 2013 being passed at the Annual General Meeting, the Final Dividend will be payable to Shareholders on the register at the close of business on Friday, 2 May 2014. Shares successfully tendered pursuant to the Tender Offer will be purchased on Tuesday, 20 May 2014. Accordingly, those Shares will still qualify for the Final Dividend, which will be paid on Friday, 23 May 2014.

The Tender Price represented a premium of 16.6 per cent. to the closing mid-market price of 407.5p per Share on 3 April 2014. Accordingly, certain Directors intend to tender Shares pursuant to the Tender Offer and to reinvest by buying additional Shares through the market following completion of the Tender Offer.

## The Tender Offer

### ***Terms of the Tender Offer***

The Tender Offer is being made to Shareholders (other than Restricted Shareholders) by Cantor Fitzgerald for up to 1,098,345 Shares, representing 5 per cent. of the Company's current issued share capital, at a price of 475p per Share, which represents:

- a discount of 10.3 per cent. to the NAV per Share of 529.3p as at 31 December 2013 (being the latest date prior to the publication of this document as at which the Company's NAV has been calculated) and a discount of 7.4 per cent. to the NAV per Share (adjusted for the Final Dividend) of 512.8p as at 31 December 2013; and
- a premium of 16.6 per cent. to the closing mid-market price of 407.5p per Share on 3 April 2014.

Pursuant to the Tender Offer, Shareholders (other than Restricted Shareholders) will be able to tender up to 5 per cent. of their holdings (rounded down to the nearest whole number of Shares), with such tenders being satisfied in full. Shareholders (other than Restricted Shareholders) will also be able to tender Shares in excess of their Basic Entitlement, but such excess tenders will only be satisfied on a *pro rata* basis to the extent that other Shareholders tender less than (or none of) their Basic Entitlement. The number of Shares to be purchased pursuant to the Tender Offer will not in any event exceed 1,098,345 Shares.

The Tender Offer will be implemented by means of on-market purchases by Cantor Fitzgerald, which will, as principal, purchase the Shares tendered (subject to the overall limit of the Tender Offer) at the Tender Price and, on the completion of those purchases and in accordance with the Purchase Agreement, sell them on to the Company at the Tender Price by way of an on-market transaction (all of these transactions will be carried out on the London Stock Exchange's Main Market). The Shares that the Company purchases from Cantor Fitzgerald will be cancelled and the number of Shares in issue reduced accordingly. The Company will fund that purchase from its existing cash resources.

For illustrative purposes only, based on the NAV per Share (adjusted for the Final Dividend) as at 31 December 2013 and assuming that it is fully taken up, the Tender Offer will result in an uplift of 1.5p (equivalent to 0.3 per cent.) in the NAV per Share remaining in issue following completion of the Tender Offer.

The Tender Offer is conditional on the Tender Offer Resolution being passed at the Annual General Meeting. It is also subject to certain further conditions, which are set out in paragraph 3.1 of Part 3 of this document. In addition, the Tender Offer may be terminated in certain circumstances as set out in paragraph 3.2 of Part 3 of this document.

Your attention is drawn to the letter from Cantor Fitzgerald in Part 2 of this document and to Part 3 of this document, which constitute the terms and conditions of the Tender Offer.

### ***Overseas Shareholders***

The making of the Tender Offer to persons outside the United Kingdom may be prohibited or affected by the relevant laws of the overseas jurisdiction. Shareholders with registered or mailing addresses outside the United Kingdom or who are citizens or nationals of, or resident in, a jurisdiction other than the United Kingdom should read paragraph 7 of Part 3 of this document. It is the responsibility of all Overseas Shareholders to satisfy themselves as to the observance of any legal requirements in their jurisdiction, including, without limitation, any relevant requirements in relation to the ability of such persons to complete and return a Tender Form.

### ***Taxation***

The attention of Shareholders is drawn to Part 4 of this document, which sets out a general guide to certain aspects of current UK law and HM Revenue & Customs published practice. **Shareholders who are in any doubt as to their tax position or who are subject to tax in a jurisdiction other than the United Kingdom should consult an appropriate independent professional adviser.**

### ***Risk Factors***

Shareholders should consider carefully the specific risks described below, in addition to the other information set out in this document, when considering the Tender Offer. The following risks are those risks which the Directors consider to be material as at the date of this document. Additional

risks and uncertainties which were not known to the Directors at the date of this document or that the Directors considered at the date of this document to be immaterial may also materially and adversely affect the Company's business, financial condition or results or prospects.

- Past performance (including in relation to realisations) is not, and should not be relied on as, a guide to the likely future performance of the Company. Accordingly, the Company's future performance may be materially different, either to the benefit or detriment of Shareholders, to the Company's past performance.
- The discount to NAV at which the Shares currently trade may not reduce as a result of the Tender Offer (or otherwise) and may increase.
- The lower number of Shares in issue following completion of the Tender Offer may reduce secondary market liquidity in the Shares which could, accordingly, adversely affect a Shareholder's ability to sell their Shares in the market.

## Action to be Taken

### **Shareholders**

**Shareholders are not obliged to tender any Shares and Shareholders who do not wish to participate in the Tender Offer need take no action.**

Shareholders who hold their Shares in certificated form will also find accompanying this document a personalised Tender Form for use in connection with the Tender Offer. Such Shareholders who wish to tender some or all of the Shares registered in their name at the Record Date should complete the Tender Form in accordance with the instructions printed on it and in paragraph 4.2 of Part 3 of this document. The completed Tender Form together with the relevant share certificate(s) and/or other document(s) of title should be sent to the Receiving Agent by post or (during normal business hours only) delivered by hand to Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to be received by not later than 3.00 p.m. on Wednesday, 14 May 2014. A prepaid envelope is enclosed for this purpose (for use within the UK only).

Shareholders who hold their Shares in uncertificated form (i.e. in CREST) who wish to take advantage of the Tender Offer should comply with the procedures set out in paragraph 4.3.1 in Part 3 of this document in respect of transferring uncertificated Shares to escrow through CREST. To do so they should ensure that their CREST nominee, custodian, broker or financial adviser has been advised to send the TTE Instruction through CREST so as to settle by not later than 3.00 p.m. on Wednesday, 14 May 2014.

Full details of the procedure for tendering Shares are set out in paragraph 4 of Part 3 of this document and, in respect of Shares held in certificated form, in the Tender Form.

**Shareholders should note that, once tendered, Shares may not be sold, transferred, charged or otherwise disposed of other than in accordance with the Tender Offer.**

### **Alliance Trust Savings Product Investors**

**Alliance Trust Savings Product Investors are not obliged to tender any Shares and Shareholders who do not wish to participate in the Tender Offer need take no action.**

Alliance Trust Savings Limited will be writing to Alliance Trust Savings Product Investors to explain the action they will need to take if they wish to tender some or all of the Shares held by them through the Alliance Trust Savings Product Range.

### **General**

A Shareholder Helpline has been established by the Company's registrar, Equiniti Limited, on 0871 384 2805 or, if calling from outside the United Kingdom, +44 121 415 0279. Lines are open from 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday (except UK public holidays). Calls from within the UK to 0871 384 2805 are charged at 8p per minute (excluding VAT) plus network extras. Calls from outside the UK to +44 121 415 0279 will be charged at the applicable international rate (different charges may apply to calls from mobile telephones). Calls may be recorded and randomly monitored for security and training purposes. For legal reasons, the Receiving Agent will not be able to give advice on the merits of the Tender Offer or provide legal, financial, investment or tax advice and, accordingly, if you require such advice, you should consult your stockbroker, bank manager,

solicitor, accountant or other independent financial adviser authorised under FSMA immediately or, if you are in a jurisdiction outside the United Kingdom, another appropriately authorised independent financial adviser.

**The Board makes no recommendation to Shareholders or Alliance Trust Savings Product Investors as to whether or not to tender their Shares pursuant to the Tender Offer. Whether or not Shareholders or Alliance Trust Savings Product Investors decide to tender their Shares will depend on, among other things, their view of the Company's prospects and their own individual circumstances, including their tax position, on which they should seek their own independent advice.**

## Recommendation

The Board believes that the Tender Offer is in the best interests of Shareholders as a whole. Accordingly, the Board recommends that Shareholders vote in favour of resolution 13, which relates to the Tender Offer, to be proposed at the Annual General Meeting as those Directors who hold beneficial interests in Shares intend to do in respect of their own beneficial holdings of 150,132 Shares, representing 0.7 per cent. of the Voting Share Capital.

Yours faithfully

David Gamble  
*Chairman*

## PART 2

### LETTER FROM CANTOR FITZGERALD



Cantor Fitzgerald Europe  
One Churchill Place, Level 20  
London E14 5RD

7 April 2014

To Shareholders

Dear Sir or Madam

#### TENDER OFFER

##### Introduction

As explained in the letter from your Chairman in Part 1 of this document, Shareholders (other than Restricted Shareholders) are being given the opportunity to tender some or all of their Shares for purchase pursuant to the Tender Offer. This is subject to the scaling back of tenders in excess of the entitlement of each Shareholder to tender up to 5 per cent. of the Shares registered in such Shareholder's name at the Record Date rounded down to the nearest whole number of Shares, on the basis set out below and in Part 3 of this document.

The purpose of this letter is to summarise the principal terms and conditions of the Tender Offer.

##### The Tender Offer

Cantor Fitzgerald hereby invites Shareholders (other than Restricted Shareholders) on the Register at the Record Date to tender Shares for purchase by Cantor Fitzgerald, as principal, for cash at a price of 475p per Share.

Each Shareholder (other than Restricted Shareholders) will be entitled to have accepted pursuant to the Tender Offer valid tenders to Cantor Fitzgerald in respect of up to 5 per cent. of the number of Shares registered in their name in the Register at the close of business on Wednesday, 14 May 2014, rounded down to the nearest whole number of Shares. In addition, Shareholders (other than Restricted Shareholders) may tender Shares in excess of their Basic Entitlement but any such excess tenders will only be satisfied to the extent that other Shareholders have not validly tendered all or any part of their Basic Entitlement, as the case may be. Tenders in excess of the Basic Entitlement will only be satisfied on a *pro rata* basis to the extent that other Shareholders validly tender less than (or none of) their Basic Entitlement, with *pro rata* entitlements being rounded down to the nearest whole number of Shares. The number of Shares to be purchased pursuant to the Tender Offer will not in any event exceed 1,098,345 Shares, representing 5 per cent. of the Shares in issue at the date of this document.

The Tender Offer is being made on the terms and subject to the conditions set out in Part 3 of this document and also, in the case of Shareholders holding their Shares in certificated form, in the Tender Form, the terms of which form part of the terms of the Tender Offer.

## Procedure for Tendering Shares

**Shareholders are not obliged to tender any Shares and participation in the Tender Offer is a matter for each Shareholder to decide, and will be influenced by their own individual financial and tax circumstances, their investment objective and their view of the Company's prospects. Shareholders who do not wish to participate in the Tender Offer need take no action.** The rights of Shareholders who choose not to tender any of their Shares will be unaffected by the Tender Offer.

Shareholders (other than Restricted Shareholders) who hold their Shares in certificated form and who wish to tender Shares should complete the Tender Form in accordance with the instructions set out in it and in paragraph 4.2 of Part 3 of this document and return the completed Tender Form by post or (during normal business hours) by hand to Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to be received as soon as possible and in any event by not later than 3.00 p.m. on Wednesday, 14 May 2014. Such Shareholders should also return with their Tender Form the share certificate(s) and/or other documents of title in respect of their Shares tendered which are in certificated form.

Shareholders (other than Restricted Shareholders) who hold their Shares in uncertificated form (i.e. in CREST) and who wish to tender Shares should not complete a Tender Form and should instead arrange for their Shares to be transferred to escrow by sending a TTE Instruction in respect of such Shares, as described in sub-paragraph 4.3.1 of Part 3 of this document, as soon as possible and in any event so as to settle by not later than 3.00 p.m. on Wednesday, 14 May 2014.

Full details of the procedure for tendering Shares are set out in paragraph 4 of Part 3 of this document and, in respect of Shares held in certificated form, in the Tender Form. A Shareholder who tenders Shares in the Tender Offer will be deemed to have appointed Equiniti Limited as their agent in respect of the sale of Shares to Cantor Fitzgerald pursuant to the Tender Offer. Accordingly, Cantor Fitzgerald will issue a contract note to Equiniti Limited on behalf of all Shareholders for the sale of Shares pursuant to the Tender Offer.

**Shareholders should note that, once tendered, Shares may not be sold, transferred, charged or otherwise disposed of other than in accordance with the Tender Offer.**

**If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under FSMA immediately or, if you are in a jurisdiction outside the United Kingdom, another appropriately authorised independent financial adviser.**

## Validity of Tenders

Tender Forms and TTE Instructions which are received by the Receiving Agent after 3.00 p.m. on Wednesday, 14 May 2014 or which at that time are incorrectly completed or not accompanied by all relevant documents or instructions may be rejected and returned to the relevant Shareholders or their appointed agents, together with any accompanying share certificate(s) and/or other document(s) of title.

Cantor Fitzgerald reserves the right to treat as valid Tender Forms and TTE Instructions which are not entirely in order and which are not accompanied (in the case of Shares held in certificated form) by the relevant share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof.

## Settlement

Subject to the Tender Offer becoming unconditional, payment of the consideration to which Shareholders are entitled pursuant to valid tenders accepted by Cantor Fitzgerald will be made in pounds sterling:

- in the case of Shares held in certificated form, by cheques despatched by Friday, 23 May 2014; or
- in the case of Shares held in uncertificated form, will be settled through CREST on Tuesday, 20 May 2014 or as soon as practicable thereafter;

as described in paragraph 6 of Part 3 of this document.



## Overseas Shareholders

The availability of the Tender Offer to Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction in which they are located and this document does not constitute or form part of any offer to purchase, or invitation to sell, Shares in any jurisdiction in which such offer or invitation is unlawful. Without prejudice to the foregoing generality, the Tender Offer is not available to Shareholders with registered or mailing addresses in Restricted Jurisdictions or who are citizens or nationals of, or resident in, a Restricted Jurisdiction.

Shareholders with registered or mailing addresses outside the United Kingdom and the Restricted Jurisdictions who wish to accept the Tender Offer should also read paragraph 7 of Part 3 of this document and should satisfy themselves that they have fully observed any applicable legal requirements under the laws of the relevant jurisdiction.

## Conditions of the Tender Offer

The Tender Offer is conditional, *inter alia*, on the passing of the Tender Offer Resolution at the Annual General Meeting on Wednesday, 14 May 2014, (or such later date, not being later than Wednesday, 28 May 2014, as the Company and Cantor Fitzgerald may agree). The Tender Offer is also conditional on the other matters specified in paragraph 3.1 of Part 3 of this document.

## Termination of the Tender Offer

The Tender Offer may be terminated in the circumstances described in paragraph 3.2 of Part 3 of this document. In particular, the Board has reserved the right to require that Cantor Fitzgerald does not proceed with the Tender Offer if it concludes, at any time prior to the announcement of the result of the Tender Offer, that the implementation of the Tender Offer or the subsequent purchase by the Company of the Shares purchased by Cantor Fitzgerald pursuant to the Tender Offer is no longer in the best interests of the Company and Shareholders as a whole.

## The City Code on Takeovers and Mergers

Shareholders should note the important information in paragraph 1 of Part 5 of this document relating to certain provisions of the Takeover Code, which is relevant to purchases of Shares on or after 20 March 2014.

## Further Information

Your attention is drawn to the information contained in the rest of this document, including, in particular, the terms and conditions of the Tender Offer in Part 3 of this document and the information regarding taxation in Part 4 of this document.

## General

This letter is not a recommendation to Shareholders to sell or not sell Shares in the Tender Offer.

Yours faithfully

Sue Inglis  
*Managing Director, Corporate Finance*  
For and on behalf of Cantor Fitzgerald Europe

## PART 3

### TERMS AND CONDITIONS OF THE TENDER OFFER

#### 1. Introduction

- 1.1 All Shareholders (other than Restricted Shareholders) on the Register at the Record Date may tender Shares for purchase by Cantor Fitzgerald (acting as principal) on the terms and subject to the conditions set out in this document and, in the case of Shares held in certificated form, in the Tender Form. **Shareholders are not obliged to tender any Shares and Shareholders who do not wish to participate in the Tender Offer need take no action.**
- 1.2 Shares purchased by Cantor Fitzgerald pursuant to the Tender Offer will be purchased by Cantor Fitzgerald as principal and such purchases will be market purchases in accordance with rules of the London Stock Exchange and UK Listing Authority. Immediately following completion of the Tender Offer, Cantor Fitzgerald shall sell such Shares to the Company, at a price per Share equal to the Tender Price, pursuant to the Purchase Agreement. Purchases of Shares by the Company pursuant to the Purchase Agreement will also be market purchases in accordance with rules of the London Stock Exchange and UK Listing Authority. All of the Shares purchased by the Company pursuant to the Purchase Agreement in connection with the Tender Offer will be cancelled.

#### 2. Terms of the Tender Offer

- 2.1 Pursuant to the Tender Offer and subject to the terms and conditions set out in this Part 3 and, in the case of Shares held in certificated form, the Tender Form, each Shareholder (other than Restricted Shareholders) on the Register at the Record Date:
- (i) will be entitled to sell to Cantor Fitzgerald up to 5 per cent. of the Shares registered in their name in the Register at the Record Date (such entitlement being rounded down to the nearest whole number of Shares) at the Tender Price; and
  - (ii) will be entitled to tender to Cantor Fitzgerald any whole number of Shares registered in their name in the Register at the Record Date in excess of their Basic Entitlement at the Tender Price;
- provided that the maximum number of Shares purchased by Cantor Fitzgerald pursuant to the Tender Offer will not exceed 1,098,345 Shares, representing 5 per cent. of the Voting Share Capital as at the date of this document.
- 2.2 If a Shareholder validly tenders a number of Shares less than or equal to their Basic Entitlement, such tender will be satisfied in full (subject to the Tender Offer not having lapsed or been terminated in accordance with paragraph 3 of this Part 3) (a "**Satisfied Tender**"). If any Shareholder validly tenders a number of Shares in excess of their Basic Entitlement (an "**Excess Tender**"), such Excess Tender will be (subject to the Tender Offer not having lapsed or been terminated in accordance with paragraph 3 of this Part 3):
- (i) satisfied in full if (a) the aggregate number of Shares which are the subject of all Excess Tenders is less than or equal to (b) the maximum number of Shares to be purchased pursuant to the Tender Offer after deducting the aggregate number of Shares which are the subject of all Satisfied Tenders; or
  - (ii) scaled back by the ratio of (a) the maximum number of Shares to be purchased pursuant to the Tender Offer after deducting the aggregate number of Shares which are the subject of all Satisfied Tenders to (b) the aggregate number of Shares which are the subject of all Excess Tenders and the number of Shares resulting from such scaling back being rounded down to the nearest whole number.
- 2.3 The Tender Offer will close at 3.00 p.m. on Wednesday, 14 May 2014 and no tenders received after that time will be accepted unless otherwise approved by Cantor Fitzgerald (with the consent of the Company). The results of the Tender Offer and, if applicable, the extent to which Excess Tenders will be scaled-back, are expected to be announced through a Regulatory Information Service on or around Thursday, 15 May 2014.

- 2.4 All tenders of Shares held in certificated form must be made on the personalised Tender Form, duly completed in accordance with the instructions set out in paragraph 4.2 of this Part 3 and in the Tender Form (which together constitute part of the terms of the Tender Offer) and such tenders will be valid only when the procedures contained in this document and in the Tender Form are complied with. All tenders of Shares held in uncertificated form must be made by the input and settlement of an appropriate TTE Instruction in CREST in accordance with the instructions set out in paragraph 4.3.1 of this Part 3 and the relevant procedures in the CREST Manual (which together constitute part of the terms of the Tender Offer) and such tenders will be valid only when the procedures contained in this document and in the relevant parts of the CREST Manual are complied with. Tender Forms once duly completed (for Shares held in certificated form) and submitted to the Receiving Agent and TTE Instructions which have settled (for Shares held in uncertificated form) will become irrevocable and cannot be withdrawn.
- 2.5 All Shares successfully tendered pursuant to the Tender Offer will be purchased by Cantor Fitzgerald, as principal:
- (i) at the Tender Price;
  - (ii) free of all commissions and dealing charges;
  - (iii) with full title guarantee;
  - (iv) free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature; and
  - (v) together with all rights attaching thereto, on or after Wednesday, 14 May 2014, including the right to receive all dividends and other distributions declared after that date.
- The consideration for each tendered Share purchased by Cantor Fitzgerald pursuant to the Tender Offer will be paid in pounds sterling in accordance with the settlement procedures set out in paragraph 6 of this Part 3.
- 2.6 If only part of a holding of Shares is sold pursuant to the Tender Offer (whether pursuant to scaling back tenders in excess of the Basic Entitlement or otherwise), the relevant Shareholder will be entitled to receive the following:
- (i) where the Shares are held in certificated form, a certificate in respect of the balance of the unsold Shares; and
  - (ii) where the Shares are held in uncertificated form, the transfer by the Receiving Agent by TFE Instruction to the original available balance of those unsold Shares or the credit of the balance of the Shares by the Receiving Agent by an ARAN message.
- 2.7 If any tendered Shares are not purchased because of an invalid tender, the lapse or termination of the Tender Offer or otherwise:
- (i) where the Shares are held in certificated form, the relevant Tender Form and share certificate(s) and/or document(s) of title will be returned by post to the person or agent whose name and address (outside the Restricted Jurisdictions) is set out in Box 3 in the Tender Form or, if none is set out, to the tendering Shareholder; and
  - (ii) where the Shares are held in uncertificated form, the Receiving Agent will provide instructions to Euroclear to transfer all Shares held in escrow by TFE Instruction to the original available balance to which those Shares relate;
- within 10 Business Days of the tender having been determined to be invalid or the Tender Offer lapsing or having been terminated.
- 2.8 All documents and remittances sent by or to Shareholders and all instructions made by or on behalf of Shareholders in CREST relating to the Tender Offer will be sent or made (as the case may be) at the risk of the relevant Shareholder. In particular, the failure of any person to receive a copy of this document or, where applicable, the Tender Form shall not invalidate any aspect of the Tender Offer.
- 2.9 All questions as to the number of Shares tendered and the validity, form, eligibility (including the time of receipt) and acceptance for payment of any tender of Shares pursuant to the Tender Offer will be determined by Cantor Fitzgerald, in its sole discretion, which

determination shall be final and binding on all parties except as otherwise required under applicable law. Cantor Fitzgerald reserves the absolute right to reject any or all tenders it determines not to be in proper form or the acceptance or payment for which may, in the opinion of Cantor Fitzgerald, be unlawful. Cantor Fitzgerald also reserves the absolute right to waive any of the terms or conditions of the Tender Offer (other than the conditions referred to in paragraph 3.1 of this Part 3) and any defect or irregularity in the tender of any particular Shares or any particular holder thereof. Unless Cantor Fitzgerald determines otherwise, no tender of Shares will be deemed to be validly made until all defects or irregularities have been cured or waived. In the event of a waiver, the consideration pursuant to the Tender Offer will not be despatched (in respect of Shares held in certificated form) or made by way of CREST payment (in respect of Shares held in uncertificated form) to the relevant Shareholder until after (in the case of Shares held in certificated form) the Tender Form is complete in all respects and the share certificate(s) and/or other document(s) of title satisfactory to Cantor Fitzgerald have been received or (in the case of Shares in uncertificated form) the relevant TTE Instruction has settled. None of the Receiving Agent, Cantor Fitzgerald, the Company or any other person is or will be obliged to give notice of any defects or irregularities in any tender and none of them will incur any liability for failure to give any such notice.

- 2.10 The terms of the Tender Offer (including the times and dates referred to in this document) shall have effect subject to such non-material modifications as the Company and Cantor Fitzgerald may from time to time agree. Any such modification will be announced as soon as practicable through a Regulatory Information Service.
- 2.11 For the avoidance of doubt, entitlements pursuant to the Tender Offer will apply to each registered Shareholder and, accordingly, a registered Shareholder who holds Shares for multiple beneficial owners may decide the allocation of such entitlements between such beneficiaries at their own discretion.

### 3. Conditions and Termination of the Tender Offer

- 3.1 The Tender Offer is conditional on the following (together, the **"Conditions"**):
  - (i) the passing of the Tender Offer Resolution by not later than Wednesday, 14 May 2014 (or such later date, not being later than Wednesday, 28 May 2014, as the Company and Cantor Fitzgerald may agree);
  - (ii) Cantor Fitzgerald being satisfied that the Company has sufficient distributable profits (for the purposes of the Companies Act 2006) to effect the purchase of all of the Shares as are to be purchased by it pursuant to the Purchase Agreement;
  - (iii) Cantor Fitzgerald being satisfied that, at all times up to immediately prior to the announcement of the result of the Tender Offer, the Company has complied with its obligations (excluding its payment obligation referred to in sub-paragraph (iv) below), and is not in breach of any of the representations and warranties given by it, pursuant to the Purchase Agreement;
  - (iv) Cantor Fitzgerald being satisfied that the Company has paid to the Receiving Agent an amount of not less than the aggregate amount payable by the Company for the Shares purchased by Cantor Fitzgerald pursuant to the Tender Offer in accordance with the terms of the Purchase Agreement; and
  - (v) the Tender Offer not having been terminated in accordance with paragraph 3.2 of this Part 3 prior to the fulfilment of the conditions referred to in sub-paragraphs (i) to (iii) (inclusive) above.

Cantor Fitzgerald will not purchase (or enter into any commitment or contract to purchase) any Shares pursuant to the Tender Offer unless all of the Conditions have been satisfied. The purchase by Cantor Fitzgerald of Shares pursuant to the Tender Offer will only occur once all of the Conditions have been satisfied. The Conditions may not be waived by Cantor Fitzgerald or the Company. If any of the Conditions are not satisfied by 2.00 p.m. on Thursday, 15 May 2014 (or such later time and date, not being later than Thursday, 29 May 2014, as the Company and Cantor Fitzgerald may agree), the Tender Offer will lapse.

- 3.2 The Board reserves the right to compel Cantor Fitzgerald to terminate the Tender Offer at any time prior to announcement of the results of the Tender Offer if it concludes that the

implementation of the Tender Offer or the subsequent purchase by the Company of the Shares purchased by Cantor Fitzgerald pursuant to the Tender Offer is no longer in the best interests of the Company and Shareholders as a whole or if the purchase of Shares by Cantor Fitzgerald pursuant to the Tender Offer or the subsequent purchase by the Company of such Shares may have adverse fiscal or other consequences (whether by reason of any change in legislation, practice, circumstances or otherwise) for the Company or Shareholders as a whole which were previously unexpected. If the Tender Offer is terminated, the Company will make an announcement through a Regulatory Information Service that such is the case.

#### 4. Procedure for Tendering Shares

##### 4.1 **Overview**

There are different procedures for tendering Shares depending on whether the Shares are held in certificated or uncertificated form (i.e. in CREST).

Shareholders who wish to tender Shares held in certificated form must complete and return the personalised Tender Form in accordance with the instructions in paragraph 4.2 of this Part 3 and in the Tender Form. A Shareholder who wishes to tender Shares held in certificated form but under different designations must complete and return a separate Tender Form for each designation (further copies of the Tender Form may be obtained on request from Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, or by telephone from the Shareholder Helpline referred to below). The relevant share certificate(s) and/or other documents of title should also be returned with the relevant Tender Form.

Shareholders who wish to tender Shares held in uncertificated form must send a TTE Instruction in accordance with the procedure set out in paragraph 4.3.1 of this Part 3. A Shareholder who wishes to tender Shares held in uncertificated form but under different member account IDs must send a separate TTE Instruction for Shares in each member account ID.

A tender will only be valid when the procedures contained in this paragraph 4 and, where the tendered Shares are held in certificated form, in the Tender Form are complied with.

**Shareholders who are in any doubt as to how to complete the Tender Form or as to the procedure for tendering Shares should telephone the Shareholder Helpline on 0871 384 2805 or, if calling from outside the United Kingdom, +44 121 415 0279. Lines are open from 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday (except UK public holidays). Calls from within the UK to 0871 384 2805 are charged at 8p per minute (excluding VAT) plus network extras. Calls from outside the UK to +44 121 415 0279 will be charged at the applicable international rate (different charges may apply to calls from mobile telephones). Calls may be recorded and randomly monitored for security and training purposes. For legal reasons, the Receiving Agent will not be able to give advice on the merits of the Tender Offer or provide legal, financial, investment or tax advice and, accordingly, if Shareholders require such advice, they should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under FSMA immediately or, if they are in a jurisdiction outside the United Kingdom, another appropriately authorised independent financial adviser. Shareholders who are CREST sponsored members should consult their CREST sponsor before taking any action.**

##### 4.2 **Shares Held in Certificated Form (i.e. not in CREST)**

To participate in the Tender Offer, a Shareholder holding Shares in certificated form must complete and return the Tender Form in accordance with the instructions in this paragraph 4.2 and in the Tender Form.

Completed Tender Forms, together with the relevant share certificate(s) and/or other document(s) of title, should be either sent by post in the accompanying reply-paid envelope (for use in the UK only) or (during normal business hours only) delivered by hand to the Receiving Agent at Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, as soon as possible and, in any event, so as to be received by not later than 3.00 p.m. on Wednesday, 14 May 2014. Tenders received after that time will

be accepted only at the sole discretion of Cantor Fitzgerald (with the consent of the Company).

A reply-paid envelope for use in the UK only is enclosed with this document. Any Tender Form received in an envelope postmarked from any of the Restricted Jurisdictions or otherwise appearing to the Receiving Agent to have been sent from any of the Restricted Jurisdictions will be rejected as an invalid tender. Further provisions relating to Overseas Shareholders are contained in paragraph 7 of this Part 3.

Duly completed Tender Forms sent by any of the means set out above and received signed and complete in all respects by the prescribed time will be treated as tenders of Shares in accordance with the terms and conditions of the Tender Offer. No acknowledgement of receipt of documents will be given.

The completed Tender Form should be accompanied by the relevant share certificate(s) and/or other document(s) of title. If the share certificate(s) and/or other document(s) of title are not readily available (for example, if they are with a stockbroker, bank or other agent) or are lost, the Tender Form should nevertheless be completed and returned in accordance with the instructions above so as to be received by the Receiving Agent at Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, by not later than 3.00 p.m. on Wednesday, 14 May 2014 together with any share certificate(s) and/or other document(s) of title that may be available, accompanied by a letter stating that the (remaining) share certificate(s) and/or other document(s) of title will be forwarded as soon as possible thereafter and, in any event, so as to be received by not later than 3.00 p.m. on Wednesday, 14 May 2014.

Shareholders who have lost their share certificate(s) and/or other document(s) of title should complete a letter of indemnity, which can be obtained by writing to Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, or contacting the Shareholder Helpline referred to in paragraph 4.1 of this Part 3, and return it with the Tender Form in accordance with the instructions above so as to be received by the Receiving Agent at Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, by not later than 3.00 p.m. on Wednesday, 14 May 2014. A fee may be payable by the Shareholder in respect of each letter of indemnity.

Where a letter of indemnity in respect of any unavailable share certificate(s) and/or other document(s) of title and such certificate(s) and/or other document(s) are subsequently found or obtained, such certificate(s) and/or other document(s) should be sent by post or (during normal business hours only) delivered by hand to Corporate Actions, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, immediately.

By signing and returning the Tender Form, Shareholders will be deemed to have appointed the Receiving Agent as their agent in respect of the purchase of Shares by Cantor Fitzgerald pursuant to the Tender Offer. Accordingly:

- (i) the Receiving Agent, acting as agent for such Shareholders, will effect such procedures as are required to transfer their Shares to Cantor Fitzgerald pursuant to the Tender Offer; and
- (ii) Cantor Fitzgerald will issue a contract note to the Receiving Agent on behalf of Shareholders whose Shares are so purchased and will remit the cash consideration to the Receiving Agent with instructions that such consideration be remitted in accordance with the instructions set out in the Tender Form.

#### **4.3 *Shares Held in Uncertificated Form (i.e. in CREST)***

##### **4.3.1 *Completion of TTE Instruction***

To participate in the Tender Offer, a Shareholder holding Shares in uncertificated form must take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Shares they wish to tender pursuant to the Tender Offer to the escrow account, specifying Equiniti Limited (in its capacity as a CREST receiving agent under its participant ID and member account ID referred to below) as the escrow agent, as soon as possible and in any event so that the transfer to escrow settles by not later than 3.00 p.m. on Wednesday, 14 May 2014.

A Shareholder who is a CREST sponsored member should refer to their CREST sponsor before taking any action. Their CREST sponsor will be able to confirm details

of such Shareholder's participant ID and the member account ID under which their Shares are held. In addition, only such Shareholder's CREST sponsor will be able to send the TTE Instruction to Euroclear in relation to the Shares which they wish to tender.

To tender Shares held in uncertificated form, a Shareholder must send (or, if they are a CREST sponsored member, procure that their CREST sponsor sends) a TTE Instruction to Euroclear in relation to such Shares, which must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain, in addition to other information that is required for the TTE Instruction to settle in CREST, the following details:

- (i) the ISIN number of the Shares (this is GB0005776561);
- (ii) the number of Shares to be transferred to an escrow balance;
- (iii) the Shareholder's participant ID;
- (iv) the Shareholder's member account ID;
- (v) the participant ID of the escrow agent, Equiniti Limited, in its capacity as a CREST receiving agent (this is 2RA11);
- (vi) the member account ID of the escrow agent (this is RA167601);
- (vii) the corporate action number for the Tender Offer (this is allocated by CREST and can be found by viewing the relevant corporate action details in CREST);
- (viii) the intended settlement date for the transfer to escrow (this should be as soon as possible and in any event not later than 3.00 p.m. on Wednesday, 14 May 2014);
- (ix) input with standard delivery instruction of priority 80; and
- (x) a contact name and telephone number in the event of queries (this should be inserted in the shared note field).

After settlement of the TTE Instruction, a Shareholder will not be able to access the Shares concerned in CREST for any transaction or for charging purposes, notwithstanding that they will be held by the Receiving Agent as the Shareholder's escrow agent until completion, lapse or termination of the Tender Offer. If the Tender Offer becomes unconditional by 2.00 p.m. on Thursday, 15 May 2014 (or such later time and date, not being later than Thursday, 29 May 2014, as the Company and Cantor Fitzgerald may agree), the Receiving Agent will transfer the Shares which are accepted for purchase by Cantor Fitzgerald pursuant to the Tender Offer to itself as the agent of Cantor Fitzgerald, returning any Shares not successfully tendered to the Shareholders concerned.

Shareholders are recommended to refer to the CREST Manual for further information on the CREST procedures outlined in this paragraph 4.3.1.

Shareholders should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement (in particular, settlement cannot take place on weekends, bank holidays or other times at which the CREST system is non-operational and TTE Instructions should be input accordingly). Shareholders should therefore ensure that all necessary action is taken by them (or by their CREST sponsor) to enable a TTE Instruction relating to their Shares to settle prior to 3.00 p.m. on Wednesday, 14 May 2014. In this connection, Shareholders are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

An announcement through a Regulatory Information System will be made if any of the details contained in this paragraph 4.3.1 are altered.

The input and settlement of a TTE Instruction in accordance with this paragraph 4.3.1 shall constitute an offer to Cantor Fitzgerald to sell to it the number of Shares transferred to the escrow account referred to above.

By inputting a TTE Instruction in accordance with this paragraph 4.3.1, Shareholders will be deemed to have appointed the Receiving Agent as their agent in respect of the purchase of Shares by Cantor Fitzgerald pursuant to the Tender Offer. Accordingly:

- (i) the Receiving Agent, acting as agent for such Shareholders, will effect such procedures as are required to transfer their Shares to Cantor Fitzgerald pursuant to the Tender Offer; and
- (ii) Cantor Fitzgerald will issue a contract note to the Receiving Agent on behalf of Shareholders whose Shares are so purchased and will remit the cash consideration to the Receiving Agent with instructions that such consideration be remitted in accordance with the instructions set out in the Tender Form.

#### 4.3.2 *Deposits of Shares into, and Withdrawals of Shares from, CREST*

Normal CREST procedures (including timings) apply in relation to any Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the Tender Offer (whether such conversion arises as a result of a transfer of Shares or otherwise). Shareholders who are proposing to convert any such Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Shares as a result of the conversion to take all necessary steps in connection with such person's participation in the Tender Offer (in particular, as regards delivery of the share certificates and/or other documents of title or transfers to an escrow balance as described in paragraphs 4.2 and 4.3.1 respectively of this Part 3) prior to 3.00 p.m. on Wednesday, 14 May 2014.

#### 4.4 **Validity of Tenders**

##### 4.4.1 *Shares Held in Certificated Form*

Cantor Fitzgerald reserves the right to treat as valid only Tender Forms which are received entirely in order by 3.00 p.m. on Wednesday, 14 May 2014 and which are accompanied by the relevant share certificate(s) and/or other document(s) of title, or an indemnity acceptable to Cantor Fitzgerald in lieu thereof, in respect of the entire number of Shares tendered.

##### 4.4.2 *Shares Held in Uncertificated Form*

A Tender Form which is received in respect of Shares held in uncertificated form will not constitute a valid tender and will be disregarded. Shareholders holding Shares in uncertificated form who wish to tender such shares should note that a TTE Instruction will be a valid tender as at Wednesday, 14 May 2014 only if it has settled on or before 3.00 p.m. on that date.

#### 4.5 **General**

4.4.1 Notwithstanding the receipt of a valid Tender Form or settlement of a TTE Instruction, as applicable, the Tender Offer may lapse or be terminated in accordance with paragraph 3 of this Part 3.

4.5.2 The decision of Cantor Fitzgerald as to which Shares have been validly tendered shall be conclusive and binding on all Shareholders.

4.5.3 Once tendered, Shares may not be sold, transferred, charged or otherwise disposed of.

#### 5. Tender Representations and Warranties

##### 5.1 **Shareholders Tendering Shares Held in Certificated Form**

Each Shareholder by whom, or on whose behalf, a Tender Form is completed and returned (including a Tender Form which is treated by Cantor Fitzgerald as valid) irrevocably undertakes, represents, warrants and agrees to and with Cantor Fitzgerald (so as to bind such Shareholder and their personal representatives, heirs, successors and assigns) that:

- (i) the execution of the Tender Form shall constitute an offer to sell to Cantor Fitzgerald such number of Shares as is inserted, or deemed to be inserted, in either Box 1A (being the Basic Entitlement) or Box 1B in the Tender Form (or deemed to be tendered in accordance with sub-paragraph (ii) or (iii) below), in each case on and subject to the terms and conditions set out or referred to in this document and the Tender Form;
- (ii) if neither Box 1A nor Box 1B in the Tender Form have been completed, or if Cantor Fitzgerald determines (in its absolute discretion) that Box 1 in the Tender Form has not been validly completed (for example, if both Box 1A and Box 1B have been completed)



and provided that the Tender Form is otherwise in order, such Shareholder will be deemed to have tendered all of the Shares that are evidenced by the share certificate(s) and/or other document(s) of title, or an indemnity acceptable to Cantor Fitzgerald in lieu thereof, accompanying the Tender Form or, if less, the number of Shares registered in their name in the Register at the Record Date;

- (iii) if the Receiving Agent has not received the share certificate(s) and/or other document(s) of title, or an indemnity acceptable to Cantor Fitzgerald in lieu thereof, in respect of the tendered Shares by 3.00 p.m. on Wednesday, 14 May 2014, Cantor Fitzgerald may deem (in its absolute discretion) that such Shareholder has only tendered the number of Shares in respect of which share certificate(s) and/or other document(s) of title, or an indemnity acceptable to Cantor Fitzgerald in lieu thereof, have been received;
- (iv) the completion and return of the Tender Form shall, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of Cantor Fitzgerald or the Receiving Agent as such Shareholder's attorney and/or agent (the "**Attorney**"), and an irrevocable instruction and authority to the Attorney to:
  - (a) complete and execute any and all instrument(s) of transfer and/or other document(s) and take any and all actions which, in the Attorney's absolute discretion, are necessary or expedient in relation to the Shares referred to in sub-paragraph (i) above in favour of Cantor Fitzgerald or such other person or persons as Cantor Fitzgerald may direct; and
  - (b) deliver such instrument(s) and/or other document(s) at the discretion of the Attorney, together with the share certificate(s) and/or other document(s) of title relating to such Shares, for registration within six months of the Tender Offer becoming unconditional and to take any and all other actions which, in the Attorney's opinion, are necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in Cantor Fitzgerald, its nominee(s) or such other person(s) as Cantor Fitzgerald may direct such of the Shares as are successfully tendered;
- (v) if the appointment of attorney and/or agent provision under sub-paragraph (iv) above shall be unenforceable or invalid or shall not operate so as to afford any director or officer of Cantor Fitzgerald the benefit or authority expressed to be given therein, such Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable Cantor Fitzgerald to secure the full benefits of sub-paragraph (iv) above;
- (vi) such Shareholder will deliver to the Receiving Agent their share certificate(s) and/or other document(s) of title in respect of the Shares referred to in sub-paragraph (i) above, or an indemnity acceptable to Cantor Fitzgerald in lieu thereof or will procure the delivery of such certificate(s), other document(s) and/or indemnity to the Receiving Agent as soon as possible thereafter and, in any event, by not later than 3.00 p.m. on Wednesday, 14 May 2014;
- (vii) without prejudice to the generality of sub-paragraph 5.3(vi) of this Part 3:
  - (a) such Shareholder has not received or sent copies or originals of this document, the Tender Form or any related documents in, into or from a Restricted Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails, any means or instrumentality (including, without limitation, facsimile transmission, email, other electronic transmission and telephone) of interstate or foreign commerce or any facility of a national, state or other securities exchange of a Restricted Jurisdiction;
  - (b) neither this document nor the Tender Form has been mailed or otherwise sent in, into or from a Restricted Jurisdiction; and
  - (c) such Shareholder is accepting the Tender Offer from outside any Restricted Jurisdiction;
- (viii) the despatch of a cheque to such Shareholder in accordance with paragraph 6.1.1 of this Part 3 will discharge fully Cantor Fitzgerald's obligation to pay such Shareholder the consideration to which they are entitled under the Tender Offer;
- (ix) the Tender Form takes effect as a deed on execution;

- (x) the instructions, terms and other provisions in the Tender Form form part of the terms and conditions of the Tender Offer; and
- (xi) the Tender Offer will be governed by and construed in accordance with English law and the execution of the Tender Form constitutes such Shareholder's submission to the jurisdiction of the courts of England and Wales in relation to all matters arising out of or in connection with the Tender Offer or the Tender Form.

A reference in this paragraph 5.1 to a "**Shareholder**" includes a reference to the person or persons executing the Tender Form and, in the event of more than one person executing a Tender Form, the provisions of this paragraph 5.1 will apply to them jointly and to each of them.

## 5.2 ***Shareholders Tendering Shares Held in Uncertificated Form***

Each Shareholder by whom, or on whose behalf, a TTE Instruction which is treated by Cantor Fitzgerald as valid, irrevocably undertakes, represents, warrants and agrees to and with Cantor Fitzgerald (so as to bind such Shareholder and their personal representatives, heirs, successors and assigns) that:

- (i) the input of the TTE Instruction shall constitute an offer to sell to Cantor Fitzgerald such number of Shares as are specified in the TTE Instruction or deemed to be tendered, in each case on and subject to the terms and conditions set out or referred to in this document and the TTE Instruction;
- (ii) the input of the TTE Instruction, shall, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of Cantor Fitzgerald or the Receiving Agent as such Shareholder's agent (the "**Agent**"), and an irrevocable instruction and authority to the Agent to:
  - (a) complete and execute any and all instrument(s) of transfer and/or other document(s) and take any and all actions (including inputting instructions into Euroclear) which, in the Agent's absolute discretion, are necessary or expedient in relation to the Shares referred to in sub-paragraph (i) above in favour of Cantor Fitzgerald or such other person or persons as Cantor Fitzgerald may direct; and
  - (b) deliver such instrument(s) and/or other document(s) at the discretion of the Agent or input any instructions into Euroclear relating to such Shares for registration within six months of the Tender Offer becoming unconditional and to take any and all other actions which, in the Agent's opinion, are necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in Cantor Fitzgerald, its nominee(s) or such other person(s) as Cantor Fitzgerald may direct such of the Shares as are successfully tendered;
- (iii) if the appointment of agent provision under sub-paragraph (ii) above shall be unenforceable or invalid or shall not operate so as to afford any director or officer of Cantor Fitzgerald the benefit or authority expressed to be given therein, such Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable Cantor Fitzgerald to secure the full benefits of sub-paragraph (ii) above;
- (iv) if, for any reason, any Shares in respect of which a TTE Instruction has been made are prior to 3.00 p.m. on Wednesday, 14 May 2014, converted into certificated form, the electronic tender in respect of such Shares shall cease to be valid and such Shareholder shall then comply with the procedures for tendering Shares held in certificated form as set out in paragraph 4.2 of this Part 3 in respect of the Shares so converted, if they wish to make a valid tender of such Shares pursuant to the Tender Offer;
- (v) without prejudice to the generality of sub-paragraph 5.3(vi) of this Part 3:
  - (a) such Shareholder has not received or sent copies or originals of this document or any related documents in, into or from a Restricted Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails, any means or instrumentality (including, without limitation, facsimile transmission, email, other electronic transmission and telephone) of interstate or foreign commerce or any facility of a national, state or other securities exchange,

- of a Restricted Jurisdiction at the time of the input of and settlement of the relevant TTE Instruction;
- (b) the TTE Instruction has not been sent from a Restricted Jurisdiction; and
- (c) such Shareholder is accepting the Tender Offer from outside any Restricted Jurisdiction;
- (vi) the creation of a payment obligation in favour of such Shareholder's payment bank in accordance with the CREST payment arrangements in accordance with paragraph 6.1.2 of this Part 3 will, to the extent of the obligations so created, discharge fully Cantor Fitzgerald's obligation to pay such Shareholder the consideration to which they are entitled pursuant to the Tender Offer; and
- (vii) the Tender Offer will be governed by and construed in accordance with English law and the input of the TTE Instruction constitutes such Shareholder's submission to the jurisdiction of the courts of England and Wales in relation to all matters arising out or in connection with the Tender Offer.

### 5.3 ***All Shareholders Tendering Shares***

Each Shareholder by whom, or on whose behalf, a Tender Form is completed and returned (including a Tender Form which is treated by Cantor Fitzgerald as valid) or a TTE Instruction which is treated by Cantor Fitzgerald as valid, irrevocably undertakes, represents, warrants and agrees to and with Cantor Fitzgerald (so as to bind such Shareholder and their personal representatives, heirs, successors and assigns) that:

- (i) in consideration of Cantor Fitzgerald agreeing to process their tender, such Shareholder will not revoke their tender;
- (ii) such Shareholder has full power and authority to tender, sell, assign or transfer the Shares in respect of which the offer referred to in sub-paragraph 5.1(i) (in the case of Shares held in certificated form) or sub-paragraph 5.2(i) (in the case of Shares held in uncertificated form) is accepted (together with all rights attaching thereto) and, when the same are purchased by Cantor Fitzgerald, Cantor Fitzgerald as principal will purchase such Shares as are successfully tendered with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto, on or after Wednesday, 14 May 2014, including the right to receive all dividends and other distributions declared after that date;
- (iii) such Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by Cantor Fitzgerald and/or the Receiving Agent or any of their respective directors or officers or any person nominated by Cantor Fitzgerald or the Receiving Agent or any of their respective directors or officers in the proper exercise of their powers and/or authorities in accordance with the terms and conditions of the Tender Offer;
- (iv) all powers of attorney and authorities on the terms conferred by or referred to in this Part 3 or, in the case of Shares held in certificated form, in the Tender Form are given by way of security for the performance of the obligations of such Shareholder and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971;
- (v) such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by Cantor Fitzgerald to be desirable, in each case in order to complete the purchase of such Shares as are successfully tendered and/or to perfect any of the authorities expressed to be given in accordance with the terms and conditions of the Tender Offer;
- (vi) such Shareholder has observed the laws of all relevant jurisdictions, obtained any requisite consents and complied with all applicable formalities, and that the invitation pursuant to the Tender Offer may be made to them, under the laws of the relevant jurisdictions, and has not taken or omitted to take any action which would otherwise result in Cantor Fitzgerald or the Company acting in breach of any applicable legal or regulatory requirement in respect of the purchase by Cantor Fitzgerald of the Shares successfully tendered by them in accordance with the Tender Offer; and

- (vii) such Shareholder consents to the assignment by Cantor Fitzgerald of all such benefit as Cantor Fitzgerald may have in any covenants, representations and warranties in respect of the Shares which are successfully tendered pursuant to the Tender Offer.

## 6. Settlement of Consideration

- 6.1 Payment of the consideration to which any Shareholder is entitled pursuant to a valid tender accepted by Cantor Fitzgerald will be made in pounds sterling as follows:

### 6.1.1 *Shares Held in Certificated Form*

Where an accepted tender relates to Shares held in certificated form:

- (i) a cheque drawn on a branch of a UK clearing bank for the consideration due will be despatched by the Receiving Agent (on behalf of Cantor Fitzgerald) on or as soon as practicable by Friday, 23 May 2014 by first class post to the person or agent whose name and address (not being an address in a Restricted Jurisdiction) is set out in Box 1 or Box 3 of the Tender Form or, if none is set out, to the registered address of the tendering Shareholder or, in the case of joint holders, the address of the first named; and
- (ii) notwithstanding sub-paragraph (i) above, payment of the consideration due will be made only after timely receipt by the Receiving Agent of a properly completed Tender Form and the share certificate(s) and/or other document(s) of title, or an indemnity acceptable to Cantor Fitzgerald in lieu thereof, in respect of the Shares successfully tendered.

### 6.1.2 *Shares Held in Uncertificated Form*

Where an accepted tender relates to Shares held in uncertificated form:

- (i) the consideration due will be paid on or around Tuesday, 20 May 2014 by the Receiving Agent (on behalf of Cantor Fitzgerald) procuring the creation of a CREST payment obligation in favour of the tendering Shareholder's payment bank in accordance with the CREST payment arrangements.
- (ii) notwithstanding sub-paragraph (i) above, payment of the consideration due will be made only after the relevant TTE Instruction has settled.

- 6.2 Under no circumstances will interest be paid on the consideration to which any Shareholder is entitled pursuant to a valid tender accepted by Cantor Fitzgerald regardless of any delay in making payment of such consideration.

## 7. Overseas Shareholders

- 7.1 The making of the Tender Offer in, or to persons resident in, jurisdictions outside the United Kingdom or to persons who are citizens, residents or nationals of other countries other than the United Kingdom may be affected by the laws of the relevant jurisdiction. Shareholders who are not resident in the United Kingdom, or who are citizens, residents or nationals of countries outside the United Kingdom, should inform themselves about and observe any applicable legal requirements. It is the responsibility of any Overseas Shareholder wishing to take up the Tender Offer to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction. Any Overseas Shareholder will be responsible for payment of any such transfer or other taxes or other requisite payments by whomsoever payable and the Company, Equiniti Limited, Cantor Fitzgerald and any person acting on their behalf shall be fully indemnified and held harmless by such Shareholder on an after-tax basis for any such transfer or other taxes or other requisite payments such person may be required to pay. No steps have been taken to qualify the Tender Offer or to authorise the extending of the Tender Offer or the distribution of this document or the Tender Form in any territory outside the United Kingdom.
- 7.2 In particular, the Tender Offer is not being made, directly or indirectly, in, into or from, or by use of the mail or by any means or instrumentality (including, without limitation, facsimile transmission, email, other electronic transmission and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of a Restricted Jurisdiction and

the Tender Offer cannot be accepted by any such use, means, instrumentality, facility or otherwise from within a Restricted Jurisdiction. Accordingly, copies of this document, the Tender Form and any related documents are not being, and must not be, mailed or otherwise distributed or sent in, into or from a Restricted Jurisdiction, including to Shareholders with registered addresses in a Restricted Jurisdiction or to persons who are custodians, nominees or trustees holding Shares for persons in a Restricted Jurisdiction. Persons receiving such documents (including without limitation custodians, nominees or trustees) should not distribute, send or mail them in, into or from a Restricted Jurisdiction or use such mail or any such means, instrumentality, facility or otherwise in connection with the Tender Offer, and doing so will render invalid any related purported acceptance of the Tender Offer. Persons wishing to accept the Tender Offer should not use such mail or any such means, instrumentality or facility for any purpose, directly or indirectly, relating to acceptance of the Tender Offer. Envelopes containing Tender Forms should not be postmarked in or otherwise despatched from a Restricted Jurisdiction. All accepting Shareholders must provide addresses outside a Restricted Jurisdiction for the remittance of cash or the return of documents lodged pursuant to the Tender Offer.

7.3 A Shareholder will be deemed not to have accepted the Tender Offer if:

- (i) such Shareholder is unable to make the representations and warranties set out in sub-paragraphs 5.1(vii) and 5.3(vi) (in respect of Shares held in certificated form) or sub-paragraphs 5.2(v) and 5.3(vi) (in respect of Shares held in certificated form) of this Part 3;
- (ii) in respect of Shares held in certificated form, such Shareholder inserts in the Tender Form the name and address of a person or agent in a Restricted Jurisdiction to whom they wish the consideration to which they are entitled pursuant to the Tender Offer to be sent; or
- (iii) the Tender Form received from such Shareholder is in an envelope postmarked in, or which otherwise appears to the Receiving Agent or Cantor Fitzgerald to have been sent from a Restricted Jurisdiction.

Cantor Fitzgerald reserves the right, in its absolute discretion, to investigate, in relation to any acceptance, whether the representations and warranties referred to in sub-paragraph (i) above given by, or on behalf of, any Shareholder are correct and, if such investigation is undertaken and as a result Cantor Fitzgerald determines (for any reason) that such representations and warranties are not correct, such acceptance shall not be valid.

7.4 If, in connection with making the Tender Offer, notwithstanding the restrictions described in this paragraph 7, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this document, a Tender Form or any related documents in, into or from a Restricted Jurisdiction or uses the mails, any means or instrumentality (including, without limitation, facsimile transmission, email, other electronic transmission and telephone) of interstate or foreign commerce or any facility of a national, state or other securities exchange of any Restricted Jurisdiction in connection with such forwarding, such persons should:

- (i) inform the recipient of such fact;
- (ii) explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
- (iii) draw the attention of the recipient to this paragraph 7.

7.5 The provisions of this paragraph 7 and any other terms of the Tender Offer relating to persons resident in jurisdictions outside the United Kingdom or to persons who are citizens, residents or nationals of countries other than the United Kingdom may be waived, varied or modified as regards specific Shareholders or on a general basis by Cantor Fitzgerald in its absolute discretion but only if Cantor Fitzgerald is satisfied that such waiver, variance or modification will not constitute or give rise to a breach of applicable securities or other law.

7.6 The provisions of this paragraph 7 supersede any terms of the Tender Offer inconsistent herewith.

- 7.7 Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. Any Overseas Shareholder in any doubt about their position should consult their professional adviser in the relevant jurisdiction.**

8. Miscellaneous

- 8.1 Except as contained in this document, no person has been authorised to give any information or make any representations with respect to the Company or the Tender Offer and, if given or made, such other information or representations should not be relied on as having been authorised by the Company or Cantor Fitzgerald.
- 8.2 Neither the Company nor Cantor Fitzgerald shall have any liability to any person as a result of exercising, or not exercising, any discretion conferred on them or either of them in accordance with the terms and conditions of the Tender Offer.
- 8.3 The provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to this document or the Tender Form.

## PART 4

### UK TAXATION

The information set out in this Part 4 does not constitute tax advice and is intended only as a guide to current United Kingdom law and HM Revenue & Customs ("HMRC") published practice (which are both subject to change at any time, possibly with retrospective effect). Such information relates only to certain limited aspects of the United Kingdom taxation treatment of Shareholders who are resident or, if individuals, ordinarily resident in the UK for UK tax purposes, who are the beneficial owners of their Shares and who hold their Shares as investments (and not as assets to be realised in the course of a trade, profession or vocation). They may not relate to certain Shareholders (such as dealers in securities). Shareholders in any doubt as to their taxation position should consult an appropriate professional adviser without delay.

#### 1. Taxation of Chargeable Gains

A Shareholder who sells Shares to Cantor Fitzgerald pursuant to the Tender Offer should be treated, for the purposes of UK taxation, as though the Shareholder has sold them in the normal way through the market to a third party. Accordingly, and subject to paragraph 2 of this Part 4, such a sale by a Shareholder who is resident or ordinarily resident in the UK for tax purposes may, depending on that Shareholder's personal circumstances and the availability of any exemptions, reliefs and allowable losses, give rise to a chargeable gain (or allowable loss) for the purposes of UK taxation of chargeable gains.

Shareholders who are not resident or ordinarily resident in the UK for tax purposes will not normally be liable to UK taxation on chargeable gains arising from the sale of their Shares unless those Shares are held through a UK permanent establishment, although they may be subject to foreign taxation depending on their personal circumstances.

Individual Shareholders who are temporarily neither resident nor ordinarily resident in the UK for tax purposes may be liable to capital gains tax under tax anti-avoidance legislation.

#### 2. Transactions in Securities

Chapter 1 of Part 13 of the Income Tax Act 2007 (in respect of individual Shareholders) and Part 15 of the Corporation Tax Act 2010 (in respect of corporate Shareholders) (together, the "**tax advantage provisions**") permit HMRC to counteract tax advantages arising from certain transactions in securities. The tax advantage provisions do not apply where the relevant Shareholder can show that the transaction was entered into for genuine commercial reasons and did not involve, as one of its main objects, the obtaining of a tax advantage.

If HMRC sought to apply the tax advantage provisions in respect of the Tender Offer, then some individual UK resident (or ordinarily resident) Shareholders and trustees selling their Shares pursuant to the Tender Offer might be liable to taxation as if they had received income, rather than capital.

No application has been made to HMRC for clearance that the tax advantage provisions shall not apply to any sale of Shares pursuant to the Tender Offer. **Shareholders are, however, advised to take independent professional advice as to the potential application of the tax advantage provisions in the light of their own particular motives and circumstances.**

#### 3. Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

The sale of Shares pursuant to the Tender Offer will not give rise to any liability to stamp duty or SDRT for selling Shareholders.

Stamp duty or SDRT at the rate of 0.5 per cent. of the aggregate Tender Price of the Shares purchased by the Company pursuant to the Purchase Agreement (rounded up to the nearest £5 in the case of stamp duty only) will be payable by the Company on its purchase of such Shares from Cantor Fitzgerald.

## PART 5

### ADDITIONAL INFORMATION

#### 1. The City Code on Takeovers and Mergers

Under Rule 9 of the Takeover Code ("**Rule 9**"), any person or group of persons deemed to be acting in concert who acquires 30 per cent. or more of the voting shares of a company to which the Takeover Code applies is normally required by the Panel to make a general offer to shareholders of that company to acquire their shares. Rule 9 also provides that any person or group of persons deemed to be acting in concert who own between 30 per cent. and 50 per cent. of the voting shares of a company to which the Takeover Code applies will be unable, without the Panel's consent, to acquire, either individually or together, any further voting rights in the company without being required to make a general offer to shareholders of that company to acquire their shares.

Under Rule 37.1 of the Takeover Code, when a company purchases its own voting shares, a resulting increase in the percentage of voting rights carried by shareholdings of its directors and persons acting in concert with them is treated as an acquisition for the purpose of Rule 9. A shareholder not acting in concert with the directors of that company will not normally incur an obligation to make a general offer under Rule 9, if, as a result of the purchase of its own shares by that company, that shareholder comes to exceed the percentage limits set out in Rule 9. However, this exception will not apply when a shareholder not acting in concert with the company's directors has purchased shares at a time when that shareholder had reason to believe that such a purchase of its own shares by the company would take place.

A Shareholder not acting in concert with the Directors may, therefore, incur an obligation under Rule 9 to make a general offer to Shareholders to acquire their Shares if, as a result of the purchase by the Company of its own Shares from other Shareholders, that Shareholder comes to hold or acquire 30 per cent. or more of the Shares following the Tender Offer and that Shareholder has purchased Shares on or after 20 March 2014, being the date when that Shareholder had reason to believe that the Company would purchase its own Shares pursuant to the Tender Offer.

#### 2. Purchase Agreement

By a purchase agreement between the Company and Cantor Fitzgerald dated 7 April 2014, the Company has agreed to purchase from Cantor Fitzgerald, as an on-market purchase and at an amount per Share equal to the Tender Price, all of the Shares purchased by Cantor Fitzgerald pursuant to the Tender Offer, such purchase and sale to be completed immediately following the purchase of those Shares by Cantor Fitzgerald.

Under the Purchase Agreement, which is subject to:

- (i) the passing of the Tender Offer Resolution by not later than Wednesday, 14 May 2014 (or such later date, not being later than Wednesday, 28 May 2014, as the Company and Cantor Fitzgerald may agree);
- (ii) the Company having sufficient distributable profits (for the purposes of the Companies Act 2006) to effect the purchase of all of the Shares which are to be repurchased by it pursuant to the Tender Offer; and
- (iii) the Board having not given written notice as detailed in paragraph 3.2 of Part 3;

the Company shall pay an amount equal to the Tender Price multiplied by the number of Shares successfully tendered to a non-interest bearing account with the Receiving Agent in the name of the Company as soon as practicable after the Tender Offer has closed so as to be received in cleared funds by not later than 2.00 p.m. on Thursday, 15 May 2014 (or such later time and/or date, not being later than Thursday, 29 May 2014 as may be agreed in writing by Cantor Fitzgerald and the Company).

The Purchase Agreement contains representations and warranties from the Company in favour of Cantor Fitzgerald and incorporates an indemnity in favour of Cantor Fitzgerald in respect of any liability which it may suffer in relation to its performance pursuant to the Tender Offer.



The Purchase Agreement also contains certain representations, warranties and undertakings from Cantor Fitzgerald in favour of the Company concerning its authority to enter into the agreement and to make the purchase of Shares pursuant to the Tender Offer.

### 3. General

- 3.1 Apart from the responsibilities and liabilities, if any, which may be imposed on Cantor Fitzgerald by FSMA or the regulatory regime established under FSMA, Cantor Fitzgerald accepts no responsibility whatsoever for the contents of this document or for any other statement made or purported to be made by it or on its behalf in connection with the Company or the Tender Offer. Cantor Fitzgerald accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to earlier in this paragraph) which it might otherwise have in respect of this document or any such statement. Cantor Fitzgerald has given and not withdrawn its written consent to the issue of this document with the inclusion of its letter and with the references to its name in the form and context in which they are included.
- 3.2 Assuming the Tender Offer is subscribed in full, the costs in connection with the Tender Offer are estimated to be approximately £94,000 (inclusive of stamp duty of approximately £26,000 and VAT) and will be payable by the Company.
- 3.3 There were no Shares held in treasury as at the date of this document.

## PART 6

### DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

<b>"Alliance Trust Savings Product Investors"</b>	investors in Shares through the Alliance Trust Savings Product Range
<b>"Alliance Trust Savings Product Range"</b>	in order to facilitate investment in the Company, the arrangements put in place for the Company to be part of Alliance Trust Savings Limited's product range, which includes an Investment Dealing Account, Stocks & Shares ISA and SIPP
<b>"Annual General Meeting"</b>	the annual general meeting of the Company convened for 11.00 a.m. on Wednesday, 14 May 2014 (or any adjournment of that meeting), notice of which is set out in the Annual Report and Accounts
<b>"Annual Report and Accounts"</b>	the annual report and accounts of the Company for the year ended 31 December 2013
<b>"ARAN message"</b>	a registrar's adjustment message (as defined in the CREST Manual)
<b>"Basic Entitlement"</b>	in the case of each Shareholder (other than Restricted Shareholders), the entitlement to tender in the Tender Offer up to 5 per cent. of the Shares registered in the Register in such person's name at the Record Date rounded down to the nearest whole number of Shares
<b>"Board"</b>	the board of Directors, including any duly constituted committee thereof
<b>"Business Day"</b>	any day other than a Saturday, Sunday or public holiday in England and Wales on which clearing banks in London are open for general banking business
<b>"Cantor Fitzgerald"</b>	Cantor Fitzgerald Europe
<b>"certificated" or "in certificated form"</b>	not in uncertificated form
<b>"Company"</b>	Dunedin Enterprise Investment Trust PLC
<b>"CREST"</b>	the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as operator pursuant to the CREST Regulations
<b>"CREST Manual"</b>	the compendium of documents entitled CREST Manual issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, CREST Rules, CCSS Operations Manual and the CREST Glossary of Terms
<b>"CREST member"</b>	a person who has been admitted by Euroclear as a system-member (as defined in the CREST Regulations)
<b>"CREST participant"</b>	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
<b>"CREST Regulations"</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
<b>"CREST sponsor"</b>	a CREST participant admitted to CREST as a CREST sponsor, being a sponsoring system participant (as defined in the CREST Regulations)
<b>"CREST sponsored member"</b>	a CREST member admitted to CREST as a sponsored member
<b>"Directors"</b>	the directors of the Company, whose names appear on page 3 of this document
<b>"Euroclear"</b>	Euroclear UK & Ireland Limited, the operator of CREST

<b>"FCA"</b>	Financial Conduct Authority
<b>"Final Dividend"</b>	the proposed final dividend of 16.5p per Share for the year ended 31 December 2013
<b>"FSMA"</b>	the Financial Services and Markets Act 2000
<b>"London Stock Exchange"</b>	London Stock Exchange plc
<b>"member account ID"</b>	the identification code or number attached to any member account in CREST
<b>"NAV"</b>	in relation to the Company, the net asset value of the Company as calculated by the Company in accordance with the Company's normal accounting policies or, in relation to a Share, the net asset value of the Company as so calculated divided by the number of Shares in issue on the relevant date of calculation (excluding any Shares held in treasury)
<b>"Overseas Shareholders"</b>	a Shareholder who is resident in, or a citizen of, a jurisdiction outside the United Kingdom
<b>"Panel"</b>	the Panel on Takeovers and Mergers
<b>"participant ID"</b>	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
<b>"Purchase Agreement"</b>	the agreement dated 7 April 2014 between the Company and Cantor Fitzgerald whereby the Company has agreed to purchase from Cantor Fitzgerald, as an on-market purchase and at an amount per Share equal to the Tender Price, all of the Shares purchased by Cantor Fitzgerald pursuant to the Tender Offer as summarised in paragraph 2 of Part 5 of this document
<b>"Receiving Agent"</b>	Equiniti Limited
<b>"Record Date"</b>	the record date for the Tender Offer, being the close of business on Wednesday, 14 May 2014
<b>"Register"</b>	the register of Shareholders
<b>"Regulatory Information Service"</b>	a regulatory information service approved by the FCA and on the list of regulatory information services maintained by the FCA
<b>"Restricted Jurisdiction"</b>	any of the following jurisdictions: Australia; Canada; Japan; New Zealand; the Republic of South Africa; or the United States
<b>"Restricted Shareholder"</b>	a Shareholder who is a resident in, or a citizen or national of, a Restricted Jurisdiction or any other jurisdiction where the mailing of this document or the Tender Form in, into or from such jurisdiction would constitute a violation of the laws of such jurisdiction
<b>"Shareholders"</b>	holders of Shares
<b>"Shares"</b>	ordinary shares of 25p each in the capital of the Company
<b>"Takeover Code"</b>	The City Code on Takeovers and Mergers
<b>"Tender Form"</b>	the tender form issued by the Company for use by Shareholders in connection with the Tender Offer
<b>"Tender Offer"</b>	the invitation by Cantor Fitzgerald to Shareholders (other than Restricted Shareholders) to tender, in aggregate, up to 1,098,345 Shares, representing 5 per cent. of the Voting Share Capital as at the date of this document, for purchase on the terms and subject to the conditions set out in this document and, where applicable, the Tender Form
<b>"Tender Offer Resolution"</b>	the special resolution relating to the Tender Offer (being resolution 13) to be proposed at the Annual General Meeting
<b>"Tender Price"</b>	475p per Share

<b>"TFE Instruction"</b>	a transfer from escrow instruction (as defined by the CREST Manual)
<b>"TTE Instruction"</b>	a transfer to escrow instruction (as defined by the CREST Manual)
<b>"uncertificated form" or "in uncertificated form"</b>	recorded in the Register as being held in uncertificated form in CREST and title to which 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 jurisdictions and possession, any state of the United States and the District of Columbia

*Notes:*

1. *All references in this document to "£", "pounds sterling" and "pence" (including the abbreviation "p") are to the lawful currency of the United Kingdom.*
2. *All references in this document to 3 April 2014 should be regarded as the being references to the latest practicable date prior to the publication of this document.*