

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the Offer and/or the action you should take, you are recommended immediately to seek your own professional advice from your stockbroker, solicitor, accountant or other appropriately qualified independent financial adviser authorised under the Financial Services and Markets Act 2000, if you are resident in the United Kingdom or, if not, another appropriately authorised independent financial adviser in your own jurisdiction.**

**If you have sold or otherwise transferred all of your Ordinary Shares, please forward this document together with the accompanying reply-paid envelope (for use within the UK only) but not with the accompanying Proxy Form or Acceptance Form at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, these documents should not be forwarded or transmitted into any Restricted Jurisdiction. If you have sold or otherwise transferred only part of your holding of Ordinary Shares, you should retain these documents and contact immediately the bank, stockbroker or other agent through whom the transfer or sale was effected.**

The Directors of the Company, whose names are set out on page 5 of this document, each accept responsibility for the information contained in this document relating to the Company, the opinions of the Company and the Directors of the Company, other than information for which responsibility is taken by others pursuant to paragraph 1.2 of Part 5 (and save that Terence Bourne does not accept responsibility for the recommendation to vote in favour of the Resolution relating to the Rule 9 Waiver). To the best of the knowledge and belief of the Directors of the Company, who have taken all reasonable care to ensure that such is the case, the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

Brewin Dolphin, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for the Company and for no-one else in connection with the Offer and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Brewin Dolphin or for providing advice in relation to the matters described in this document.

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**OFFER for and BUY BACK of  
up to 2,331,514 Ordinary Shares  
in  
TOTAL SYSTEMS PLC  
at 26 pence in Cash per Ordinary Share  
CANCELLATION OF ADMISSION OF ORDINARY SHARES TO THE  
OFFICIAL LIST AND TO TRADING ON THE MAIN MARKET  
APPROVAL OF RULE 9 WAIVER  
and  
NOTICE OF EXTRAORDINARY GENERAL MEETING**

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The procedure for accepting the Offer is set out in Part 3 of this document and (in respect of shares held in certificated form) the accompanying Acceptance Form. To accept the Offer Qualifying Shareholders should, if they hold Qualifying Shares in certificated form, return the Acceptance Form duly completed in accordance with instructions therein, together with the relevant share certificate(s), by post, or within normal business hours only, by hand (in the reply-paid envelope for use in the United Kingdom only, if applicable) to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU no later than 1.00 p.m. on 25 June 2010. To accept, Qualifying Shareholders who hold Qualifying Shares in uncertificated form should follow the instructions set out in Part 3 of this Document and their acceptances in accordance with those provisions must be effective no later than 1.00 p.m. on 25 June 2010.

The Offer is not being made, and will not be made, directly or indirectly, in or into, or by use of mail, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce, or any facilities of a national, state or other securities exchange, of any Restricted Jurisdiction and participation in the Offer will not be permissible by any such use, means, instrumentality or facility or from or within any Restricted Jurisdiction.

The Offer referred to in this document does not constitute or form part of any offer to sell or invitation to purchase any securities or the solicitation of an offer to buy securities in any Restricted Jurisdiction.

Notice convening the Extraordinary General Meeting to be held at the offices of Total Systems plc at 394 City Road, London, EC1V 2QA at 10.00 a.m. on 7 June 2010 is set out at the end of this document. A Proxy Form for use at the Extraordinary General Meeting is enclosed with this document. Whether or not you intend to be present at the Extraordinary General Meeting, please complete and sign the Proxy Form, in accordance with the instructions printed on it, and return it to the Registrar at Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU as soon as possible by post or (during normal business hours only) by hand but, in any event, so as to arrive no later than 10.00 a.m. on 5 June 2010. The completion and return of a Proxy Form will not preclude you from attending and voting in person at the Extraordinary General Meeting, or any adjournment thereof.

## **ACTION TO BE TAKEN TO ACCEPT THE OFFER**

- (i) If you hold Ordinary Shares in certificated form, to accept the Offer you should, complete and sign the Acceptance Form in accordance with the instructions printed thereon and in Part 3 of this document and then return the completed and signed Acceptance Form (accompanied, by your valid share certificate(s) and/or other documents of title) using (if you are in the United Kingdom) the enclosed reply-paid envelope (for use within the UK only) or by hand (during normal business hours only) to Capita Registrars Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU not later than 1.00 p.m. on 25 June 2010.
- (ii) If you hold Ordinary Shares in uncertificated form you should follow the instructions set out in Part 3 of this document so as to settle no later than 1.00 p.m. on 25 June 2010.
- (iii) If you acquired Ordinary Shares in certificated form during the Offer Period, and wish to accept the Offer, you should contact Capita Registrars to obtain an Acceptance Form.

**If you have any questions relating to this document or to the completion and return of the Acceptance Form, please call Capita Registrars on 0871 664 0321 from within the UK or on +44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays).**

**Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.**

**The Closing Date of the Offer is 1.00 p.m. on 25 June 2010. The Offer will not be extended beyond the Closing Date.**

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time and date for receipt of Proxy Forms for the Extraordinary General Meeting	10.00 a.m. on 5 June 2010
Extraordinary General Meeting	10.00 a.m. on 7 June 2010
Latest time and date for receipt of completed Acceptance Form	1.00 p.m. on 25 June 2010
Latest time and date for settlement and acceptances of Qualifying Shares in uncertificated form	1.00 p.m. on 25 June 2010
Offer Record Date	5.00 p.m. on 25 June 2010
Cheques despatched and CREST accounts credited by	2 July 2010
Last day of dealings in Ordinary Shares on the Main Market	5 July 2010
Ordinary Shares cancelled from admission to the Official List and to trading on the Main Market	with effect from 8.00 a.m. 6 July 2010

- (1) If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders through a Regulatory Information Service.
- (2) All references to time in this document are to London time unless otherwise stated.

## DIRECTORS, COMPANY SECRETARY AND ADVISERS

<b>Directors</b>	Terence Bourne ( <i>Chairman and Managing Director</i> ) Granville Harris ( <i>Finance Director</i> ) Arthur Weber ( <i>Technical Director</i> ) Clive Dutton ( <i>Operations Director</i> ) Peter Delaney ( <i>Non-Executive Director</i> )
<b>Company Secretary</b>	Granville Harris
<b>Registered and Head Office</b>	394 City Road London EC1V 2QA
<b>Sponsor &amp; Broker</b>	Brewin Dolphin Limited 12 Smithfield Street London EC1A 9BD
<b>Company Lawyers</b>	Blake Lapthorn Watchmaker Court 33 St.John's Lane London EC1M 4DB
<b>Lawyers to the Offer</b>	Laytons Solicitors Carmelite 50 Victoria Embankment London EC4Y 0LS
<b>Bankers</b>	Lloyds TSB Bank plc 19 Upper Street Islington London N1 0PJ
<b>Receiving Agent</b>	Capita Registrars Limited Corporate Actions The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
<b>Registrars</b>	Capita Registrars Limited Northern House Woodsome Park Fenay Bridge Huddersfield West Yorkshire HD8 0GA

## PART 1

### LETTER FROM THE INDEPENDENT DIRECTORS

#### TOTAL SYSTEMS PLC

*(Incorporated and registered in England and Wales under the Companies Act 1985 with number 01024277)*

*Directors:*

Terence Bourne (Chairman and Managing Director)\*  
Granville Harris (Finance Director and Company Secretary)  
Arthur Weber (Technical Director)  
Clive Dutton (Operations Director)  
Peter Delaney (Non-Executive Director)

\* non-independent director

*Registered Office:*

394 City Road  
London  
EC1V 2QA

13 May 2010

*To the holders of Ordinary Shares and, for information only, to holders of options over Ordinary Shares*

Dear Shareholder

**OFFER BY BREWIN DOLPHIN TO BUY UP TO 2,331,514 ORDINARY SHARES IN  
TOTAL SYSTEMS PLC AT 26 PENCE IN CASH PER ORDINARY SHARE**

**AND**

**BUYBACK BY THE COMPANY OF ALL ORDINARY SHARES PURCHASED BY  
BREWIN DOLPHIN UNDER SUCH OFFER**

**CANCELLATION OF ADMISSION OF ORDINARY SHARES TO THE OFFICIAL LIST  
AND TO TRADING ON THE MAIN MARKET**

**APPROVAL OF RULE 9 WAIVER**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

#### **1. Introduction**

Earlier today, the Company announced the Proposals :

- (a) to effect a partial buyback of up to 2,331,514 Ordinary Shares owned by Qualifying Shareholders (representing 22.3 per cent. of the current issued Ordinary Share Capital) by way of an Offer by Brewin Dolphin to purchase Qualifying Shares and for the Company to repurchase from Brewin Dolphin Qualifying Shares acquired by them under the Offer at the same price as that of the Offer Price; and
- (b) to cancel the admission of Ordinary Shares to the Official List and to trading on the Main Market.

The purpose of this document is:

- (a) to set out the background to and reasons for the Proposals and to explain why your Board and the Independent Directors believe them to be fair and reasonable and in the best interests of Shareholders and the Company as a whole;
- (b) to make the Offer to Qualifying Shareholders, to provide further information regarding the Offer and to provide guidance as to how Qualifying Shareholders should proceed if they wish to accept the Offer for all or a proportion of their Qualifying Shares; and
- (c) to give notice to convene the Extraordinary General Meeting to seek Shareholder approval for the following resolutions to authorise the Company to proceed with the Cancellation and the Buyback:

- (i) Resolution 1, a special resolution, to seek shareholder approval under the Listing Rules for the Cancellation;
- (ii) Resolution 2, a special resolution, to seek shareholder approval for the Buyback under the terms of the Repurchase Agreement;
- (iii) Resolution 3, an ordinary resolution, to be taken by a poll, to seek shareholder approval for the Rule 9 Waiver.

Any purchase by the Company of its own shares for cancellation would result in an increase in the percentage holding of all remaining shareholders. In the case of Terence Bourne, since the percentage represented by his beneficial shareholding in the Company is greater than 30 per cent, such an increase would result in him being required to make an offer under the Code to acquire the balance of the Ordinary Shares not already owned by him. The Buyback, and accordingly the Offer, are therefore subject to a waiver under Rule 9 of the Code being granted by the Panel together with approval of the Rule 9 Waiver by Independent Shareholders in a poll at an Extraordinary General Meeting. Further details of the Code issues are set out further in this letter and your attention is drawn to Part 5 of this document, titled Additional Information.

Resolution 1 must be approved for the Cancellation to proceed and Resolutions 1, 2 and 3 must be approved for the Offer to become wholly unconditional. If Shareholders approve Resolution 1, it is the intention of the Company to proceed with the Cancellation whether or not Resolutions 2 and 3 are passed by Shareholders.

The Extraordinary General Meeting is being convened for 10.00 a.m. on 7 June 2010, at which Shareholders will be asked to consider and, if thought fit, approve the above Resolutions. Further details of the Extraordinary General Meeting are set out in the Notice of Extraordinary General Meeting provided at the end of this document.

## **2. Background to and reasons for the Proposals**

The Board believe that the Cancellation would be in the interests of Shareholders and the Company as a whole as they have concluded that:

- (a) the costs and regulatory requirements associated with maintaining the admission to the Official List and trading on the Main Market are a significant burden on the Company's financial resources;
- (b) maintaining admission to the Official List and trading on the Main Market is, and will continue to be, a significant drain on management time. On the basis of the closing price on 12 May 2010 (the latest practicable date prior to the publication of this document) as shown by the London Stock Exchange Daily Official List, the Company had a market capitalisation of £2.47 million. Given the size of the Company, the Board believes that a disproportionate amount of management time is spent dealing with Official List and Main Market related matters and issues. The Board believes that Shareholders would be better served if the Directors and key management were in a position to focus on the underlying business of the Company without that distraction.
- (c) admission to the Official List and trading on the Main Market is not appropriate for Total Systems because:
  - (i) the Company has seen limited interest and trading volume in its Ordinary Shares, with an average daily volume of approximately 52 shares over the three months ending 12 May 2010;
  - (ii) only approximately 30.4 per cent. of its issued share capital can be regarded as being in public hands;
  - (iii) the Company has never utilised the equity markets to raise equity capital for its expansion and has no plans to do so; and
  - (iv) the Board considers that, given its relatively small size, the Company is, without significant corporate activity, currently unlikely to benefit from any new institutional investors or additional analyst interest in the secondary market.

For the reasons set out above, the Board have concluded that it would be in the interests of the Company and Shareholders as a whole if admission to the Official List and trading on the Main Market were cancelled.

The Board recognises that some Shareholders may not be able or willing to continue to hold Ordinary Shares following the Cancellation. The Offer, further details of which are set out below and in Part 3, gives such Shareholders (if they are Qualifying Shareholders) an opportunity to dispose of or reduce their interest in the Company. Those Shareholders who wish to continue holding Ordinary Shares following the Cancellation may do so.

If Shareholders approve the Cancellation only, it would therefore be the intention of the Company to proceed with the Cancellation whether or not the Offer becomes unconditional and in particular whether or not the resolutions for the Rule 9 Waiver and/or the Buyback authority are approved by Shareholders.

### **3. Information on Total Systems**

Total Systems provides software systems together with support and expertise for the financial services industry, primarily in the insurance and warranty sectors. The Company offers a full range of business support, consultancy and system integration services and acts as a value added reseller for related applications.

### **4. Trading update**

On 5 February 2010, the Company made the following statement in relation to trading in its third quarter interim management statement:

“Although the Company’s trading over the period from 1 October 2009 to 31 December 2009 was much improved over the first two quarters in the current financial year it included turnover of a non recurring nature. This contributed significantly to turnover for the third quarter resulting in an operating profit being achieved but business continues to be very weak with prospects taking longer than normal to convert to sales.

Based on current information, activity in the final quarter is likely to be extremely fragile and difficult to forecast with any accuracy. The Directors believe that turnover for the financial year ending 31 March 2010 is likely to be significantly less than for the prior year. The medium term is even more difficult to predict with the outlook very uncertain. How long the current economic situation will last is debatable but, in our opinion, the severity of the downturn should not be underestimated. In these circumstances it is not possible to give any reliable guide as to future prospects.

Our asset base remains in good shape as the Company has always maintained a strong balance sheet as a counter to the inherent uncertainty and risks of technology markets. In the current turbulent economic climate this policy stands us in good stead. Our financial position remains healthy with no debt and improved cash balances to support operations. The Company owns its office premises outright and we are well placed to cope with the continuing difficult market conditions.”

Save as disclosed in its third quarter interim management statement reproduced here, there has been no significant change in the financial or trading position of the Company since 30 September 2009 and the Company continues to trade in line with the Board’s expectations.

### **5. Cancellation**

Under the London Stock Exchange’s Admission and Disclosure Standards, the Company must advise the London Stock Exchange of the Cancellation not less than 20 Business Days before the date it intends trading in the Ordinary Shares to be discontinued.

Under the Listing Rules, the Cancellation can be effected by the Company only after securing approval by a special resolution of Shareholders in Extraordinary General Meeting, and the expiration of a period of not less than 20 Business Days from the date of the Shareholder approval. Such approval will be sought through Resolution 1. Assuming Resolution 1 is duly passed at the EGM, the Cancellation is expected to take effect from 8.00 a.m. on 6 July 2010.

If the Cancellation is approved by Shareholders, the Board intends to operate the Company's business in the same manner, and with the same objectives, as at present. The Board has no plans to alter the existing employment rights, terms and conditions of the employees of the Company nor to change the location of Total Systems' business premises or redeploy any of its fixed assets following conclusion of the Proposals. However, shareholders should note that following the Cancellation becoming effective:

- the Company will remain subject to the provisions of the Code so long as it remains a public limited company and, in any event, for a period of 10 years after it has ceased to be admitted to the Official List. However, the regulatory regime which applies solely to companies with shares admitted to the Official List and to trading on the Main Market will no longer apply;
- it is likely that there will be limited opportunities for Shareholders to realise their investment in the Company and in the absence of a public market it would be difficult to establish a value for their investment;
- the Company would not be bound to announce material events, administrative changes or material transactions nor to announce interim or final results;
- the Company would no longer be required to comply with any of the additional corporate governance or regulatory requirements applicable to companies admitted to the Official List and to trading on the Main Market. These include, *inter alia*, that under the Listing Rules transactions out of the ordinary course of business or with related parties which are of a certain size would no longer require prior shareholder approval;
- the Company would no longer be subject to the Disclosure Rules and Transparency Rules of the UK Financial Services Authority and Shareholders would therefore no longer be required to disclose major shareholdings in the Company and the announcement by the Company of those disclosures would no longer be required; and
- the Cancellation might have either positive or negative taxation consequences for Shareholders; for example, once the Cancellation has become effective, the Ordinary Shares would no longer be a qualifying investment for an ISA. For further information please refer to section 7 of Part 3 of this document. If Shareholders are however in any doubt about their own tax position they should consult a professional adviser immediately.
- Cancellation may have implications for Shareholders holding shares in a Self-Invested Personal Pension (SIPP). For example shares in unlisted companies may not qualify for certain SIPPs and if in any doubt Shareholders should consult with their SIPP provider immediately.

However, following the Cancellation:

- the Company would remain subject to UK company law, which requires shareholder approval for certain matters these include, *inter alia*:
  1. granting the power to allot and issue shares;
  2. the disapplication of the statutory rights of pre-emption for shareholders;
  3. the Company entering into substantial property transactions with directors; and
  4. authorising the purchase by the Company of its own shares;
- as a public company, the Company will still be required to publish annual audited accounts and to hold Annual General Meetings; and
- the Company intends to maintain an appropriate board structure and as such Peter Delaney will continue as non-executive director to help oversee corporate governance;

The Board continues to believe that dividends should be paid in accordance with the Group's cash flow requirements whilst maintaining an appropriate level of dividend cover and sufficient cash reserves for future

investment opportunities. The Board would anticipate future dividend policy to be in line with the Company's public market record.

Subject to existing contractual obligations, the Board intends to pay and provide to management and employees salaries and benefits that are commensurate with industry practice and, assuming the Cancellation occurs, the Company's status as an off-market company.

Whilst the Board believes that the Cancellation is in the interests of the Company and the Shareholders as a whole, it recognises that the Cancellation may make it more difficult for Shareholders to buy and sell Ordinary Shares should they so wish. Accordingly, the Board may decide to setup a matched bargain settlement facility to enable Shareholders to trade the Ordinary Shares. If this facility is set up, Shareholders or persons wishing to trade Ordinary Shares will be able to leave an indication with the facility provider that they are prepared to buy or sell at an agreed price. If the matched bargain settlement facility is able to match that order with an opposite sell or buy instruction, the facility provider will contact both parties and then effect the bargain. If the Board decide to arrange such a facility, details will be made available to Shareholders on the Company's website at [www.totalsystems.co.uk](http://www.totalsystems.co.uk).

**Shareholders should be aware that if the Cancellation takes effect, they will at that time cease to hold shares in a Company whose shares are admitted to the Official List and to trading on the Main Market and the matters set out above will automatically apply to the Company from the date of the Cancellation.**

## **6. The Offer**

Brewin Dolphin is offering to acquire, on the terms and subject to the conditions set out or referred to in Part 2 and 3 of this document and, in respect of Qualifying Shareholders who hold their Qualifying Shares in certificated form, the Acceptance Form, 2,331,514 Ordinary Shares representing 22.3 per cent. of the Ordinary Share Capital on the following basis:

### **For each Qualifying Share 26 pence in cash**

The Offer is made subject to the terms and conditions set out in Parts 2 and 3 of this document and the Acceptance Form. The Offer will not be extended beyond the Closing Date.

The Offer is being made available to all Qualifying Shareholders who are on the Register on the Record Date.

The Non-participating Shareholders, who hold in aggregate 8,103,039 Ordinary Shares representing approximately 77.7 per cent. of the Ordinary Share Capital, have irrevocably undertaken not to accept the Offer. Accordingly, the Offer as now set out in this document is in respect of a number of Ordinary Shares equal to the maximum held by the Participating Shareholders being 2,331,514 Ordinary Shares. In addition the Non-participating Shareholders have also irrevocably undertaken not to dispose of any of the Ordinary Shares of which they are holders prior to the Offer Closing Date.

As a result of the above the Participating Shareholders will have, subject to the Offer becoming unconditional, the opportunity to sell some or all of their Ordinary Shares. The Ordinary Shares purchased under the Offer (or otherwise a corresponding number of Ordinary Shares) will be bought back by the Company pursuant to the terms of the Repurchase Agreement and will be cancelled by the Company.

The Independent Directors consider that the Offer:

- provides an opportunity for Participating Shareholders to sell their Ordinary Shares prior to the Cancellation;
- allows Participating Shareholders the opportunity to dispose of their Ordinary Shares, in a tax-efficient manner (depending on their individual circumstances), free of dealing costs and stamp duty (which will be borne by the Company); and
- gives Participating Shareholders the ability to sell some or all their Ordinary Shares or to retain all of their Ordinary Shares, depending on their own liquidity requirements and their view of the prospects of the Company.

The current issued share capital of the Company at 12 May 2010, being the last Business Day prior to the posting of this document, was 10,434,553 Ordinary Shares (excluding any Ordinary Shares held in treasury). If the Offer is fully accepted then following the Buyback the issued share capital will be 8,103,039 (approximately 77.7 per cent. of the current issued Ordinary Share Capital).

**The Offer is made subject to the terms and conditions set out in Part 2 and 3 of this document and the Acceptance Form. The Offer is conditional, amongst other things, on the passing of each of the Resolutions, including Resolution 1 approving the Cancellation, Resolution 2 giving the Company authority to buyback its own shares and Resolution 3 the approval of the Rule 9 Waiver. The Offer is not conditional on any level of acceptances.**

Under the Offer:

- Brewin Dolphin will purchase all Qualifying Shares sold under the Offer by Qualifying Shareholders;
- all Qualifying Shareholders are being given the opportunity to participate in respect of their Qualifying Shares;
- Qualifying Shareholders can sell none, all or some of their Ordinary Shares;
- all Ordinary Shares purchased by Brewin Dolphin will be purchased at a price of 26 pence per Ordinary Share free of commissions and dealing charges.

The Offer is also conditional upon the Company being contractually obliged to purchase all the Qualifying Shares purchased by Brewin Dolphin under the terms of the Repurchase Agreement.

The Company has entered into an agreement with Brewin Dolphin under which Brewin Dolphin has agreed to sell to the Company and the Company has agreed to purchase such number of Ordinary Shares as is equal to that number of Ordinary Shares in respect of which Brewin Dolphin receives valid acceptances pursuant to the Offer (but not exceeding in any event a total of 2,331,514 Ordinary Shares). Further details are set out in paragraph 13.

All Ordinary Shares purchased by the Company from Brewin Dolphin under the terms of the Repurchase Agreement will be cancelled upon the Offer and the Buy Back becoming unconditional and will not rank for any dividends declared after, or whose record date is after, the date of this document.

### ***Treasury Shares***

The Company currently holds 85,000 Ordinary Shares as Treasury Shares. Immediately upon Cancellation becoming effective, the Treasury Shares will cease to be qualifying shares within the meaning of the Acts. In accordance with section 729 of the 2006 Act, if shares held as treasury shares cease to be qualifying shares, they must be cancelled and the Company's issued share capital reduced by their nominal value. Although relatively immaterial in this case, as a consequence of such cancellation and reduction in the issued share capital of the Company, conditional upon Cancellation becoming effective, the percentage shareholding of each Shareholder will increase proportionately.

## **7. Financing the Offer**

Full acceptance of the Offer would result in a maximum cash consideration of approximately £606,193.64 being payable by Total Systems to Brewin Dolphin under the terms of the Repurchase Agreement which will be funded using Total Systems' existing cash resources. The Company confirms that (i) the maximum cash consideration is currently held by Brewin Dolphin and (ii) Brewin Dolphin has been provided with an irrevocable instruction by the Company to retain the funds until the Closing Date.

As required by the Code, Brewin Dolphin, as broker and sponsor to Total Systems, has confirmed that it is satisfied that sufficient resources are available to satisfy in full the cash consideration payable pursuant to the terms of the Offer.

If the Offer is fully taken up by Participating Shareholders, resulting in the purchase of 2,331,514 Ordinary Shares:

- there will be a reduction in the issued Ordinary Share Capital of the Company to 8,103,039 Ordinary Shares (excluding Ordinary Shares held in treasury); and
- the distributable reserves of the Company will be reduced from approximately £4.0 million to approximately £3.4 million.

## 8. Waiver of the requirements of Code

The Code is issued and administered by the Panel. The Company is a company to which the Code applies and as such, the Shareholders are entitled to the protections afforded by the Code. The Code and the Panel operate principally to ensure that shareholders are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment by an offeror. The Code also provides an orderly framework in which takeovers are conducted. In addition it is designed to promote, in conjunction with other regulatory regimes, the integrity of the financial markets.

Under Rule 37 of the Code, when a company purchases its own voting shares (whether or not such shares are bought back into treasury) any resulting increase in the percentage of such shares held by a person or group of persons acting in concert will be treated as an acquisition for the purposes of Rule 9 of the Code.

Under Rule 9 of the Takeover Code, any person who acquires an interest (as defined in the Code) in shares which, taken together with shares in which he is already interested and in which persons acting in concert with him are interested, carry 30 per cent or more of the voting rights of a company which is subject to the Code, is normally required to make an offer to all the remaining shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with him, is interested in shares in such a company, which in the aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of such voting rights, a general offer will normally be required if any further interests in such shares are acquired by any such person (or person acting in concert with him).

An offer under Rule 9 must be made in cash and at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

<i>Name</i>	<i>As at 12 May 2010</i>			<i>Following the Buyback*</i>		
	<i>Number of Ordinary Shares</i>	<i>% of Issued Share Capital</i>	<i>Number of Ordinary Shares under option</i>	<i>Number of Ordinary Shares</i>	<i>% of Issued Share Capital</i>	<i>Number of Ordinary Shares under option</i>
Terence Bourne	5,157,800	49.4	0	5,157,800	63.7	0
Corin Bourne	421,100	4.0	0	421,100	5.2	0
Justin Bourne	421,100	4.0	0	421,100	5.2	0

\*Assuming Buyback of 2,331,514 shares.

As indicated in the table above, Terence Bourne, the Chairman and Managing Director of the Company, is at the date of this document interested (for the purposes of Rule 9) in 5,157,800 shares in the Company carrying 49.4 per cent. of the voting rights of the Company. On completion of the Buyback and based on the assumptions set out below, Terence Bourne, will be interested in 5,157,800 shares, representing approximately 63.7 per cent of the Company's Ordinary Share Capital following the Buyback. Such assumptions are that (i) pursuant to the Offer and the Buyback, the Company purchases the maximum number of Ordinary Shares possible, which for these purposes is assumed to be 2,331,514 Ordinary Shares, for cancellation (ii) no option holders under any of the Total Systems Share Option Schemes exercise any of their options over Ordinary Shares, (iii) Terence Bourne does not sell any of his Ordinary Shares and (iv) that there is no change in the current Issued Share Capital of the Company between 13 May 2010 and the date of the completion of the Buyback.

Additionally on the completion of the Buyback, under the assumptions listed above, the Concert Party will be in aggregate interested in 6,000,000 Ordinary Shares representing approximately 74.1 per cent of the Company's Ordinary Share Capital following the Buyback.

**The Panel has agreed, however, to waive obligation for Terence Bourne to make a general offer that would otherwise arise as a result of the Buyback. Accordingly, Resolution 3 is being proposed at the Extraordinary General Meeting, and will be taken on a poll. Terence Bourne and the members of the Concert Party will be disenfranchised from voting on this resolution.**

**If such waiver is so approved, then following completion of the Offer, Terence Bourne will, providing approximately 48,000 Ordinary Shares representing 0.5 per cent of the Company's voting share capital are purchased through the Offer, hold more than 50 per cent. of the Company's voting share capital and will be able thereafter to increase his interests in Ordinary Shares, without incurring any obligation under Rule 9 to make a general offer.**

#### **8.1 *The intentions of Terence Bourne and the members Concert Party***

Terence Bourne and the members of the Concert Party have confirmed to the Company that they are not proposing, following any increase in their percentage interest in the Ordinary Shares or voting rights as a result of the Offer, to seek any significant change in the composition of the Board or the general nature of the Company's business.

Terence Bourne and the members of the Concert Party have also confirmed that their intentions regarding the future of the Company's business, their intentions regarding the locations of the Company's places of business and their intentions regarding the continued employment of its employees and management (and those of its subsidiaries) will not be altered as a result of any increase in their percentage interest in the Ordinary Shares or voting rights as a result of the Offer, nor will there be any redeployment of the fixed assets of the Company as a result of such an increase.

#### **8.2 *Information on Terence Bourne***

Terence Bourne was the co-founder of Total Systems, which started trading in 1973. He has been a director and significant shareholder of the Company continuously since that date and has derived his main livelihood from that. Further details of Terence Bourne's career to date have been disclosed in the Company's previously published annual reports and accounts.

#### **8.3 *The Concert Party***

Terence Bourne and his adult sons Corin Hamilton Bourne and Justin Lawrence Bourne, for the purpose of the Takeover Code are deemed to be acting in concert.

#### **8.4 *Information on Corin Hamilton Bourne***

Corin Bourne is Terence Bourne's son and is not employed by Total Systems plc.

#### **8.5 *Information on Justin Lawrence Bourne***

Justin Bourne is Terence Bourne's son and is not employed by Total Systems plc.

### **9. Extraordinary General Meeting**

Implementation of the Cancellation and the Buyback (and accordingly the Offer), and the approval of the Rule 9 Waiver, requires the approval of Shareholders at an Extraordinary General Meeting. Accordingly, there is set out at the end of this document a notice convening the Extraordinary General Meeting.

At the Extraordinary General Meeting, the following resolutions will be proposed:

1. Resolution 1 – a special resolution to authorise the Cancellation;
2. Resolution 2 – a special resolution to authorise the Buyback. The authorisation will be conditional on the Cancellation and Rule 9 Waiver each having been approved; and

3. Resolution 3 – an ordinary resolution to approve the Rule 9 Waiver for the purpose of the Buy Back. This Resolution will be taken on a poll and only the Independent Shareholders will be entitled to vote.

Each of Resolutions 1 and 2 are proposed as special resolutions. This means they must be approved by not less than 75 per cent. of votes cast by Shareholders at the Extraordinary General Meeting. Resolution 3 is proposed as an ordinary resolution and must be passed by a majority representing more than 50 per cent. of the votes cast by Independent Shareholders at the Extraordinary General Meeting.

Terence Bourne has not taken part in any decision by the Board relating to any proposal to seek the Rule 9 Waiver from the Panel since it is, *inter alia*, his potential interest in Ordinary Shares that is the subject of the Rule 9 Waiver. The Concert Party will be disenfranchised from voting on the resolution to approve the Rule 9 Waiver.

#### **10. Irrevocable Confirmations**

The Company and Brewin Dolphin have received from the Non-participating Shareholders irrevocable undertakings not to accept the Offer or any other offer made or to be made by Brewin Dolphin to purchase Ordinary Shares and irrevocable undertakings not to dispose of any of the Ordinary Shares of which they are holders prior to the Offer Closing Date. The Directors have also undertaken to vote in favour of resolutions 1 and 2 and not to deal in their Ordinary Shares pending the closing of the Offer. Members of the Concert Party have in addition undertaken to abstain from voting on Resolution 3 in respect of their aggregate holding of 6,000,000 Ordinary Shares, representing approximately 57.5 per cent. of Share Capital of the Company.

#### **11. Treatment of Option holders**

There are currently outstanding under the Total Systems Share Option Schemes options to subscribe for a total of 1,145,147 Ordinary Shares. Further details of such options are set out in paragraph 4.4 of Part 5 of this document.

However, in the light of the terms of such options,

- the Directors do not expect any of the options outstanding under the Total Systems Option Schemes to be exercised before the closing date of the Offer;
- all calculations included or reflected in this document as to the issued share capital of the Company immediately following completion of the Proposals are accordingly made on the assumption that none of such options will be exercised prior to such completion.

A separate letter is being written by the Company to holders of such options summarising the terms of the Offer and its impact in relation to options.

#### **12. Taxation**

A summary of the taxation consequences of the Offer for Qualifying Shareholders is set out in Part 3 of this document. It should be noted that this refers to the UK tax legislation and HM Revenue & Customs published practice applicable at the date this document was printed. Qualifying Shareholders are advised to consult their professional advisers regarding their own tax position.

#### **13. Repurchase Agreement**

The Company has entered into a binding agreement with Brewin Dolphin under which Brewin Dolphin has agreed to sell to the Company and the Company has agreed to purchase such number of Ordinary Shares as is equal to that number of Ordinary Shares in respect of which Brewin Dolphin receives valid acceptances pursuant to the Offer (but not exceeding in any event a total of 2,331,514 Ordinary Shares).

The price payable by the Company under such agreement is 26 pence per share, i.e. the same as the Offer Price. In addition, the Company has agreed to pay all stamp duty chargeable on the Buyback.

The Company has deposited with Brewin Dolphin the sum of £606,193.64 on terms that if the Offer becomes unconditional Brewin Dolphin is to apply an appropriate part of such sum in satisfying the consideration payable on the Buyback and to account to the Company for any balance.

#### **14. Action to be taken – Extraordinary General Meeting**

Shareholders will find enclosed a Proxy Form for use in connection with the Extraordinary General Meeting. Whether or not you intend to be present at the meeting, you are requested to complete the Proxy Form in accordance with the instructions printed on it and return it by post or (during normal business hours only) by hand to the Registrars, Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and, in any event, so as to be received by **no later than 10.00 a.m. on 5 June 2010**.

The completion and return of a Proxy Form will not preclude Shareholders from attending the Extraordinary General Meeting should they wish to do so.

#### **15. Action to be taken – the Offer**

Action to be taken in respect of the offer is contained in Parts 2 and 3 of this document and in respect of Qualifying Shares held in certificated form as further contained in the Acceptance Form.

If you are in any doubt as to the procedures for acceptance, please contact the Registrar by telephone on 0871 664 0321 from within the UK or on + 44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

#### **16. Risk Factors**

There are no risk factors relating to the Offer and Buyback which require disclosure.

#### **17. Further information**

Your attention is drawn to the further information relating to the Offer contained in Parts 2 and 3 and in the accompanying Acceptance Form, which forms part of this document. The rest of this document and the accompanying Acceptance Form contain material information which may not be summarised in this Part 1.

For legal reasons, the Receiving Agent will not be able to give advice on the merits of the Offer or to provide legal, financial or personal taxation advice and, accordingly, for such advice you should consult your stockbroker, solicitor, accountant, bank manager or other independent professional adviser.

Brewin Dolphin is not permitted to give any advice to any Shareholders on the Offer including acceptance thereof, or to provide any additional information or to provide financial, legal or tax advice of any kind in connection with the Offer.

Brewin Dolphin, which is authorised and regulated in the United Kingdom by the Financial Services Authority, has given and not withdrawn its written consent to the issue of this document with the inclusion of its name in the form and context in which it appears.

Under the Disclosure Rules and Transparency Rules of the UK Financial Services Authority, substantial Shareholders are required to notify the Company of their interests in Ordinary Shares. Following the Offer and the Buyback, the interests of Shareholders when taken as a percentage of the current issued share capital may change, which may in turn give rise to an obligation to make a new or revised notification.

Accordingly, if Shareholders pass Resolution 1 to approve the Cancellation, it is the intention of the Company to proceed with the Cancellation whether or not Resolutions 2 and 3 are passed by Shareholders. In order for the Repurchase Agreement to become unconditional and, accordingly, for the Offer to proceed, however, Resolutions 1, 2 and 3 must be passed by the requisite majorities

If the Cancellation is approved but the Offer does not proceed, Shareholders who wish to sell Ordinary Shares will need to do so either independently or through a matched bargain facility, if the Company were to set one up following the Cancellation.

#### **18. Recommendation**

The Board considers the Cancellation, the Buyback and the Offer to be to be fair and reasonable and in the best interests of shareholders and the Company as a whole. Accordingly, the Board recommends that you vote in favour of Resolution 1 and Resolution 2 relating to the Cancellation and the Buyback as they have irrevocably agreed to do in respect of their holdings of, in aggregate, 7,260,839 Ordinary Shares, representing in aggregate approximately 69.6 per cent. of the Company's Share Capital.

The Independent Directors, who have been so advised by Brewin Dolphin, consider the terms of the Offer and the Rule 9 Waiver Resolution to be fair and reasonable and in the best interests of Independent Shareholders and the Company as a whole. In providing advice to the Independent Directors, Brewin Dolphin has taken into account the Independent Directors' commercial assessments. Accordingly, your Independent Directors unanimously recommend that Shareholders vote in favour of Resolution 3, the Rule 9 Waiver, as they intend to do in respect of their own shareholdings of 2,103,039 Ordinary Shares representing approximately 20.2 per cent. of the Ordinary Shares as at 12 May 2010, the last practicable date prior to the posting of this document. Due to their interests, the Concert Party including Terence Bourne will abstain from voting in respect of their own holdings.

Yours faithfully

The Independent Directors

## PART 2

### LETTER FROM BREWIN DOLPHIN



BREWIN DOLPHIN  
INVESTMENT BANKING

To Qualifying Shareholders

13 May 2010

Dear Qualifying Shareholder

#### Offer to acquire Qualifying Shares

##### 1. Introduction

The Board of Total Systems announced on 13 May 2010 the terms of a cash offer of 26 pence per Qualifying Share to be made by Brewin Dolphin in connection with the buyback by the Company of up to 2,331,514 Ordinary Shares.

Brewin Dolphin, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is making the Offer for the purposes of facilitating the buy back by the Company of up to 2,331,514 Ordinary Shares. All Qualifying Shares acquired pursuant to the Offer (or otherwise a corresponding number of Ordinary Shares) will be bought back by the Company pursuant to the Repurchase Agreement at the same price as the Offer Price and will be cancelled.

Your attention is drawn to the letter from the Independent Directors on pages 6 to 16 of this document which sets out the views on the proposals of the Independent Directors (who have been so advised by Brewin Dolphin). There is no minimum acceptance condition for the Offer, but the Offer is subject to the terms and conditions set out in Part 3 of this document and in particular the conditions set out in paragraph 2.1 therein.

#### **Shareholders who do not wish to accept the Offer need take no action.**

This document contains the formal terms and conditions of the Offer for the Qualifying Shares and, in respect of Qualifying Shareholders who hold those shares in certificated form, should be read in conjunction with the Acceptance Form.

##### 2. Background to and reasons for the Offer

The letter from the Independent Directors has explained in full the purposes and objects of the Proposals and the Offer is being made solely to facilitate the implementing of those Proposals if approved by the Shareholders at the extraordinary general meeting convened for 7 June 2010.

##### 3. Terms of the Offer

Brewin Dolphin hereby offers to acquire on the terms and subject to the conditions set out in this document and, in respect of Qualifying Shares held in certificated form, the Acceptance Form, all the Qualifying shares on the following basis:

**For each Qualifying Share 26 pence in cash**

**If you wish to retain your Shares then you should not accept this Offer and as a consequence no action is required.**

To accept the Offer it must be accepted no later than 1.00 p.m. on 25 June 2010 in accordance with the provisions set out in Part 3 of this document and if your Qualifying Shares are held in certificated form, the Acceptance Form.

Shares to be acquired under the Offer will be acquired by Brewin Dolphin as fully paid up and free from all liens, equities, charges, equitable interests and encumbrances together with all rights attaching thereto on or after 13 May 2010 being the date of the announcement of the Offer including the right to receive and retain all dividends and other distributions (if any) declared, made or paid after 13 May 2010. The Offer is subject to the conditions and further terms set out in Part 3 of this document.

Assuming that the Offer becomes unconditional, the Qualifying Shares acquired by Brewin Dolphin (or otherwise a corresponding number of Ordinary Shares) will be bought back by the Company under the terms of the Repurchase Agreement and will be cancelled.

#### **4. Further Information**

Your attention is drawn to the further information contained in Parts 4 to 5 of this document.

Yours faithfully,  
For and on behalf Brewin Dolphin

Mark D Brady  
Managing Director – Corporate Finance

## PART 3

### TERMS AND CONDITIONS OF THE OFFER

#### 1. Introduction

Brewin Dolphin offers to Qualifying Shareholders to purchase any or all of their Qualifying Shares on the terms and subject to the conditions set out in this document and, in the case of certificated Qualifying Shares only, in the Acceptance Form. The Company will, in turn, repurchase from Brewin Dolphin the Qualifying Shares purchased by Brewin Dolphin pursuant to the Offer (or otherwise a corresponding number of Ordinary Shares). All of the Shares purchased by the Company will be cancelled.

#### 2. Terms of the Offer

2.1. The Offer is conditional upon the following (together, the “Offer Conditions”):

- (a) the passing of each of the Resolutions;
- (b) Brewin Dolphin being satisfied that the Company has paid funds to Brewin Dolphin in accordance with the terms of the Repurchase Agreement (to hold on trust for the Company pending completion of the Offer), sufficient to allow Brewin Dolphin to complete the purchase of the Shares to be acquired by Brewin Dolphin pursuant to the Offer;
- (c) Brewin Dolphin being satisfied that the Company is in a position to purchase all the Ordinary Shares which it is required to purchase from Brewin Dolphin out of profits available for distribution (as defined in section 830 of the Act);
- (d) the Repurchase Agreement not having been terminated in accordance with its terms; and
- (e) the Offer not having been terminated in accordance with paragraph 2.22 of this Part 9.

Brewin Dolphin will not purchase the Qualifying Shares pursuant to the Offer unless the Offer Conditions have been satisfied. The Offer Conditions may not be waived by Brewin Dolphin or the Company. If any of the above conditions is not satisfied by 7.00 a.m. on 26 June 2010 (or such later time and date as the Company and Brewin Dolphin may agree), the Offer will not proceed and will lapse.

- 2.2. All Qualifying Shares sold by Qualifying Shareholders under the Offer will be purchased at a price of 26 pence per Qualifying Share.
- 2.3. Subject to the terms of the Offer, Brewin Dolphin will purchase Qualifying Shares in respect of which the Offer has been accepted at the Offer Price on 25 June 2010.
- 2.4. The total number of Qualifying Shares purchased pursuant to the Offer will not exceed 2,331,514 Ordinary Shares (equivalent to a maximum total amount payable of £606,193.64).
- 2.5. The Offer is only available to Qualifying Shareholders on the Register on the Offer Record Date and is only being made in respect of the number of Ordinary Shares registered in those Shareholders’ names at such time.
- 2.6. Acceptance Forms once duly completed (for Qualifying Shares held in certificated form) and submitted to the Receiving Agent and TTE instructions which have settled (for Qualifying Shares held in uncertificated form) will become irrevocable and cannot be withdrawn. All questions as to the validity (including time of receipt) will be determined by Brewin Dolphin, in its sole discretion, which determination shall be final and binding (except as otherwise required under applicable law). None of the Company, Brewin Dolphin nor any other person is or will be obliged to give notice of any defects or irregularities and none of them will incur any liability for failure to give such notice.

- 2.7. The Offer will close at 1.00 p.m. on the Offer Closing Date and no Acceptance Forms or TTE instructions received after that time will be accepted.
- 2.8. A Qualifying Shareholder may accept the Offer in respect of all or any part of his holding of Qualifying Shares.
- 2.9. Qualifying Shares in respect of which the Offer has been duly accepted will be sold to Brewin Dolphin fully paid and free from all liens, charges, equitable interests and encumbrances and with all rights attaching to the same. The Qualifying Shares acquired under the Offer (or a corresponding number of Ordinary Shares) will be sold by Brewin Dolphin to the Company through the facilities of the London Stock Exchange plc and will subsequently be cancelled and will not rank for any dividends, distribution or other equity related rights declared by the Company after that date.
- 2.10. All acceptances in respect of Ordinary Shares held in certificated form must be made on the Acceptance Form duly completed in accordance with the procedures set out below and on the Acceptance Form (which constitute part of the terms of the Offer).
- 2.11. All acceptances in respect of Ordinary Shares held in uncertificated form must be made by the input and settlement of an appropriate TTE instruction in CREST in accordance with the procedure set out below and the relevant procedures in the CREST manual.
- 2.12. An acceptance will only be valid if the procedures contained in this document and, for Shareholders who hold Qualifying Shares in certificated form, in the Acceptance Form, or, as applicable, for Shareholders who hold Ordinary Shares in uncertificated form, the relevant parts of the CREST manual, are complied with.
- 2.13. The Offer will be governed by, and construed in accordance with, English law and the delivery of a Acceptance Form or the input of a TTE instruction by a Qualifying Shareholder will constitute submission to the jurisdiction of the English courts.
- 2.14. All documents and remittances sent by or to Qualifying Shareholders and all instructions made by or on behalf of a Qualifying Shareholder in CREST relating to the Offer will be sent at the relevant Qualifying Shareholder's own risk. If the Offer does not become unconditional, or does not proceed, and lapses, in respect of Qualifying Shares held in certificated form, Acceptance Forms, certificates and other documents of title will be returned by post to Qualifying Shareholders not later than five Business Days after the date of such lapse, or, in the case of Qualifying Shares held in uncertificated form (that is, in CREST), the Receiving Agent will provide instructions to Euroclear to transfer all Qualifying Shares held in escrow by TFE instruction to the original available balances to which those Qualifying Shares relate.
- 2.15. If a Qualifying Shareholder accepts the Offer in respect of part only of a holding of Qualifying Shares the Qualifying Shareholder will be entitled to receive the following:
  - (a) if the Qualifying Shares are held in certificated form, a certificate in respect of such number of Qualifying Shares in respect of which the Offer was not accepted; or
  - (b) if the Qualifying Shares are held in uncertificated form (that is, in CREST), the transfer by the Receiving Agent by TFE instruction to the original available balances of such number of Qualifying Shares in respect of which the Offer was not accepted.
- 2.16. Further copies of the Acceptance Form may be obtained on request from the Receiving Agent at Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.
- 2.17. All questions as to the number of Qualifying Shares in respect of which the Offer is accepted and the validity, form, eligibility (including the time of receipt) and acceptance for payment of any Acceptance under the Offer will be determined by Brewin Dolphin in its sole discretion, which determination shall be final and binding on all parties except as otherwise required under applicable law. Brewin Dolphin reserves the absolute right to reject any or all Acceptances it determines not to

be in proper form or the acceptance of payment for which may, in the opinion of Brewin Dolphin, be unlawful. Brewin Dolphin also reserves the absolute right to waive any of the terms or conditions of the Offer (other than the Offer Conditions) and any defect or irregularity in any particular Acceptance. Unless Brewin Dolphin determines otherwise, no Acceptance 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 under the Offer will not be despatched (in respect of Qualifying Shares in certificated form) or made by way of CREST payment (in respect of Qualifying Shares in uncertificated form) to the relevant Shareholder until after (in the case of Qualifying Shares in certificated form) the Acceptance Form is complete in all respects and the share certificate(s) and/or other document(s) of title satisfactory to Brewin Dolphin have been received or (in the case of Qualifying Shares in uncertificated form) the relevant TTE instruction has settled. None of the Receiving Agent, Brewin Dolphin, the Company nor any other person is or will be obliged to give notice of any defects or irregularities in any Acceptance and none of them will incur any liability for failure to give any such notice.

- 2.18. Qualifying Shares will be purchased under the Offer free of all commissions and dealing charges.
- 2.19. The failure of any person to receive a copy of this document or the Acceptance Form shall not invalidate any aspect of the Offer.
- 2.20. The Directors reserve the right to terminate the Offer at any time on or before Offer Closing Date if, having been advised by Brewin Dolphin, they conclude that its implementation is no longer in the best interests of the Company and Shareholders as a whole or if the purchase of Ordinary Shares by the Company may have adverse fiscal consequences (whether by reason of any change in legislation, practice, circumstances or otherwise) for the Company and/or Shareholders as a whole which were unexpected. If the Offer is terminated, the Company will make an announcement through a Regulatory Information Service that such is the case.

### **3. Overseas Shareholders**

- 3.1. Overseas Shareholders should inform themselves about and observe any applicable or legal regulatory requirements. If you are in any doubt about your position, you should consult your professional adviser in the relevant jurisdiction.
- 3.2. The making of the Offer in, or to persons resident in, jurisdictions outside the United Kingdom or to persons who are citizens, residents or nationals of other countries 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 Offer to satisfy himself 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 any such transfer or other taxes or other requisite payments by whomsoever payable and the Company, the Registrars and Brewin Dolphin and any person acting on their behalf shall be fully indemnified and held harmless by such Shareholder 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 Offer or to authorise the extending of the Offer or the distribution of the Acceptance Form in any territory outside the United Kingdom.
- 3.3. In particular, the 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, telex, and telephone) of interstate or foreign commerce, or any facility of a national securities exchange, of the United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction and the Offer cannot be accepted by any such use, means, instrumentality or facility from within the United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction. Accordingly, copies of this document, the Acceptance Form and any related documents are not being and must not be mailed or otherwise distributed or sent in, into, or from the

United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction, including to Shareholders with registered addresses in the United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction, or to persons who are custodians, nominees or trustees holding Shares for persons in the United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction. Persons receiving such documents (including, without limitation, custodians, nominees and trustees) should not distribute, send or mail them in, into or from the United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction or use such mails or any such means, instrumentality or facility in connection with the Offer, and doing so will render invalid any related purported acceptance of the Offer. Persons wishing to accept the Offer should not use such mails or any such means, instrumentality or facility for any purpose, directly or indirectly, relating to acceptance of the Offer. Envelopes containing a Acceptance Form should not be postmarked in or otherwise despatched from the United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction and all accepting Shareholders must provide addresses outside the United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction for the remittance of cash or return of Acceptance Forms and share certificates.

- 3.4. If, in connection with making the Offer, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this document, the Acceptance Form or any related documents in, into or from the United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction or uses the mails of, or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce, or any facility of a national securities exchange, of the United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction in connection with such forwarding, such persons should:
- (a) inform the recipient of such fact;
  - (b) explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
  - (c) draw the attention of the recipient to this section of this document.
- 3.5. The provisions in this paragraph and/or any other terms of the Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by Brewin Dolphin in its absolute discretion but only if Brewin Dolphin is satisfied that such waiver, variation or modification will not constitute or give rise to a breach of applicable securities or other law. Subject to this, the provisions in this paragraph headed “Overseas Shareholders” supersede any terms of the Offer inconsistent therewith. References to a Shareholder shall include references to the persons executing an Acceptance Form and in the event of more than one person executing Acceptance Forms, the provisions in this paragraph shall apply to them jointly and severally.

#### **4. Procedure for accepting the Offer**

##### **4.1. *Different procedures for certificated and uncertificated Shares***

If you hold Qualifying Shares in certificated form, you may only accept the Offer by completing and returning the Acceptance Form, in accordance with the instructions printed thereon and set out in paragraph 4.2 below. If you hold Qualifying Shares in uncertificated form (that is, in CREST) you may only accept in respect of such Qualifying Shares by TTE instruction in accordance with the procedure set out in paragraph 4.3 below and, if those Qualifying Shares are held under different member account IDs, you should send a separate TTE instruction for each member account ID.

#### 4.2. *Shares held in certificated form*

To accept the Offer, if you hold Qualifying Shares in certificated form you must complete, sign, have witnessed and return the Acceptance Form in accordance with these instructions and the instructions on the Acceptance Form.

The following instructions should be read together with the notes on the Acceptance Form.

- To accept the Offer in respect of Qualifying Shares held in certificated form, you must complete Box 2 and sign and have witnessed Box 3 of the accompanying Acceptance Form in accordance with the instructions thereon.
- You should complete separate Acceptance Forms for Qualifying Shares held in certificated form but under different designations. Additional copies of the Acceptance Form can be obtained from the Receiving Agent.
- Completed, signed and witnessed Acceptance Forms, together with your share certificates and/or other documents of title, should be 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 Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU **as soon as possible and, in any event, so as to be received no later than 1.00 p.m. on the Offer Closing Date. No Acceptance Forms received after that time will be accepted.**

Duly completed Acceptance 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 acceptances in respect of Qualifying Shares in accordance with the terms and conditions of the Offer. No acknowledgement of receipt of documents will be given.

The completed and signed Acceptance Form should be accompanied by the relevant share certificate(s) and/or other document(s) of title.

The instructions on the Acceptance Form shall be deemed to form part of the terms of the Offer.

If you have lost your share certificate and/or other document of title, you should write to the Registrars at Capita Registrars, Northern House, Woodsome Park, Fenay Bridge, Huddersfield, West Yorkshire HD8 0GA for a letter of indemnity in respect of the lost share certificate and/or other document of title. When completed in accordance with the instructions given, such indemnity should be returned by post or (during normal business hours only) by hand to the Receiving Agent at Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received as soon as possible and, in any event, no later than 1.00 p.m. on the Offer Closing Date. A fee may be payable by the Qualifying Shareholder in respect of each letter of indemnity.

If you are in any doubt as to the procedure for acceptance, please telephone Capita Registrars on 0871 664 0321 from within the UK or on + 44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. For legal reasons, the Receiving Agent will not be able to give advice on the merits of the Offer or provide legal, financial or personal taxation advice and, accordingly, for such advice you should consult your stockbroker, solicitor, accountant, bank manager or other independent professional adviser.

By signing and returning an Acceptance Form, you will be deemed to have appointed Brewin Dolphin as your agent in respect of the Offer process. Brewin Dolphin will therefore issue a contract note on behalf of all Qualifying Shareholders whose Shares are so purchased under the Offer and will remit the cash consideration to Capita Registrars with instructions that such consideration be remitted to Shareholders in accordance with the instructions set out on the Acceptance Form.

#### 4.3. *Shares in uncertificated form (that is, in CREST)*

If Qualifying Shares are in uncertificated form, to accept the Offer you should take (or procure the taking of) the action set out below to transfer (by means of a TTE instruction) such number of Qualifying Shares in respect of which the Offer is accepted to the relevant escrow account specifying Capita Registrars (in its capacity as a CREST Participant under Capita Registrar's Participant ID and Member Account ID as referred to below) as the escrow agent, **as soon as possible and in any event so that the transfer to escrow settles by no later than 1.00 p.m. on the Offer Closing Date. Please note that settlement cannot take place on weekends or bank holidays (or other times at which the CREST system is non-operational) and you should therefore ensure you time the input of any TTE instructions accordingly.**

If you are a CREST Sponsored Member, you should refer to your CREST Sponsor before taking any action. Only your CREST Sponsor will be able to send the TTE instruction to Euroclear in relation to the Qualifying Shares in respect of which you wish to accept the Offer. The Corporate Action Number is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST.

To accept the Offer you should send (or, if you are a CREST Sponsored Member, procure that your CREST Sponsor sends) a TTE instruction to Euroclear in relation to the number of Qualifying Shares in respect of which you wish to accept the Offer.

The TTE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for the TTE instruction to settle in CREST, the following details:

- the number of Shares to be transferred to the relevant escrow account;
- your Member Account ID;
- your Participant ID;
- the Participant ID of the Receiving Agent, in its capacity as a CREST receiving agent, which is RA10;
- the Member Account ID of the Receiving Agent, which is TOTAL01. The input and settlement of a TTE instruction in accordance with this paragraph (which has not been validly withdrawn) shall constitute an offer to Brewin Dolphin to sell to it the number of Qualifying Shares at the Offer Price on the terms of the Offer, by transferring such shares to the relevant escrow account as detailed above;
- the ISIN number in respect of the Qualifying Shares, which is GB0008975038;
- the intended settlement date. This should be as soon as possible and in any event no later than 1.00 p.m. on the Offer Closing Date;
- the contact name and telephone number inserted in the shared note field;
- the corporate action number for the Offer, which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST; and
- input with a standard delivery instruction priority of 80.

After settlement of the TTE instruction, you will not be able to access the Qualifying Shares in respect of which you have accepted the Offer for any transaction or charging purposes, notwithstanding that they will be held by Capita Registrars as the escrow agent until completion or lapse of the Offer. If the Offer becomes unconditional, Capita Registrars will transfer the Qualifying Shares in respect of which you have accepted the Offer to Brewin Dolphin.

You are recommended to refer to the CREST manual published by Euroclear for further information on the CREST procedures outlined below.

You 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. You should therefore ensure that all necessary action is taken by you (or by your CREST Sponsor) to enable a TTE instruction relating to your Shares to settle prior to 1.00 p.m. on the Offer Closing Date. In this connection you are referred in particular to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

The Company and/or Brewin Dolphin will make an appropriate announcement if any of the details contained in this paragraph relating to settlement in CREST are materially altered.

#### 4.4. *Deposits of Shares into, and withdrawals of Qualifying Shares from, CREST*

Normal CREST procedures (including timings) apply in relation to any Qualifying Shares that are, or are to be, converted from uncertificated to certificated form or vice versa during the course of the Offer (whether such conversion arises as a result of a transfer of Qualifying Shares relating to the Offer or otherwise). Shareholders who are proposing to convert any Qualifying Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person with a holding in or acquiring the Qualifying Shares as a result of the conversion to take all necessary steps in connection with the take up of the Offer (in particular, as regards delivery of share certificates and/or other documents of title or transfers to an escrow balance as described above) prior to 1.00 p.m. on the Offer Closing Date, whether in certificated or uncertificated form.

#### 4.5. *Validity of acceptances*

##### (a) *Acceptance Forms*

Brewin Dolphin reserves the right to treat as valid only Acceptance Forms which are received entirely in order by 1.00 p.m. on the Offer Closing Date and which are accompanied by the relevant share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof in respect of the entire number of Qualifying Shares in respect of which the Offer has been accepted.

##### (b) *Validity of Electronic Acceptances*

An Acceptance Form which is received in respect of Qualifying Shares held in uncertificated form will not constitute a valid Acceptance and will be disregarded. Qualifying Shareholders holding Qualifying Shares in uncertificated form who wish to accept the Offer in respect of such shares should note that a TTE instruction will only be a valid acceptance as at the Offer Closing Date, if it has settled before 1.00 p.m. on that date.

An appropriate announcement will be made if any of the details contained in this paragraph are altered.

##### (c) *General*

Notwithstanding the completion of a valid Acceptance Form or settlement of a TTE instruction, as applicable, the Offer may lapse in accordance with the conditions set out above.

The decision of Brewin Dolphin as to validity of Acceptances shall be conclusive and binding on all Shareholders.

If you are in any doubt as to how to complete the Acceptance Form or as to the procedure for making an electronic acceptance please contact Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. You are reminded that, if you are a CREST sponsored member, you should contact your CREST sponsor before taking any action.

Qualifying Shareholders should note that once the Offer has been accepted the Qualifying Shares in respect of which the Offer has been accepted may not be sold, transferred, charged or otherwise disposed of.

## **5. Effect of Acceptance**

### **5.1. Acceptance Forms**

Each Qualifying Shareholder by whom or, as applicable, on whose behalf a Acceptance Form is executed and lodged, including a Acceptance Form which is treated by Brewin Dolphin as valid, irrevocably undertakes, represents, warrants and agrees to and with Brewin Dolphin (so as to bind him, his personal representatives, heirs, successors and assigns) that:

- (a) the execution of the Acceptance Form shall constitute the acceptance of the Offer in respect of such number of certificated Qualifying Shares as are inserted in Box 2 of the Acceptance Form on and subject to the terms and conditions set out or referred to in this document and the Acceptance Form and that, once lodged, such acceptance shall be irrevocable;
- (b) such Qualifying Shareholder has full power and authority to accept the Offer and to sell, assign or transfer the Qualifying Shares in respect of which the Offer is accepted (together with all rights attaching thereto) and, when the same are purchased by Brewin Dolphin, Brewin Dolphin will acquire such Qualifying Shares 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 the Offer Closing Date, including the right to receive all dividends and other distributions declared, paid or made after that date;
- (c) such execution and lodgment, shall, subject to the Offer becoming unconditional, constitute the irrevocable appointment of each of Brewin Dolphin and any director or officer of Brewin Dolphin as such Qualifying Shareholder's agent, and an irrevocable instruction to them as such, to:
  - (i) complete and execute any and all instruments of transfer and/or other documents or forms and take any and all actions which are necessary or, in such agent's absolute discretion, desirable to give effect to the purchase and cancellation of the Shares the subject of the Acceptance Form;
  - (ii) deliver such instruments of transfer and/or other documents or forms at the discretion of the agent, together with the share certificates and/or other documents of title relating to such Qualifying Shares, for registration within six months of the Offer becoming unconditional and to do all such other acts and things as may in the opinion of such agent be necessary or expedient for the purpose of, or in connection with, the Offer and to vest in Brewin Dolphin or its nominee(s) or such other person(s) Brewin Dolphin may direct such Qualifying Shares;
  - (iii) procure the purchase of the Qualifying Shares which are the subject of the Acceptance Form and sell such Qualifying Shares to the Company for cancellation; and
  - (iv) despatch or otherwise make payment of the proceeds of sale in respect of the purchased Qualifying Shares in accordance with the settlement provisions set out below;
- (d) such Qualifying Shareholder shall not take any action which would prevent the Company or the Registrars from cancelling the Qualifying Shares purchased under the Offer;
- (e) such Qualifying Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by Brewin Dolphin or any of its directors or officers or any person nominated by Brewin Dolphin or any of its directors or officers or the Company or any of its directors in the proper exercise of their or his powers and/or authorities hereunder;
- (f) such Qualifying Shareholder with a holding of Qualifying Shares in certificated form will deliver to the Receiving Agent their share certificate and/or other document of title in respect of the Qualifying Shares referred to in sub-paragraph (a) above, or an indemnity acceptable to Brewin Dolphin in lieu thereof, or will procure the delivery of such document(s) to such

person(s) as soon as possible thereafter and, in any event, by no later than 1.00 p.m. on the Offer Closing Date;

- (g) the provisions of the Acceptance Form part of the terms and conditions of the Offer;
- (h) such Qualifying Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by Brewin Dolphin to be desirable, in each case to complete the purchase of the Qualifying Shares and/or to perfect any of the authorities expressed to be given hereunder;
- (i) such Qualifying Shareholder has observed the laws of all relevant jurisdictions, obtained any requisite consents, complied with all applicable formalities, that the Offer may be made to him under the laws of the relevant jurisdiction, and has not taken or omitted to take any action which would otherwise result in Brewin Dolphin or the Company acting in breach of any applicable legal or regulatory requirement in respect of the purchase of the Qualifying Shares in respect of which the Offer has been accepted;
- (j) such Qualifying Shareholder has not received or sent copies or originals of this document, the Acceptance Form or any related documents in, into or from the United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction and has not otherwise utilised in connection with the Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of the United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction; that this document or the Acceptance Form have not been mailed or otherwise sent in, into or from the United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction and such Shareholder is accepting the Offer from outside the United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction;
- (k) the despatch of a cheque to a Qualifying Shareholder as referred to in paragraph 6 of this Part 2 headed "Settlement", will discharge fully any obligation of Brewin Dolphin to pay such Shareholder the consideration to which he is entitled under the Offer;
- (l) on execution a Acceptance Form takes effect as a deed; and
- (m) the execution of an Acceptance Form constitutes such Qualifying 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 Offer or the Acceptance Form.

A reference in this paragraph to a Qualifying Shareholder includes a reference to the person or persons executing an Acceptance Form and in the event of more than one person executing an Acceptance Form, the provisions of this paragraph will apply to them jointly and severally.

## 5.2. *Electronic Acceptances*

Each Qualifying Shareholder by whom, or on whose behalf, a TTE instruction which is treated by Brewin Dolphin and the Company as valid is made irrevocably undertakes, represents, warrants and agrees to and with Brewin Dolphin (so as to bind him, his personal representatives, heirs, successors and assigns) that:

- (a) the input of the TTE instruction shall constitute the acceptance of the Offer in respect of such number of Qualifying Shares as are specified in the TTE instruction on and subject to the terms and conditions set out or referred to in this document and the TTE instruction and that, once the TTE instruction has settled, such acceptance shall be irrevocable;
- (b) such Qualifying Shareholder has full power and authority to accept the Offer and to sell, assign or transfer the Qualifying Shares in respect of which the Offer is accepted (together with all rights attaching thereto) and, when the same are purchased by Brewin Dolphin, Brewin

Dolphin will acquire such Qualifying Shares 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 the Offer Closing Date, including the right to receive all dividends and other distributions declared, paid or made after that date;

- (c) the input of the TTE instruction, which has effect as an acceptance of the Offer, will, subject to the Offer becoming unconditional, constitute the irrevocable appointment of the Receiving Agent as such Qualifying Shareholder's escrow agent and an irrevocable instruction and authority to the escrow agent: (i) subject to the Offer becoming unconditional, to transfer to itself and then to transfer to Brewin Dolphin by means of CREST (or to such person or persons as Brewin Dolphin may direct) all of the Relevant Shares (as defined below); and (ii) if the Offer does not become unconditional and lapses or is terminated as promptly as practicable after the lapsing or termination of the Offer, to transfer the Relevant Shares back to the original available balances from which those Qualifying Shares came. For the purposes of this paragraph **Relevant Shares** means Shares in uncertificated form and in respect of which a transfer or transfers to escrow has or have been effected pursuant to the procedures described in this Part 2;
- (d) such Qualifying Shareholder shall not take any action which would prevent the Company or the Registrars from cancelling the Qualifying Shares in respect of which the Offer has been accepted;
- (e) such Qualifying Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by Brewin Dolphin and/or the Receiving Agent or any of their respective directors or officers or any person nominated by Brewin Dolphin or the Receiving Agent or any of their respective directors or officers or the Company or any of its directors in the proper exercise of their respective powers and/or authorities hereunder;
- (f) if, for any reason, any Ordinary Shares in respect of which a TTE instruction has been made are, prior to 1.00 p.m. on the Offer Closing Date, converted into certificated form, the Electronic Acceptance in respect of such Qualifying Shares shall cease to be valid and the Qualifying Shareholder will need to comply with the procedures for accepting the offer for Qualifying Shares held in certificated form as set out in this Part 2 in respect of the Qualifying Shares so converted, if he wishes to make a valid acceptance of such Qualifying Shares pursuant to the Offer;
- (g) such Qualifying Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by Brewin Dolphin to be desirable, in each case to complete the purchase of the Qualifying Shares and/or to perfect any of the authorities expressed to be given hereunder;
- (h) such Qualifying Shareholder has observed the laws of all relevant jurisdictions, obtained any requisite consents, complied with all applicable formalities, that the Offer may be made to him under the laws of the relevant jurisdiction, and has not taken or omitted to take any action which would otherwise result in Brewin Dolphin or the Company acting in breach of any applicable legal or regulatory requirement in respect of the purchase of the Qualifying in respect of which the Offer has been accepted;
- (i) such Qualifying Shareholder has not received or sent copies or originals of this document, the Acceptance Form or any related documents in, into or from the United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction and has not otherwise utilised in connection with the Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of the United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction at the time of the input of the relevant TTE instruction; that the TTE instruction

has not been sent from the United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction and such Shareholder is accepting the Offer from outside the United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction;

- (j) the creation of a payment obligation in favour of such Qualifying Shareholder's payment bank in accordance with the CREST payment arrangements as referred to in paragraph 6 of this Part 2 headed "Settlement" will, to the extent of the obligations so created, discharge fully any obligation of Brewin Dolphin to pay to such Shareholder the consideration to which he is entitled under the Offer; and
- (k) 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 of or in connection with the Offer.

## 6. Settlement

Settlement of the consideration to which any Qualifying Shareholder is entitled pursuant to the Offer will be made by the despatch of cheques or CREST messages as follows:

### 6.1. *Shares in certificated form*

Where a purchase relates to Qualifying Shares held in certificated form, cheques for the consideration due will be despatched by the Receiving Agent by first class post to the person or agent whose name and address (outside the United States, Canada, Australia, New Zealand, Japan or South Africa or any other Restricted Jurisdiction) is set out in Box 1 or Box 4 of the Acceptance Form or, if none is set out, to the registered address of the accepting Qualifying Shareholder or, in the case of joint holders, the registered address of the first named Qualifying Shareholder. All payments will be made in pounds sterling by cheque, drawn on a branch of a UK clearing bank.

### 6.2. *Shares in uncertificated form (that is, in CREST)*

Where a purchase relates to Qualifying Shares held by Qualifying Shareholders in uncertificated form, the consideration due will be paid through CREST, by the Receiving Agent (on behalf of Brewin Dolphin,) procuring the creation of a payment obligation in favour of the payment banks of accepting Ordinary Shareholders in accordance with the CREST payment arrangement.

## 7. Taxation

**The comments below are intended only as a general guide to the current tax position under the laws of the United Kingdom and practice of HMRC in respect of Shareholders who are resident in the United Kingdom for tax purposes and who hold their Ordinary Shares beneficially as investments and not on trading account. 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 their professional adviser.**

Stocks and shares held within an ISA must be quoted on a recognised stock exchange. If and when the Cancellation becomes effective the Ordinary Shares will no longer be qualifying investments and must either be sold or withdrawn from ISAs. Those individuals currently holding Ordinary Shares in ISAs should therefore consider their position and either sell on the market before Cancellation, accept the Offer or take appropriate action to have the shares transferred having consulted their professional adviser and ISA provider regarding the most appropriate course of action allowed.

### 7.1 *The Offer*

Since Brewin Dolphin will be acting as principal in making the Offer, a Qualifying Shareholder who sells their Ordinary Shares to Brewin Dolphin pursuant to the Offer should be treated, for the purposes of United Kingdom taxation of chargeable gains ("CGT"), as though he had sold them in the ordinary way to a third party.

Therefore, if the Ordinary Shares are held as a capital asset by the Qualifying Shareholder, the sale will constitute a disposal for the purposes of CGT and, depending on the Qualifying Shareholder's particular circumstances (including the availability of any exemptions, reliefs and allowable losses), a chargeable gain or an allowable loss could therefore arise for a Qualifying Shareholder resident or ordinarily resident in the United Kingdom.

A corporate Qualifying Shareholder is taxable on all of its chargeable gains. Corporate Qualifying Shareholders are entitled to indexation allowance up to the date the chargeable gain is realised. A Qualifying Shareholder whose allowable expenditure in relation to his Ordinary Shares exceeds his gross proceeds of sale will realise a capital loss. If an allowable loss arises to a Qualifying Shareholder on the sale of Ordinary Shares pursuant to the Offer, such Qualifying Shareholder is recommended to seek professional advice on the potential utilisation of such allowable loss.

## 7.2 *Anti-avoidance provisions*

You should be aware of the anti-avoidance provisions at Chapter 1, Part XVIII of the Income and Corporation Taxes Act 1988 and Chapter 1, Part 13 of the Income Tax Act 2007, which HMRC may apply where they have reason to believe that a person obtains a tax advantage in consequence of a "transaction in securities".

Where HMRC seeks to apply any of these provisions to the proceeds of sale of a Qualifying Shareholder's Ordinary Shares, the general effect would be to tax some or all of such proceeds as income. These rules only apply in certain circumstances and do not apply where it can be shown that the transaction in question was entered into for bona fide commercial reasons and did not involve as one of its main objectives the obtaining of an income tax advantage. In view of these restrictions on the application of the anti-avoidance provisions, no application has been made by the Company for clearance from HMRC in respect of the application of the above provisions. Shareholders are advised to take independent advice as to the potential application of the above provisions in light of their own particular circumstances.

## 7.3 *Stamp Duty and Stamp Duty Reserve Tax*

Except in relation to depositary receipt arrangements or clearance services where special rules apply:

- no stamp duty or stamp duty reserve tax ("SDRT") will be payable on the proceeds payable to Shareholders by Brewin Dolphin under the Offer; and
- stamp duty at the rate of 0.5 per cent. (rounded up to the nearest £5) of the total price payable by the Company to Brewin Dolphin will be payable by the Company on its purchase of the Ordinary Shares under the Buy Back. This cost will be borne by the Company and will not be charged to selling Shareholders.

## 8. **General**

8.1 The terms, provisions, instructions and authorities contained in or deemed to be incorporated in the Acceptance Form also in respect of Qualifying Shares held in certificated form constitute part of the terms of the Offer. The provisions of this Part 3 shall be deemed to be incorporated in and form part of the Acceptance Form.

8.2 Any omission or failure to despatch this document, the Acceptance Form or any notice required to be despatched under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is made, or should be made, will not invalidate the Offer in any way or create any implication that the Offer has not been made to any such person. Subject to the provisions of Paragraph 3 of this Part 3, the Offer is made to any Qualifying Shareholder to whom this document and the Acceptance Form or any related document may not have been despatched, and any such person may collect the relevant documents (during normal business hours only) from Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

- 8.3 Brewin Dolphin reserves the right to treat acceptances as valid if not entirely in order or if received by or on behalf of either of them at any place or places or in a manner or form determined by them otherwise than as set out in this document or the Acceptance Form. In that event, no payment of cash will be made under the Offer until after the relevant acceptance has been perfected.
- 8.4 No acknowledgement of receipt of any Acceptance Form will be given. All communications, notices, certificates, documents of title and remittances to be delivered by or sent to or from Qualifying Shareholders (or their designated agent(s)) or as otherwise directed will be delivered by or sent to or from such Qualifying Shareholders (or their designated agent(s)) at their risk.
- 8.5 The Offer is made on 13 May 2010 and is capable of acceptance from and after that date until the Offer Closing Date. Forms of Acceptance and copies of this document may be collected from Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. The Offer is made by means of this document and the Acceptance Form.
- 8.6 The Offer and the Acceptance Form and all acceptances and elections in respect thereof will be governed by and construed in accordance with English law. Execution by or on behalf of Qualifying Shareholders of an Acceptance Form and/or the making of a TTE instruction to accept the Offer constitutes his/her/its irrevocable submission to the jurisdiction of the courts of England and Wales in relation to all matters arising in connection with the Offer and his/her/its agreement that nothing shall limit the right of Brewin Dolphin, Total Systems or Capita Registrars to bring any action, suit or proceeding arising out of or in connection with the Offer in any other manner permitted by law or in any court of competent jurisdiction.
- 8.7 All references in this Part 3 to any statute or statutory provision shall include a statute or statutory provision which amends, consolidates or replaces the same (whether before or after the date hereof).
- 8.8 Neither Brewin Dolphin nor Total Systems nor any agent or director of Brewin Dolphin or Total Systems, nor any person acting on behalf of any of them, shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of acceptances of the Offer or otherwise in connection therewith.

## PART 4

### FINANCIAL INFORMATION ON TOTAL SYSTEMS

The audited consolidated financial statements of Total Systems set out in Total Systems' annual reports for the financial years ended 31 March 2009, 2008 and 2007, together with the audit reports in respect of those financial statements are incorporated by reference into this document.

The unaudited interim report included in the Total Systems interim results for the half year ended 30 September 2009, together with the review report thereon, is incorporated by reference into this document.

Copies of Total Systems annual reports for the financial years ended 31 March 2009, 2008 and 2007 and the Interim Results will be sent to Total Systems Shareholders upon request (but will not otherwise be sent to Total Systems Shareholders in connection with this document).

Total Systems Shareholders can request copies of these documents from the Company Secretary. Copies of these documents incorporated by reference in this document will be provided within two Business Days, without charge, to each person to whom a copy of this document has been delivered, upon their written or verbal request.

#### *No Information*

- 1 Revenue, net profit or loss before and after taxation, the charge for tax, extraordinary items, minority interests, the amount absorbed by dividends and earnings and dividends per share for Total Systems for the three years ended 31 March 2009, 31 March 2008 and 31 March 2007.

#### *Source of Information*

Total Systems Annual Report & Accounts 2009, Consolidated Income Statement on page 18.

If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.

<http://www.totalsystems.co.uk/documents/TotalSystemsAnnualReport2009.pdf>

Total Systems Annual Report & Accounts 2008, Consolidated Income Statement on page 18.

If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.

<http://www.totalsystems.co.uk/documents/TotalSystemsAnnualReport2008.pdf>

Total Systems Annual Report & Accounts 2007, Consolidated Income Statement on page 18.

If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.

<http://www.totalsystems.co.uk/documents/TotalSystemsAnnualReport2007.pdf>

<i>No</i>	<i>Information</i>	<i>Source of Information</i>
2	A statement of the assets and liabilities shown in the audited accounts for Total Systems for the year ended 31 March 2009.	<p>Total Systems Annual Report &amp; Accounts 2009, Consolidated Balance Sheet on page 19.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p><a href="http://www.totalsystems.co.uk/documents/TotalSystemsAnnualReport2009.pdf">http://www.totalsystems.co.uk/documents/TotalSystemsAnnualReport2009.pdf</a></p>
3	A cash flow statement as provided in the audited accounts for Total Systems for the year ended 31 March 2009.	<p>Total Systems Annual Report &amp; Accounts 2009, Consolidated Cash Flow Statement on page 21.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p><a href="http://www.totalsystems.co.uk/documents/TotalSystemsAnnualReport2009.pdf">http://www.totalsystems.co.uk/documents/TotalSystemsAnnualReport2009.pdf</a></p>
4	Revenue, net profit or loss before and after taxation, the charge for tax, extraordinary items, minority interests, the amount absorbed by dividends and earnings and dividends per share for Total Systems for interim results for the 6 months to 30 September 2009.	<p>Total Systems interim results for the 6 months to 30 September 2009, Consolidated Income Statement on page 4, Consolidated Balance Sheet on page 5 and Consolidated Cash flow statement on page 6.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p><a href="http://www.totalsystems.co.uk/documents/TotalSystemsInterimReport2009.pdf">http://www.totalsystems.co.uk/documents/TotalSystemsInterimReport2009.pdf</a></p>
5	Significant accounting policies together with any points from the notes to the accounts which are of major relevance to an appreciation of the figures	<p>Total Systems Annual Report &amp; Accounts 2009, the Significant Accounting Policies and the Notes to the Accounts on pages 22 to 32.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p><a href="http://www.totalsystems.co.uk/documents/TotalSystemsAnnualReport2009.pdf">http://www.totalsystems.co.uk/documents/TotalSystemsAnnualReport2009.pdf</a></p>

*No Information*

*Source of Information*

Total Systems Annual Report & Accounts 2008, the Significant Accounting Policies and the Notes to the Accounts on pages 22 to 31.

If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.

<http://www.totalsystems.co.uk/documents/TotalSystemsAnnualReport2008.pdf>

Total Systems Annual Report & Accounts 2007, the Significant Accounting Policies and the Notes to the Accounts on pages 22 to 31.

If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.

<http://www.totalsystems.co.uk/documents/TotalSystemsAnnualReport2007.pdf>

## PART 5

### ADDITIONAL INFORMATION

#### 1. Responsibility

- 1.1 The Directors, whose names and functions appear on page 5 of this document, accept responsibility for the information contained in this document (save that Terence Bourne does not accept responsibility for the recommendations of the Independent Directors set out on page 16 of this document) other than information for which responsibility is taken by others pursuant to paragraph 1.2 below. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 Each member of the Concert Party accepts responsibility for the information contained in this document which relates to himself and to members of his immediate family, related trusts and persons connected with them (within the meaning of section 96B of the Financial Services and Markets Act 2000). To the best of the knowledge and belief of each member of the Concert Party (who have taken all reasonable care to ensure that such is the case) the information contained in this document which relates to such member and to members of his immediate family, related trusts and persons connected with him is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### *Total Systems Directors*

The directors of Total Systems and the positions they hold are as follows:

<i>Name</i>	<i>Position</i>
Terence Bourne	Chairman and Managing Director*
Granville Harris	Finance Director and Company Secretary
Arthur Weber	Technical Director
Clive Dutton	Operations Director
Peter Delaney	Non-Executive Director

\* Non-Independent Director

The business address of each of the Total Systems Directors is 394 City Road, London, EC1V 2QA which is also the registered office and head office of Total Systems.

#### 2. Information on the Concert Party

Information on the Concert Party which consists of Terence Bourne, Corin Bourne and Justin Bourne is contained below:

- 2.1 Terence Bourne was the co-founder of Total Systems, which started trading in 1973. He has been a director and significant shareholder of the Company continuously since that date and has derived his main livelihood from that. Further details of Terence Bourne's career to date have been disclosed in the Company's previously published annual reports and accounts."
- 2.2 Corin Bourne is Terence Bourne's son and is not employed by Total Systems plc.
- 2.3 Justin Bourne is Terence Bourne's son and is not employed by Total Systems plc.
- 2.4 The members of the Concert Party do not have any financing arrangements in place where repayment, payment of interest on, or security is dependent on the business of the Company.

- 2.5 Peter Delaney is a partner in Deeks Evans. Deeks Evans provides taxation advice to the Company and to Terence Bourne in his personal capacity. Deeks Evans invoices the Company £1,000 per month as the agreed compensation fee for the loss of Peter Delaney's time while performing his duties as a non executive director of the Company.

Save as aforesaid, no relationships (personal, financial or commercial), arrangements or understandings exist between the members of the Concert Party or any person acting in concert with them and any of the directors or shareholders of the Company or adviser to the Company under Rule 3 of the Code (or any person presumed to be acting in concert with any such persons).

- 2.6 No agreements, arrangements or understandings (including any compensation arrangements) exist between the members of the Concert Party or any person acting in concert with them and any of the directors, shareholders, recent directors or recent shareholders of the Company having any connection with or dependence upon the Proposals being implemented.
- 2.7 It is the intention of the members of the Concert Party to support the Directors in their future strategic plans for the future of the Company's business. They have no present intentions to make any changes to the Company's strategic plans, including amendments to the existing employment of the Company's employees, location of the Company's places of business or deployment of the Company's assets.
- 2.8 The business address of the Concert Party is Total Systems, 394 City Road, London, EC1V 2QA.

### 3 Disclosure of Interests and Dealings in Shares

#### 3.1 Definitions

For the purposes of this Part 5:

“**acting in concert**” has the meaning attributed to it in the City Code;

“**arrangement**” includes any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing;

“**connected adviser**” has the meaning attributed to it in the City Code;

“**connected person**” has the meaning attributed to it in section 256 of the Companies Act 2006;

“**control**” means a holding, or aggregate holdings, of shares carrying 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether the holding or aggregate holding gives *de facto* control;

“**derivative**” includes any financial product whose value, in whole or part, is determined directly or indirectly by reference to the price of an underlying security;

“**Disclosure Period**” means the period commencing on 13 May 2009 (being the date 12 months prior to the commencement of the Offer Period) and ending on 13 May 2010 (being the last practicable date prior to the publication of this document);

“**dealing**” or “**dealt**” includes the following:

- (i) the acquisition or disposal of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to securities, or of general control of securities;
- (ii) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any relevant securities;
- (iii) subscribing or agreeing to subscribe for relevant securities;

- (iv) the exercise or conversion, whether in respect of new or existing relevant securities, of any relevant securities carrying conversion or subscription rights;
- (v) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to relevant securities;
- (vi) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and
- (vii) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;

a person is treated as “**interested**” in securities if he has long economic exposure, whether absolute or conditional, to changes in the price of those securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person is treated as “**interested**” in securities if:

- (i) he owns them;
- (ii) he has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
- (iii) by virtue of any agreement to purchase, option or derivative, he:
  - (a) has the right or option to acquire them or call for their delivery; or
  - (b) is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
- (iv) he is party to any derivative:
  - (a) whose value is determined by reference to their price; and
  - (b) which results, or may result, in his having a long position in them;

“**exempt principal trader**” or “**exempt fund manager**” has the meaning attributed to it in the City Code;

“**paragraph 1 associate**” means, in relation to a company, its parent, subsidiaries and fellow subsidiaries, their associated companies, and companies of which such parent, subsidiaries, fellow subsidiaries or associated companies are associated companies (for this purpose, ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of “associated company” status);

“**relevant securities**” means Ordinary Shares and securities convertible into, rights to subscribe for, options (including traded options) in respect of, and derivatives referenced to, any of the foregoing; and

“**short position**” means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

### 3.2 *Dealings in Total Systems Shares*

Dealings for value in Total Systems Shares by Total Systems Directors or Total Systems during the Disclosure Period were as follows:

<i>Name</i>	<i>Transaction Date</i>	<i>Nature of Transaction</i>	<i>Number of Total Systems Shares</i>	<i>Price per Total Systems Share (pence per Ordinary Share)</i>
Total Systems	17 September 2009	Purchase of own shares	25,000	24
Total Systems	28 September 2009	Purchase of own shares	60,000	25.667
Terence Bourne	11 January 2010	Gifted shares to J Bourne	21,100	Nil consideration
Terence Bourne	11 January 2010	Gifted shares to C Bourne	21,100	Nil consideration

3.3 As at the close of business on 12 May 2010 (being the last practicable date prior to the posting of this document) the beneficial shareholding interests of the Directors and persons connected to them or acting in concert with them and the percentage of the Issued Share Capital which they represent as at that date, together with the Directors' right to subscribe for such interests are set out in the table below:

<i>Name</i>	<i>Number of Ordinary Shares</i>	<i>% of Issued Share Capital</i>	<i>Number of Ordinary Shares under option</i>
Terence Bourne	5,157,800	49.4	0
Granville Harris	11,419	0.1	240,960
Arthur Weber	6,910	0.1	286,658
Clive Dutton	17,210	0.2	240,960
Peter Delaney	2,067,500	19.8	0

Save as disclosed in this document, no director nor any person acting in concert with any of them has any interest in, rights to subscribe for or short positions in the share capital of the Company.

3.4 Save as disclosed in paragraph 3.3 above and in paragraph 3.5 below, no person acting in concert with the Company nor any person connected with them has any interest in, rights to subscribe for or short positions in the share capital of the Company.

3.5 As at the close of business on 12 May 2010 (being the last practicable date prior to the posting of this document) the interests of the members of the Concert Party and their respective immediate families, related trusts and connected persons, all of which are beneficial unless otherwise stated, in the relevant Company securities are as follows:

<i>As at 12 May 2010</i>			
<i>Name</i>	<i>Number of Ordinary Shares</i>	<i>% of Issued Share Capital</i>	<i>Number of Ordinary Shares under option</i>
Terence Bourne	5,157,800	49.4	0
Corin Bourne	421,100	4.0	0
Justin Bourne	421,100	4.0	0

Save as disclosed in this paragraph 3, no member of the Concert Party, nor any person connected with any such member has any interest in, rights to subscribe for or on short positions in any relevant securities or has dealt for value in any relevant securities in the 12 months preceding the date of this document.

### 3.6 *Major Shareholders*

Set out in the table below are the names of those persons, other than the Directors, who, so far as the Company is aware, are interested, directly or indirectly, in 3 per cent. or more of the Company's total voting rights or capital in issue as at 12 May 2010, being the latest practicable date prior to the posting of this document.

<i>Shareholder</i>	<i>Number of Ordinary Shares</i>	<i>% of issued share capital</i>
Corin Bourne	421,100	4.0
Justin Bourne	421,100	4.0

3.7 Neither Total Systems nor any person acting in concert with Total Systems nor any member of the Concert Party nor any person acting in concert with any of them has borrowed or lent any relevant securities during the 12 months preceding the date of this document.

3.8 The following table sets out the closing middle market quotations for Ordinary Shares as derived from the Daily Official List as published by the London Stock Exchange for the first dealing day of the six months prior to the date of this document and for 12 May 2010 (being the latest practicable date before the publication of this document):

<i>Date</i>	<i>Ordinary Share Price (pence)</i>
12 May 2010	23.5
4 May 2010	23.5
1 April 2010	23.5
1 March 2010	23.5
1 February 2010	26.5
4 January 2010	23.5
1 December 2009	23.5

## 4. **Further information on the Company**

### 4.1 *Working Capital*

The Directors are satisfied that the Group has sufficient working capital for its present requirements that is, for at least the next 12 months from the date of this document.

### 4.2 *Directors' service contracts*

#### 4.2.1 *Executive Directors*

Service contracts have been entered into with each of the four Executive Directors of the Company. Particulars of such contracts are as follows:

#### *Name, date of agreement and basic salary details*

<i>Name</i>	<i>Date of Agreement</i>	<i>Current basic annual salary (£)</i>	<i>Salary increases in last 6 months</i>
Terence Bourne	23 March 1988	110,000	Nil
Granville Harris	31 July 1998	105,000	Nil
Arthur Weber	12 May 2003	105,000	Nil
Clive Dutton	12 May 2003	105,000	Nil

*Bonuses and other remuneration (including commission and profit sharing arrangements but excluding benefits)*

In addition to their basic salaries stated above, each director has received a small Christmas cash bonus.

Each of Granville Harris, Arthur Weber and Clive Dutton are eligible to participate in the Total Systems Share Option Schemes. Details of options granted to them are set out in paragraph 3.3 above.

Granville Harris, Arthur Weber and Clive Dutton are not entitled to any commission or other profit sharing arrangements save as set out in this section.

*Benefits*

***Terence Bourne***

Terence Bourne's service contract with Total Systems provides for the Company to make contributions to Terence Bourne's private pension scheme. The Company no longer makes contributions as the pension is now being drawn down by Mr Bourne. The Company pays an annual subscription to BUPA for the benefit of Terence Bourne.

***Other Directors***

The Company pays annual subscriptions for private medical insurance for the benefit of each of Granville Harris, Arthur Weber and Clive Dutton.

***Term and notice***

The service agreement of Terence Bourne provides for his employment to continue until the first of the following to occur: (i) it is terminated by either party giving not less than 6 months' written notice (ii) it is terminated by the Company with immediate effect for cause (as specified in the relevant service agreement, including absence or incapacity for a period or periods exceeding 120 working days in any period of 12 months).

The service agreements of Granville Harris, Arthur Weber and Clive Dutton provide for their respective employments to continue until the first of the following to occur: (i) it is terminated by either party giving 6 months' written notice (ii) it is terminated by the Company with immediate effect for cause (as specified in the relevant service agreement, including absence or incapacity for a period or periods exceeding 15 days in any period of 13 consecutive weeks).

The above service contracts have not been amended in the last six months preceding the date of this document.

**4.2.2 *Non Executive Directors***

*Name, date of agreement and basic salary details*

<i>Name</i>	<i>Date of Agreement</i>	<i>Current basic annual salary (£)</i>	<i>Salary increases in last 6 months</i>
Peter Delaney	1 October 2008	£12,000	nil

Mr Delaney is not entitled to any bonus or other remuneration (including commission and profit sharing arrangements but excluding benefits); nor to any other benefits.

***Term and notice***

The service agreement of Peter Delaney provides for his employment to continue until the first of the following to occur: (i) it is terminated by either party giving six months' written notice (ii) it is terminated by the Company with immediate effect for cause (as specified in the relevant service agreement, including absence or incapacity for a period or periods exceeding 15 working days in any period of 13 consecutive weeks).

#### 4.3 **Material contracts**

Save for the Repurchase Agreement, neither the Company nor any of its subsidiaries has during the period beginning two years before the commencement of the Offer Period (as applicable under the Code in relation to the Offer) entered into any material contract not being a contract entered into in the ordinary course of business.

#### 4.4 **Share Options**

##### *Participation in the Offer*

There are currently outstanding under the Total Systems Share Option Schemes options to subscribe for a total of 1,145,147 Ordinary Shares as follows:

<i>Options Scheme</i>	<i>Exercise price of the options</i>	<i>Number of Ordinary Shares to be subscribed for</i>	<i>% of issued share capital prior to Buyback (excluding treasury shares)</i>	<i>% of issued capital after the Buyback (excluding treasury shares)</i>
EMI Scheme	41.5p	722,880	6.9 per cent.	8.9 per cent.
CSOP Scheme	32.17p	295,000	2.7 per cent.	3.5 per cent.
SAYE Scheme	35.83p	127,267	0.6 per cent.	0.8 per cent.

However,

- the CSOP Options are not exercisable until after 30 April 2011;
- the EMI Options are all subject to performance conditions which have not yet been satisfied; and
- of the SAYE Options that became exercisable on maturity on 1 March 2010 63,292 are still exercisable up to 1 September 2010 and the remaining 63,975 are not exercisable under normal circumstances until maturity on 1 March 2012 following which they may still be exercised up to 1 September 2012.

In the light of the above,

- the Directors do not expect any of the options outstanding under the Total Systems Option Schemes to be exercised before the closing date of the Offer;
- all calculations included or reflected in this document as to the issued share capital of the Company immediately following completion of the Proposals are made on the assumption that none of such options will be exercised prior to such completion.

##### *Continuation of the Share Options*

Save to the extent they are duly exercised or lapse in accordance with their respective terms, options under the Total Systems Option Schemes will continue to exist following completion of the Proposals. However, if the Cancellation takes effect, such options will relate to shares which are not quoted on a public market.

The EMI options, all of which are held by Executive Directors, include performance conditions which relate to the price of the Company's shares on the Official List, which conditions will clearly be incapable of fulfilment once the Cancellation takes effect. However, the terms of such options also provide that they will vest and become exercisable immediately if there is a change in control of the Company.

#### 4.5 **Financing of the Offer**

The cash consideration payable under the Offer will be funded by Brewin Dolphin from the proceeds payable to it under the Repurchase Agreement. Accordingly, there is no financing in relation to the Offer in respect of which any payment of interest on, repayment of or security for, any liability

(contingent or otherwise) of Brewin Dolphin or Total Systems depends to any significant extent on the business of Brewin Dolphin or Total Systems.

The Company confirms that (i) the maximum cash consideration is currently held by Brewin Dolphin and (ii) Brewin Dolphin has been provided with an irrevocable instruction by the Company to retain the funds until the Closing Date.

As required by the Code, Brewin Dolphin, as broker and sponsor to Total Systems, has confirmed that it is satisfied that sufficient resources are available to satisfy in full the cash consideration payable pursuant to the terms of the Offer.

## 5. Irrevocable undertakings

- 5.1 Terence Bourne has irrevocably undertaken not to accept the Offer or any other offer that may be made by Brewin Dolphin for Ordinary Shares prior to the Offer becoming unconditional. He has also irrevocably undertaken not prior to completion of the Buy Back or lapse or withdrawal of the Offer (whichever shall first occur) to dispose of any of the Ordinary Shares of which he is holder and has further irrevocably undertaken to vote in favour of Resolutions 1 and 2, and to abstain from voting on Resolution 3 at the Extraordinary General Meeting in respect of his entire holdings amounting to, in aggregate, 5,157,800 Ordinary Shares, representing 49.4 per cent. of the current issued share capital of the Company.
- 5.2 Each of the Independent Directors who holds Ordinary Shares has irrevocably undertaken not to accept the Offer or any other offer that may be made by Brewin Dolphin for Ordinary Shares prior to the Offer becoming unconditional. Each of them has also irrevocably undertaken not prior to completion of the Buy Back or lapse or withdrawal of the Offer (whichever shall first occur) to dispose of any of the Ordinary Shares of which he is the holder and has further irrevocably undertaken to vote in favour of the Resolutions at the Extraordinary General Meeting in respect of his entire beneficial holding. Each of them has also agreed, subject to their fiduciary duties as directors of the Company, to recommend to Shareholders to vote in favour of the Resolutions. Those holdings amount to, in aggregate 2,103,039 Ordinary Shares, representing approximately 20.2 per cent. of the current issued share capital of the Company.

The following table shows the number of Ordinary Shares in which each of the relevant Independent Directors had an interest on the date of the irrevocable confirmation given by him:

	<i>Number of Ordinary shares</i>	<i>% of Issued Share Capital</i>
Granville Harris	11,419	0.1
Arthur Weber	6,910	0.1
Clive Dutton	17,210	0.2
Peter Delaney	2,067,500	19.8
Total	<u>2,103,039</u>	<u>20.2</u>

- 5.3 Each of the following Shareholders has irrevocably undertaken not to accept the Offer and any other offer that may be made by Brewin Dolphin for Ordinary Shares prior to the Offer becoming unconditional. Each of them has also irrevocably undertaken not prior to completion of the Buy Back or lapse or withdrawal of the Offer (whichever shall first occur) to dispose of any of the Ordinary Shares of which he is holder and has further irrevocably undertaken to abstain from voting on Resolution 3 at the Extraordinary General Meeting in respect of his entire holdings as set out in the table below:

	<i>Number of Ordinary shares</i>	<i>% of Issued Share Capital</i>
C Bourne	421,100	4.0
J Bourne	421,100	4.0
Total	<u>842,200</u>	<u>8.0</u>

- 5.4 The following Non-participating Shareholders have irrevocably undertaken not to accept the Offer or any other offer that may be made by Brewin Dolphin for Ordinary Shares prior to the Offer becoming unconditional:

	<i>Number of Ordinary shares</i>	<i>% of Issued Share Capital</i>
Terence Bourne	5,157,800	49.4
Granville Harris	11,419	0.1
Arthur Weber	6,910	0.1
Clive Dutton	17,210	0.1
Peter Delaney	2,067,500	19.8
C Bourne	421,100	4.0
J Bourne	421,100	4.0
Total	<u>8,103,039</u>	<u>77.7</u>

## 6. General

- 6.1 Any shares acquired under the Offer will be purchased by the Company in accordance with the terms of the Repurchase Agreement. Any shares acquired by the Company pursuant to the Repurchase Agreement will be cancelled. If any shares are cancelled the issued Ordinary Shares will be reduced by the nominal amount of those shares but the authorised share capital of the Company will not be reduced.
- 6.2 Brewin Dolphin has given and not withdrawn its written consent to the issue of this document with the inclusion herein of the reference to its name in the form and context in which they appear.
- 6.3 ***Forward looking statements***

This document contains certain forward-looking statements regarding the financial condition, results of operations, and other matters relating to the Company. Statements in this document that are not historical facts are hereby identified as “forward-looking statements”. In some instances, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “expects”, “intends”, “may”, “plans”, “anticipates”, “aims”, “continues”, “will” or “should” or, in each case, their negative or other variations or comparable terminology. Such forward-looking statements are necessarily based on assumptions reflecting the current views of the Company, involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward looking statements and reflect expectations only as at the date of this document.

Save as required by law or by the Listing Rules, Prospectus Rules or Disclosure Rules, the Company undertakes no obligation to update or revise any forward-looking statements in this document that may occur due to any change in the Directors’ expectations or to reflect events or circumstances after the date of this document. All subsequent written and oral forward-looking statements attributable to the Company or individuals acting on behalf of the Company are expressly qualified in their entirety by this paragraph.

## **7. Documents available for inspection**

Copies of the following may be inspected at the Company's registered office during normal business hours on any Business Day from the date of posting this document to the date of the Extraordinary General Meeting and at the Extraordinary General Meeting:

- (a) this document;
- (b) the memorandum and articles of association of the Company;
- (c) the published audited consolidated report and accounts of the Company for the three years ended 31 March 2009, 2008 and 2007;
- (d) the material contracts summarised in paragraph 5 above;
- (e) the service contracts of all the directors of the Company;
- (f) the Rules of the Total Systems CSOP, the Rules of the Total Systems SAYE Scheme and the documentation constituting the Total Systems EMI Scheme;
- (g) the consent letter referred to in paragraph 6.2 above; and
- (h) copies of the irrevocable undertakings referred to in paragraph 5 of this Part 5.

13 May 2010

## DEFINITIONS

“1985 Act”	the Companies Act 1985;
“2006 Act”	the Companies Act 2006;
“Acceptance Form”	the form to be used to accept the Offer by Qualifying Shareholders who hold their Qualifying Shares in certificated form;
“Acts”	the 1985 Act and the 2006 Act;
“Board” or “Directors”	the directors of the Company as at the date of this document whose names are set out in Part 1 of this document;
“Brewin Dolphin”	Brewin Dolphin Limited;
“Business Day”	any day other than a Saturday, Sunday or public holiday on which banks are open in the City of London for the transaction of general commercial business;
“Buyback”	the purchase by the Company of up to 2,331,514 Ordinary Shares pursuant to the Repurchase Agreement;
“Cancellation”	the cancellation of the admission of the Ordinary Shares to the Official List and to trading on the London Stock Exchange’s Main Market;
“Capita Registrars”	a trading name of Capita Registrars Limited;
“Certificated Shareholder”	a holder of Ordinary Shares in certificated form;
“certificated” or “in certificated form”	Ordinary Shares not recorded on the Register as being held in uncertificated form in CREST;
“Closing Price”	the middle market closing price of an Ordinary Share as derived from the Daily Official List of the London Stock Exchange plc;
“Code”	the City Code on Takeovers and Mergers;
“Company” or “Total Systems”	Total Systems plc;
“Concert Party”	Terence Bourne and his adult sons C Bourne and J Bourne, who for the purpose of the Code are deemed to be acting in concert;
“CREST Member”	a person who has been admitted by Euroclear as a system member (as defined in the Regulations);
“CREST Participant”	a person who is, in relation to CREST, a system-participant (as defined in the Regulations);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755);
“CREST Sponsor”	a CREST Participant admitted to CREST as a CREST sponsor;
“CREST Sponsored Member”	a CREST Member admitted to CREST as a CREST sponsored member;
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations);
“Euroclear”	Euroclear UK & Ireland Limited (formerly CrestCo Limited);

“Executive Directors”	Terence Bourne, Granville Harris, Arthur Weber and Clive Dutton;
“Extraordinary General Meeting” or “EGM”	the Extraordinary General Meeting of the Company convened for 10.00 a.m. on 7 June 2010 by the Notice and any adjournment thereof;
“Group”	Total Systems plc and its subsidiaries;
“HMRC”	Her Majesty’s Revenue & Customs;
“Independent Directors”	the Directors other than Terence Bourne;
“Independent Shareholders”	Shareholders other than the members of the Concert Party;
“ISA”	an Individual Savings Account qualifying for UK income tax and capital gains tax purposes;
“ITEPA”	Income Tax Earnings & Pensions Act 2003;
“Listing Rules”	the rules and regulations made by the UK Listing Authority under Part VI of the Financial Services and Markets Act 2000 as amended from time to time;
“London Stock Exchange”	London Stock Exchange plc;
“Main Market”	The London Stock Exchange’s market for listed securities;
“Non-participating Shareholders”	all of the Directors of the Company and certain significant shareholders of the Company being Mr C Bourne and Mr J Bourne the adult sons of Terence Bourne;
“Notice”	the notice of the Extraordinary General Meeting, which is set out at the end of this document;
“Offer”	the Offer by Brewin Dolphin set out in Part 2 of this document to acquire all the Qualifying Shares;
“Offer Closing Date”	1.00 p.m. on 25 June 2010;
“Offer Period”	the period from 13 May 2010 until 1.00 p.m. on 25 June 2010;
“Offer Price”	the price of 26 pence per Share, being the price at which Brewin Dolphin is to purchase Shares under the Offer;
“Offer Record Date”	5.00 p.m. on 25 June 2010;
“Official List”	the Official List of the UKLA;
“Option holders”	persons who hold options to acquire Ordinary Shares under the Total Systems Share Option Schemes;
“Ordinary Shares” or “Ordinary Share Capital”	ordinary shares of 5 pence nominal value each in the capital of the Company;
“Overseas Shareholder”	a Shareholder who is resident in, or a citizen of, a jurisdiction outside the United Kingdom;
“Panel”	the Panel on Takeovers and Mergers;
“Participant ID”	the identification code or membership number used in CREST to identify a particular CREST Member or other CREST Participant;

“Participating Shareholders”	the Qualifying Shareholders other than the Non-participating Shareholders;
“Proposals”	the Cancellation, the Offer and the Rule 9 Waiver as described in this document;
“Proxy Form”	the form of proxy enclosed with this document for use at the Extraordinary General Meeting or any adjournment thereof;
“Qualifying Shareholders”	Shareholders who are entitled to participate in the Offer, being Shareholders on the Register at 5.00 p.m. on the Offer Record Date who are not Restricted Shareholders;
“Receiving Agent”	Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU;
“Register”	the register of members of the Company;
“Registrar”	Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU;
“Regulatory Information Service”	any of the services approved by the London Stock Exchange plc for the distribution of the AIM announcements and included within the list maintained on the website of the London Stock Exchange plc;
“Repurchase Agreement”	the agreement dated 13 May 2010 between the Company and Brewin Dolphin for the repurchase by the Company of the Ordinary Shares purchased by Brewin Dolphin pursuant to the Offer as described in this document;
“Repurchase Price”	the price of 26 pence per Ordinary Share, being the price at which the Company is to purchase Ordinary Shares from Brewin Dolphin under the Repurchase Agreement;
“Resolutions”	the resolutions to be proposed at the Extraordinary General Meeting, as set out in the Notice and a reference to a “Resolution” shall be construed accordingly;
“Restricted Jurisdiction”	each of the United States, Canada, Australia, New Zealand, South Africa and Japan and any other jurisdiction where the mailing of this document into or inside or from such jurisdiction would constitute a violation of the laws of such jurisdiction;
“Restricted Shareholder”	a Shareholder with a registered address in a Restricted Jurisdiction;
“Rule 9 Waiver”	the waiver of the obligations of Rule 9 of the Takeover Code by the Panel, subject to approval by Independent Shareholders, as described in this document;
“Share Capital”	the issued share capital of the Company at the date of this document consisting of 10,519,553 Ordinary Shares;
“Shareholders”	holders of Ordinary Shares;
“Total Systems CSOP”	the Total Systems Share Option Scheme approved under Schedule 4 of ITEPA;
“Total Systems EMI”	the Total Systems Enterprise Management Incentive complying with Schedule 5 of ITEPA;

“Total Systems SAYE”	the Total Systems Save as you Earn Scheme approved under Schedule 3 ITEPA;
“Total Systems Share Option Schemes”	the Total Systems CSOP, the Total Systems EMI and the Total Systems SAYE;
“TFE instruction”	a transfer from escrow instruction (as defined by the CREST manual issued by Euroclear);
“Total Voting Rights”	as defined by the Disclosure and Transparency Rules, as published by the Financial Services Authority;
“TTE instruction”	a transfer to escrow instruction (as defined by the CREST manual issued by Euroclear);
“UK Listing Authority” or “UKLA”	the Financial Services Authority in its capacity as competent authority under the Financial Services and Markets Act 2000;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“uncertificated” or “uncertificated form”	Ordinary Shares which are recorded on the Register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST.

In this document:

- (a) references to any provision of any legislation include any amendment, modification, re-enactment or extension thereof;
- (b) “subsidiary undertaking” shall have the meaning given to it in the 2006 Act; and
- (c) words importing the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine or neutral gender.

# TOTAL SYSTEMS PLC

*(Incorporated and registered in England and Wales under the Companies Acts 1985 and 2006 with registered number 1024277)*

## NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of Total Systems plc (the “**Company**”) will be held at 10.00 a.m. at the offices of Total Systems plc at 394 City Road, London, EC1V 2QA on 7 June 2010 to consider and, if thought fit, pass the following resolutions as indicated:

### Special Resolutions

1. **THAT** the cancellation of the admission of the Company’s ordinary shares of 5 pence each (“**Ordinary Shares**”) to the Official List and to trading on the London Stock Exchange’s market for listed securities be and is hereby approved.
2. **THAT**, subject to and conditional on the passing of the Resolution numbered 1 above and in substitution for the authority given to the Company to make market purchases pursuant to a special resolution passed at the annual Extraordinary General Meeting of the Company held on 21 September 2009, the Company be and is hereby generally and unconditionally authorised in accordance with section 701 of the Companies Act 2006 to make market purchases (within the meaning of section 693 of the Companies Act 2006) of Ordinary Shares on the terms set out or referred to in the circular to the Company’s shareholders dated 13 May 2010 (the “**Circular**”), of which this notice of Extraordinary General Meeting forms part, provided that:
  - (a) the aggregate nominal value of Ordinary Shares hereby authorised to be acquired shall not exceed £116,575.70;
  - (b) the price to be paid for each Ordinary Share is 26 pence; and
  - (c) this authority expires at the conclusion of the annual general meeting of the Company to be held in 2010, save that the Company may before the expiry of such authority make a contract or contracts to purchase which will or may be executed wholly or partly after the expiry of such authority and the Company may make a purchase of such shares after such expiry pursuant to such contract or contracts and all shares so purchased in pursuance of this authority shall be cancelled immediately upon completion of the purchase and the amount of the Company’s issued share capital shall be reduced by the nominal amount of the shares so purchased.

### Ordinary Resolution

3. **THAT**, the waiver granted by the Panel on Takeovers and Mergers of the obligation that would otherwise arise for Terence Bourne to make a general offer to Shareholders pursuant to Rule 9 of the Code as a result of any increase resulting from completion of the Buy Back in the percentage of shares of the Company carrying voting rights in which he is interested for the purpose of that Rule, all as described or referred to in the paragraphs headed “Waiver of the Requirements of the Code” on page 12 of the Circular of which this notice forms part, be and it is hereby approved.

*Registered Office*  
394 City Road  
London EC1V 2QA

*By the Order of the Board*  
Granville Harris  
Company Secretary

13 May 2010

## NOTE

1. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of the company as at 5.00 p.m. on 5 June 2010 shall be entitled to attend or vote at the aforesaid general meeting in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of securities after 5.00 p.m. on 5 June 2010 shall be disregarded in determining the rights of any person to attend or vote at the meeting notwithstanding any provisions in any enactment, Articles of Association or other instrument to the contrary.
2. Any member of the Company entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company. A form of proxy is enclosed. Completion and return of the form of proxy will not preclude a member from attending and voting in person.

A shareholder may appoint more than one proxy in relation to the Extraordinary General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. To appoint more than one proxy you may photocopy that form. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope. A failure to specify the number of shares each proxy appointment relates to or specifying a number in excess of those held by you may result in the appointment being invalid.

3. Any person to whom this Notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a Nominated Person) may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the EGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

The statement of rights of shareholders in relation to the appointment of proxies in note 2 does not apply to Nominated Persons. The rights described in that note can only be exercised by shareholders of the Company.

4. Corporate representatives

In order to facilitate voting by corporate representatives at the Extraordinary General Meeting, arrangements will be put in place at the Extraordinary General Meeting so that:

- (a) if a corporate member has appointed the Chairman of the Extraordinary General Meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all the other corporate representatives for that member at the Extraordinary General Meeting, then on a poll, those corporate representatives will give voting directions to the Chairman and the Chairman will vote or withhold a vote as corporate representative in accordance with those directions: and
- (b) if more than one corporate representative for the same corporate member attends the Extraordinary General Meeting but the corporate member has not appointed the Chairman of the Extraordinary General Meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative.

Corporate members are referred to the guidance issued by the Institute of Chartered Securities and Administrators on proxies and corporate representatives – [www.icsa.org.uk](http://www.icsa.org.uk) – for further details of this procedure. The guidance includes a sample form of representation letter to appoint the Chairman as a corporate representative as described in (a) above. The Institute of Chartered Securities and Administrators recommends the use of multiple proxies wherever possible in favour of corporate representatives.



