

# NOTICE OF ANNUAL GENERAL MEETING 2010



Notice is given that the 2010 Annual General Meeting of the Company will be held at Addleshaw Goddard LLP, Milton Gate, 60 Chiswell Street, London EC1Y 4AG on Thursday 30 September 2010 at 11.00 a.m. to transact the business set out below. Resolutions 1 to 9 and resolution 11 below will be proposed as ordinary resolutions and resolution 10 will be proposed as a special resolution.

1. To receive the audited accounts and the auditor's and directors' reports for the year ended 31 March 2010.
2. To re-elect David Bodecott as a director.
3. To re-elect John Crowle as a director.
4. To re-elect Peter Dixon-Clarke as a director.
5. To re-elect Pierre Jungels as a director.
6. To re-elect Sam Moody as a director.
7. To re-elect Christopher Walton as a director.
8. To re-appoint KPMG Audit Plc as auditor and to authorise the directors to determine the auditor's remuneration.
9. That the directors are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares ("Allotment Rights"), but so that:
  - (a) the maximum amount of shares that may be allotted or made the subject of Allotment Rights under this authority are shares with an aggregate nominal value of £1,283,597, of which one-half may be allotted or made the subject of Allotment Rights in any circumstances and the other half may be allotted or made the subject of Allotment Rights pursuant to any rights issue (as referred to in the London Stock Exchange's AIM Rules for Companies) or pursuant to any arrangements made for the placing or underwriting or other allocation of any shares or other securities included in, but not taken up under, such rights issue;
  - (b) this authority shall expire on 29 March 2012 or, if earlier, on the conclusion of the Company's next annual general meeting;
  - (c) the Company may make any offer or agreement before such expiry which would or might require shares to be allotted or Allotment Rights to be granted after such expiry; and
  - (d) all authorities vested in the directors on the date of the notice of this meeting to allot shares or to grant Allotment Rights that remain unexercised at the commencement of this meeting are revoked.
10. That the directors are empowered pursuant to section 570 of the Companies Act 2006 to allot equity securities, as defined in section 560 of that Act, pursuant to the authority conferred on them by resolution 9 in the notice of this meeting or by way of a sale of treasury shares as if section 561 of that Act did not apply to any such allotment, provided that this power is limited to:
  - (a) the allotment of equity securities in connection with any rights issue or open offer (each as referred to in the London Stock Exchange's AIM Rules for Companies) or any other pre-emptive offer that is open for acceptance for a period determined by the directors to the holders of ordinary shares on the register on any fixed record date in proportion to their holdings of ordinary shares (and, if applicable, to the holders of any other class of equity security in accordance with the rights attached to such class), subject in each case to such exclusions or other arrangements as the directors may deem necessary or appropriate in relation to fractions of such securities, the use of more than one currency for making payments in respect of such offer, any legal or practical problems in relation to any territory or the requirements of any regulatory body or any stock exchange; and

**[EXPLANATORY NOTE:]** Resolution 9 will, if passed, provide your directors with flexibility to issue shares until the Company's 2011 Annual General Meeting within the limits prescribed by the Association of British Insurers and the National Association of Pension Funds. It will authorise the directors to allot shares (i) under a rights issue corresponding to two-thirds of all ordinary shares in issue and (ii) under an open offer or in other situations corresponding to one-third of all such shares.)

(b) the allotment of equity securities (other than pursuant to paragraph (a) above) with an aggregate nominal value of £192,540, and shall expire when the authority conferred on the directors by resolution 9 in the notice of this meeting expires save that, before the expiry of this power, the Company may make any offer or agreement which would or might require equity securities to be allotted after such expiry.

[EXPLANATORY NOTE: Resolution 10 will, if passed, disapply shareholders' pre-emption rights in respect of any allotment for cash of ordinary shares authorised by resolution 9 pursuant to a rights issue or an open offer or, subject to a limit of 19,254,000 ordinary shares, in any other circumstances. This limit corresponds to ten per cent of all ordinary shares in issue.]

11. That the annual limit on the aggregate amount of fees which may be paid to the directors for their services as directors of the Company (currently set out in article 87 of the Company's articles of association) is increased from £300,000 to £500,000.

[EXPLANATORY NOTE: The Company's articles of association set an annual limit of £300,000 on the aggregate amount of fees (as distinct from salaries and remuneration) that may be paid by the Company to the directors for their services as directors. This limit was set some years ago and the Board feels that it should now be increased to £500,000 per annum in anticipation of the future growth of the Board through the appointment of additional non-executive directors with a view to achieving an appropriate combination of executives and non-executives. The increase will also provide the Board with greater flexibility in the future.]

Registered office:  
Hilltop Park  
Devizes Road  
Salisbury, Wiltshire  
SP3 4UF

By order of the Board  
Peter Dixon-Clarke  
Company Secretary  
1 September 2010

## NOTES

**1. A member who is entitled to attend and vote at the meeting is entitled to appoint another person, or two or more persons in respect of different shares held by him, as his proxy to exercise all or any of his rights to attend and to speak and vote at the meeting.**

2. A member must be registered as the holder of ordinary shares by 6.00 p.m. on 28 September 2010 in order to be entitled to attend and vote at the meeting as a member in respect of those shares.

3. Forms for the appointment of a proxy in respect of the meeting have been provided to members with this notice of meeting. To be valid, a proxy appointment form must be completed in accordance with the instructions that accompany it and then delivered (together with any power of attorney or other authority under which it is signed, or a certified copy of such item) to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY so as to be received by 11.00 a.m. on 28 September 2010. Alternatively, a member may appoint a proxy online by following the instructions for the electronic appointment of a proxy at [www.eproxyappointment.com](http://www.eproxyappointment.com). To be a valid proxy appointment, the member's electronic message confirming the details of the appointment completed in accordance with those instructions must be transmitted so as to be received by the same time.

4. CREST members who wish to appoint one or more proxies through the CREST system may do so by using the procedures described in "the CREST voting service" section of the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed one or more voting service providers, should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or a proxy instruction made using the CREST voting service to be valid, the appropriate CREST message (a "CREST proxy appointment instruction") must be properly authenticated in accordance with the specifications of CREST's operator, Euroclear UK & Ireland Limited ("Euroclear"), and must contain all the relevant information required by the CREST Manual. To be valid, the message (regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy) must be transmitted so as to be received by Computershare Investor Services PLC (ID 3RA50), as the Company's "issuer's agent", by 11.00 a.m. on 28 September 2010. After this time any change of instruction to a proxy appointed through the CREST system should be communicated to the appointee through other means. The time of the message's receipt will be taken to be when (as determined by the timestamp applied by the CREST Applications Host) the issuer's agent is first able to retrieve it by enquiry through the CREST system in the prescribed manner. Euroclear does not make available special procedures in the CREST system for transmitting any particular message. Normal system timings and limitations apply in relation to the input of CREST proxy appointment instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or a CREST sponsored member or has appointed any voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as is necessary to ensure that a message is transmitted by means of the CREST system by any particular time. CREST members and, where applicable, their CREST sponsors or voting service providers should take into account the provisions of the CREST Manual concerning timings as well as its section on "Practical limitations of the system". In certain circumstances the Company may, in accordance with the Uncertificated Securities Regulations 2001 or the CREST Manual, treat a CREST proxy appointment instruction as invalid.