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If you have sold or otherwise transferred all of your 2009 Shares and/or 2012 Shares in Better Capital PCC Limited, you should pass this document as soon as possible, together with the accompanying forms of proxy, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



BETTER CAPITAL PCC LIMITED

(a protected cell company limited by shares incorporated in Guernsey under The Companies (Guernsey) Law 2008, as amended, with registered number 51194 and registered as a Registered Closed-ended Collective Investment Scheme with the Guernsey Financial Services Commission)

Notices of Extraordinary General Meetings

Notice of Extraordinary General Meetings of: (i) the holders of the ordinary shares in the capital of the 2009 Cell of the Company to be held at 3.00 p.m.; (ii) the holders of the ordinary shares in the capital of the 2012 Cell of the Company to be held at 3.15 p.m. (or if later immediately following the conclusion of the Extraordinary General Meeting of the 2009 Shareholders); and (iii) together in one meeting, the holders of the ordinary shares in the capital of the 2009 Cell and the holders of the ordinary shares in the capital of the 2012 Cell to be held at 3.30 p.m. (or if later immediately following the conclusion of the Extraordinary General Meeting of the 2012 Shareholders) respectively on 7 December 2016 at Lefebvre Place, Lefebvre Street, St Peter Port, Guernsey GY1 2JP are set out at the end of this document. Whether or not you plan to attend the Extraordinary General Meetings, please complete and submit the proxy forms accompanying this document in accordance with the instructions printed thereon, so as to be received by the Company's registrars, Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF, as soon as possible, but in any event not later than 48 hours before the start of the relevant meeting.

Numis Securities Limited (“Numis”), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for the Company in connection with the proposals described in this document and not for any other person and will not be responsible to any other person for providing the protections afforded to its customers, or for providing advice in relation to the proposals, the contents of this document or any accompanying documents or any arrangement referred to therein. Apart from the responsibilities and liabilities, if any, which may be imposed on Numis by FSMA or the regulatory regime established thereunder, Numis does not accept any responsibility whatsoever and makes no representation or warranty, express or implied, for or in relation to the contents of this document including its accuracy, completeness or verification or for or in relation to any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the proposals described in this document and nothing in this document is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or future. Accordingly, Numis disclaims all and any liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this document.

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EXPECTED TIMETABLE

Latest time and date for receipt of blue form of proxy from 2009 Shareholders	3.00 p.m. on 5 December 2016
Latest time and date for receipt of pink form of proxy from 2012 Shareholders	3.15 p.m. on 5 December 2016
Latest time and date for receipt of white and green form(s) of proxy from Shareholders	3.30 p.m. on 5 December 2016
Extraordinary General Meeting of the 2009 Shareholders	3.00 p.m. on 7 December 2016
Extraordinary General Meeting of the 2012 Shareholders	3.15 p.m. on 7 December 2016 ¹
Extraordinary General Meeting of the Company	3.30 p.m. on 7 December 2016 ²

1 Or, if later, immediately following the conclusion of the Extraordinary General Meeting of the 2009 Shareholders.

2 Or, if later, immediately following the conclusion of the Extraordinary General Meeting of the 2012 Shareholders.

PART 1: CHAIRMAN'S LETTER

BETTER CAPITAL PCC LIMITED

(a protected cell company limited by shares incorporated in Guernsey under The Companies (Guernsey) Law 2008, as amended, with registration number 51194 and registered as a Registered Closed-ended Collective Investment Scheme with the Guernsey Financial Services Commission (the "**Company**"))

Directors

Richard Crowder
Richard Battey
Philip Bowman
Jon Moulton

Registered Office

Heritage Hall
PO Box 225
Le Marchant Street
St Peter Port
Guernsey GY1 4HY
25 November 2016

Dear Shareholder

INTRODUCTION

The Company has today announced that it is convening extraordinary general meetings of the 2009 Shareholders, of the 2012 Shareholders and of all Shareholders, each to be held on 7 December 2016, at which the Board will put forward certain proposals regarding the structure and constitution of the Company for consideration and, if thought fit, approval by the Company's shareholders as required by the Companies Law and the Listing Rules.

In summary it is proposed that:

1. the 2009 Shares be converted into redeemable shares (the "**Redemption Share Proposal**");
2. the Company repurchase the 2012 Shares held by Fund II by means of an off market purchase contract (the "**Buyback Contract**") under which 50 per cent. of such shares will be bought back following the publication of the Company's Interim Financial Report for 2016 on a date to be determined by the Board and such date is expected to be no later than 31 December 2016 and the remainder may, at the Company's option, be bought back on one or more later dates to be determined by the Board, prior to 30 June 2021, being the latest date on which the life of Fund II is expected to end (the "**Buyback Proposal**"); and
3. the Articles of Incorporation be amended to include redemption provisions in relation to the 2009 Shares and to update the Memorandum of Incorporation and the Articles of Incorporation generally to take advantage of the more flexible provisions introduced by the recent amendments to the Companies Law (the "**Revised Articles Proposal**").

The background to and details of the proposals and general meetings are set out in the following sections.

REDEMPTION SHARE PROPOSAL

The notice in respect of the Extraordinary General Meetings of the 2009 Shareholders and of all Shareholders include resolutions that the 2009 Shares be converted into redeemable shares and that the Articles of Incorporation be amended in order, *inter alia*, to set out a process for the redemption of the 2009 Shares.

Since 2013 the Company has undertaken a series of distributions to 2009 Shareholders. This proposal is being made in order to increase the Board's flexibility in relation to future returns of capital to the 2009 Shareholders. Under the Redemption Share Proposal the Board anticipates that any return of capital to 2009 Shareholders made under these new provisions, if they are approved, will be made, subject to cash being available for distribution, at or close to the last reported net asset value per share of the relevant class on the relevant redemption date less any costs of effecting the redemption. The Board will monitor the tax and regulatory landscape further before determining whether to recommend a similar conversion in respect of the 2012 Shares.

In accordance with the requirements of the Articles of Incorporation, the Board will implement the conversion conditional upon (i) the passing of the ordinary resolution set out in Resolution 1 and

the special resolution set out in Resolution 2 of the notice of the Extraordinary General Meeting of 2009 Shareholders and (ii) the passing of the ordinary resolution set out in Resolution 1 and the special resolution set out in Resolution 4 of the notice of the Extraordinary General Meeting of all Shareholders.

BUYBACK PROPOSAL

The Company has previously notified Shareholders that the Fund II GP has utilised excess liquidity in Fund II to purchase 2012 Shares in the market at an attractive discount to NAV. The notifications were made by market announcements on 22 April 2015, 2 December 2015, 24 June 2016, 29 June 2016 and 15 July 2016. As at the date of this circular, Fund II holds 57,096,555 of the 2012 Shares from a total number of 346,600,520 of the 2012 Shares in issue as at the date of this notice. To date, the Fund II GP has reserved the right to sell the 2012 Shares held by Fund II into the market in the event that it determines that further cash is required to be invested into the Fund II portfolio.

The Company has now agreed with the Fund II GP that the Company shall, subject to approval of the 2012 Shareholders and the Shareholders, enter into an agreement to acquire from Fund II 50 per cent. of the 2012 Shares currently held by Fund II and the Company shall have an option to acquire the balance of 2012 Shares currently held by Fund II on one or more subsequent dates. The proposed form of the Buyback Contract is included in Part 7 of this circular.

The repurchase of 2012 Shares by the Company from Fund II is now being proposed because the Fund II GP has determined that, at least in respect of 50 per cent of the shareholding, it does not envisage a sale of the 2012 Shares into the market as being appropriate. From the Company's perspective, the buyback would enhance the NAV per remaining 2012 Share by crystallising value for 2012 Shareholders (such value currently being expressed by Fund II carrying the 2012 Shares at their market price which is a significant discount to their NAV) and to reduce Fund II's holding of shares in the Company. The Buyback Proposal also makes provision for the remaining 2012 Shares held by Fund II in order that the Company can implement subsequent buybacks as it deems appropriate (subject to the Listing Rules as discussed below).

The Company intends to repurchase and then immediately cancel all the 2012 Shares it acquires from Fund II. The financial effect of such cancellation will be an uplift to the NAV per remaining 2012 Shares, which is estimated to be approximately 2.52p per 2012 Share (based on the 2012 Cell's NAV per share on 31 March 2016 adjusted for a current expectation of a decline in the region of 14 per cent. as described in the Significant Changes section detailed in Part 2 of this document) for the first tranche of the repurchase as described below, which will take place at a date to be determined by the Board following the Extraordinary General Meetings and the publication of the Company's Interim Financial Report for 2016 and such date is expected to be no later than 31 December 2016. The Buyback Proposal will not result in any return of capital to the 2012 Shareholders.

The Buyback Proposal is a related party transaction under the Listing Rules because the Fund II GP, which is entering into the proposed Buyback Contract on behalf of Fund II, is a related party of the Company by virtue of an investment manager being deemed a related party of a closed-ended investment fund under the Listing Rules. The Buyback Proposal therefore requires the prior approval of the Shareholders. Under the Buyback Proposal, the proposed acquisition of 50 per cent. of the 2012 Shares held by Fund II amounts, in its own right, to a related party transaction under the Listing Rules and therefore requires approval of the Shareholders. In the event that the Company exercises its option on one or more occasions for the subsequent purchase of the balance of 2012 Shares held by Fund II and this purchase amounts to a further related party transaction under the Listing Rules, then approval of the Company's Shareholders will be sought at that time.

The Fund II GP will not, in accordance with the Listing Rules, vote its 2012 Shares in connection with the resolutions to approve the Buyback Proposal and will also take all reasonable steps to ensure that its associates will also not vote on the resolutions to approve the Buyback Proposal. The Fund II GP's associates include Fund II and Jon Moulton (who is a director of the Fund II GP and the Company).

The notices in respect of the Extraordinary General Meetings of the 2012 Shareholders and of all Shareholders include resolutions seeking shareholder consent to the proposed share buyback on the terms set out in the Buyback Contract. Consent of all of the Shareholders shall be granted by

at least three quarters of the votes cast being in favour of the special resolution set out in Resolution 2 of the notice of the Extraordinary General Meeting of all of the Company's Shareholders. Consent of the 2012 Shareholders shall be granted by a majority of the votes cast being in favour of the ordinary resolution set out in Resolution 1 of the notice of the Extraordinary General Meeting of the 2012 Shareholders. Under the Listing Rules, the Fund II GP and its associates are precluded from voting in relation to the Buyback Proposal and the Buyback Contract. **If the Buyback Proposal is not approved at the Extraordinary General Meetings of the 2012 Shareholders and of all Shareholders then the Company will not enter into the Buyback Contract and the Buyback Proposal will not be capable of being implemented.**

By way of summary of the proposed Buyback Contract, it is intended that the Company acting in respect of the 2012 Cell (the "**Buyer**") shall repurchase the 2012 Shares held by Fund II under the terms of the Buyback Contract as follows:

1. initially the Buyer will purchase 28,548,278 Cell Shares in the 2012 Cell (amounting to 50 per cent. of the total number of 2012 Shares registered in the name of Fund II as at the date of this circular) at a date to be determined by the Board following the Extraordinary General Meetings and the publication of Fund II's Interim Financial Report for 2016 where such date is expected to be no later than 31 December 2016. The 2012 Shares shall be purchased at the volume weighted average price ("**VWAP**") of the 2012 Shares on the immediately preceding business day, provided that (in accordance with the Listing Rules) such price shall not exceed and shall be limited to a price per 2012 Share being not more than the higher of (i) 5% above the average market value of the 2012 Shares for the five business days prior to the day the purchase is made and (ii) the value of a 2012 Share calculated on the basis of the higher of the price quoted for (a) the last independent trade of and (b) the highest current independent bid for, any number of the 2012 Shares occurring before the relevant completion date. The price and completion date shall be specified by the Buyer in a completion notice; and
2. thereafter, the Buyer may purchase up to 28,548,277 2012 Shares (which comprise the balance of the total number of 2012 Shares registered in the name of Fund II as at the date of this notice) on one or more occasions as determined by the Board prior to 30 June 2021 (being the latest date on which the life of Fund II is expected to end). On each occasion the 2012 Shares shall be purchased at the VWAP of the 2012 Shares on the immediately preceding business day, provided that such price shall not exceed and shall be limited to a price per 2012 Share being not more than the higher of (i) 5% above the average market value of the 2012 Shares for the five business days prior to the day the purchase is made and (ii) the value of a 2012 Share calculated on the basis of the higher of the price quoted for (a) the last independent trade of and (b) the highest current independent bid for, any number of the 2012 Shares occurring before the relevant completion date. The price and completion date shall be specified by the Buyer in a completion notice.

In accordance with the requirements of the Articles of Incorporation, the Buyback Proposal and the entry into the Buyback Contract is conditional upon (i) the passing of the special resolution set out in Resolution 2 of the notice of the Extraordinary General Meeting of all Shareholders, (ii) the ordinary resolution set out in Resolution 1 of the notice of the Extraordinary General Meeting of the 2012 Shareholders and (iii) the Board being satisfied as to certain distribution requirements under the Companies Law. The passing of Resolution 2 at the Extraordinary General Meeting of all of the Company's Shareholders and the passing of Resolution 1 at the Extraordinary General Meeting of the 2012 Shareholders shall confer on the Company a specific authority to conduct the Buyback Proposal and enter into the Buyback Contract. The authority granted shall be in addition to the general authority to conduct on-market purchases of the 2012 Shares which was granted at the Company's last Annual General Meeting.

REVISED ARTICLES PROPOSAL

The Board is asking Shareholders to approve a number of other amendments to the Memorandum of Incorporation and the Articles of Incorporation, primarily to ensure consistency with the Companies Law, which has been recently amended. The Board considers it prudent to implement the changes to the Memorandum of Incorporation and the Articles of Incorporation to ensure their consistency with the new legislation and so that the Company can benefit from having a modernised constitution. The principal changes being proposed are in relation to the introduction of the Uncertificated Securities (Guernsey) Regulations, 2009, which replace the CREST rules, and

which are mostly technical in nature. Other changes are minor and relate to technical or clarifying matters. In summary, in addition to the changes explained above, the principal changes proposed are:

1. amendments to reflect the consolidation of existing legislation;
2. amendments to reflect the adoption of the Uncertificated Securities (Guernsey) Regulations, 2009 (as amended) in Guernsey and to remove the wording relating to the CREST Guernsey requirements which is no longer applicable;
3. in line with the Companies Law amendments, the directors will no longer be required to disclose to the Board the monetary value of any interest in a transaction or proposed transaction with the Company but will still need to disclose the nature and extent of such interest in accordance with the Companies Law; and
4. the notice periods for deemed receipt in respect of the service of documents on shareholders by electronic means will be updated in line with the amendments to the Companies Law and will bring the Company into line with market practice.

In accordance with the requirements of the Articles of Incorporation, the Revised Articles Proposal is conditional upon (i) the passing of the ordinary resolution set out in Resolution 1 and the special resolution set out in Resolution 2 of the notice of the Extraordinary General Meeting of 2009 Shareholders and (ii) the passing of the ordinary resolution set out in Resolution 1, the special resolution set out in Resolution 3 and the special resolution set out in Resolution 4 of the notice of the Extraordinary General Meeting of all Shareholders.

EXTRAORDINARY GENERAL MEETINGS

The Directors are convening the Extraordinary General Meeting of the 2009 Shareholders to consider the ordinary resolution in relation to the Redemption Share Proposal and the special resolution in relation to the Revised Articles Proposal. The Directors are convening the Extraordinary General Meeting of the 2012 Shareholders to consider the ordinary resolution in relation to the Buyback Proposal.

The Directors are also convening the Extraordinary General Meeting of all Shareholders to consider (i) the ordinary resolution in relation to the Redemption Share Proposal, (ii) the special resolution in relation to the Buyback Proposal and (iii) the special resolutions in relation to the Revised Articles Proposal. Notices convening the Extraordinary General Meetings of the 2009 Shareholders, the 2012 Shareholders and all of the Company’s Shareholders as a whole are set out in Parts 3 to 5 of this circular respectively and enclosed separately are the forms of proxy for you to use in connection with your votes at the forthcoming Extraordinary General Meetings of the Company.

The following summary table sets out the resolutions to be put to each meeting.

	EGM of 2009 Shareholders	EGM of 2012 Shareholders	EGM of all Shareholders
2009 Shareholders	<p>Blue proxy form</p> <ul style="list-style-type: none"> ● Ordinary resolution to approve changes to rights attaching to the 2009 Shares ● Special resolution to approve changes to articles of incorporation 	—	<p>White proxy form</p> <ul style="list-style-type: none"> ● Ordinary resolution to approve changes to rights attaching to the 2009 Shares ● Special resolution to approve off market share buyback ● Special resolution to approve changes to memorandum of incorporation ● Special resolution to approve changes to articles of incorporation

	EGM of 2009 Shareholders	EGM of 2012 Shareholders	EGM of all Shareholders
2012 Shareholders	—	<i>Pink proxy form</i>	<i>Green proxy form</i>
		<ul style="list-style-type: none"> • Ordinary resolution to approve off market share buyback 	<ul style="list-style-type: none"> • Ordinary resolution to approve changes to rights attaching to the 2009 Shares • Special resolution to approve off market share buyback • Special resolution to approve changes to memorandum of incorporation • Special resolution to approve changes to articles of incorporation

ACTION TO BE TAKEN

The following is guidance to assist in voting at the Extraordinary General Meetings, dependent on whether you hold shares in one or both of the cells of the Company. Forms of proxy are colour coded for clarity.

Holders in the Better Capital PCC 2009 Cell only

There are two meetings relevant to your holding:

7 December 2016 – 3.00 p.m. – Meeting of the 2009 Shareholders; and

7 December 2016 – 3.30 p.m. – Meeting of all of the Company’s Shareholders.

- In respect of the meeting of the 2009 Shareholders, the applicable form of proxy is blue.
- In respect of the meeting of all Shareholders, the applicable form of proxy is white.

You should complete **both** the blue and white forms of proxy and return both to the Company’s registrar, as detailed in the notes at the footer of the forms of proxy.

Holders in the Better Capital PCC 2012 Cell only

There are two meetings relevant to your holding:

7 December 2016 – 3.15 p.m. – Meeting of the 2012 Shareholders; and

7 December 2016 – 3.30 p.m. – Meeting of all of the Company’s Shareholders.

- In respect of the meeting of the 2012 Shareholders, the applicable form of proxy is pink.
- In respect of the meeting of all Shareholders, the applicable form of proxy is green.

You should complete **both** the pink and green forms of proxy and return both to the Company’s registrar, as detailed in the notes at the footer of the forms of proxy.

Holders in Better Capital PCC 2009 Cell and Better Capital PCC 2012 Cell

There are three meetings relevant to your holding:

7 December 2016 – 3.00 p.m. – Meeting of the 2009 Shareholders;

7 December 2016 – 3.15 p.m. – Meeting of the 2012 Shareholders; and

7 December 2016 – 3.30 p.m. – Meeting of all of the Company’s Shareholders.

- In respect of the meeting of the 2009 Shareholders, the applicable form of proxy is blue.

- In respect of the meeting of the 2012 Shareholders, the applicable form of proxy is pink.
- In respect of the meeting of all of the Company's Shareholders, there are two applicable forms of proxy for completion. In respect of your holding in the 2009 Cell, the relevant form of proxy is white and in respect of your holding in the 2012 Cell, the relevant form of proxy is green.

You should complete **all four** forms of proxy and return all four to the Company's registrar, as detailed in the notes at the footer of the forms of proxy.

Whether or not you propose to attend the Extraordinary General Meetings, you should complete each applicable form of proxy in accordance with the instructions printed on it and return it to the Company's registrar, Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF, as soon as possible, but in any event not later than 48 hours before the meeting. Return of a form of proxy will not prevent any Shareholders from attending and voting in person at their respective Extraordinary General Meetings, should they so wish.

For further details regarding the voting protocol at each meeting, we refer you to the relevant notice of Extraordinary General Meeting which is contained within this letter.

These guidance notes are for information only and all holders should refer to the notes included on each relevant notice of Extraordinary General Meeting and form of proxy.

RECOMMENDATIONS

Redemption Share Proposal and Revised Articles Proposal

The Board considers that the Redemption Share Proposal and the Revised Articles Proposal are in the best interests of the Shareholders as a whole. Accordingly, the Directors unanimously recommend all Shareholders who are able to do so to vote in favour of the Redemption Share Proposal and the Revised Articles Proposal at the Extraordinary General Meetings.

The Directors, who in aggregate have interests in 23,543,809 of the 2009 Shares and 39,370,820 of the 2012 Shares, intend to vote their entire beneficial holdings in 2009 Shares at the Extraordinary General Meeting of the 2009 Cell, to vote their entire beneficial holdings in 2012 Shares at the Extraordinary General Meeting of the 2012 Cell and to vote their entire beneficial holdings of 2009 Shares and 2012 Shares at the Extraordinary General Meeting of the Company, in favour of the Resolutions. The Directors' aggregate holding of 2009 Shares amounts to 11.39 per cent. of the total issued 2009 Shares, the Directors' aggregate holding of 2012 Shares amounts to 11.36 per cent. of the total issued 2012 Shares and the Directors' aggregate holding of 2009 Shares and 2012 Shares amounts to 11.37 per cent. of the total issued share capital of the Company, in each case as at 24 November 2016 (being the latest practicable date prior to the publication of this document).

Buyback Proposal

The Board, which has been so advised by Numis acting in its capacity as sponsor, considers that the Buyback Proposal is fair and reasonable so far as the Shareholders are concerned. In giving its advice, Numis has taken account of the Board's commercial assessment of the Buyback Proposal.

Jon Moulton is an associate of Fund II GP. Accordingly, in accordance with the Listing Rules, for the purposes of the statement by the Board that the Buyback Proposal is fair and reasonable as far as the Shareholders are concerned, Jon Moulton has not taken part in the Board's consideration of the matter.

The Board considers that the Buyback Proposal is in the best interests of the Shareholders as a whole and, accordingly, recommend all Shareholders who are able to do so to vote in favour of the Buyback Proposal at the Extraordinary General Meetings. Those Directors who are permitted to do so, intend to vote in favour of the Buyback Proposal at the Extraordinary General Meetings. Accordingly, such Directors, who in aggregate have interests in 420,000 of the 2009 Shares and 755,238 of the 2012 Shares, intend to vote their entire beneficial holdings in 2009 Shares at the Extraordinary General Meeting of the 2009 Cell, to vote their entire beneficial holdings in 2012 Shares at the Extraordinary General Meeting of the 2012 Cell and to vote their entire beneficial holdings of 2009 Shares and 2012 Shares at the Extraordinary General Meeting of the Company, in favour of the Resolutions. Such Directors' aggregate holding of 2009 Shares amounts to 0.20 per cent. of the total issued 2009 Shares and such Directors' aggregate holding of 2012 Shares amounts to 0.22 per cent. of the total issued 2012 Shares and such Directors' aggregate holding of 2009 Shares and 2012 Shares amounts to 0.21 per cent. of the total issued share capital of the

Company, in each case as at 24 November 2016 (being the latest practicable date prior to the publication of this document).

Yours faithfully

Richard Crowder
Chairman

PART 2: ADDITIONAL INFORMATION

MAJOR SHAREHOLDERS

The tables below contain details of:

- the name of each person who, directly or indirectly, has an interest in 5 per cent. or more of the Company's issued share capital, and the amount of such person's interest, as at 24 November 2016 (being the latest practicable date prior to the date of this document) in so far as the Company had been notified in accordance with the Disclosure Guidance and Transparency Rules; and
- the amount of such person's proportionate interest in the event the authority to buy back the 2012 Shares under the Buyback Proposal is exercised in full.

2009 Cell

Shareholder	Shareholding (Ordinary Shares)	Per cent holding (as at 24 November 2016)	Per cent holding (assuming Buyback Proposal implemented in full)
Ruffer LLP	51,692,989	25.00%	25.00%
Asset Value Investors	35,496,938	17.17%	17.17%
Jon Moulton	23,123,809	11.18%	11.18%
Blackrock Investment Management	21,406,152	10.35%	10.35%

2012 Cell

Shareholder	Shareholding (Ordinary Shares)	Per cent holding (as at 24 November 2016)	Per cent holding (assuming Buyback Proposal implemented in full)
BECAP12 Fund LP	57,096,555	16.47%	Nil
John Caudwell	50,000,000	14.43%	17.27%
Blackrock Investment Management	44,470,603	12.83%	15.36%
Jon Moulton	38,615,582	11.14%	13.34%
Troy Asset Management	17,355,000	5.01%	5.99%

SIGNIFICANT CHANGES

There has been no significant change in the financial or trading position of the Company since 31 March 2016, being the date to which the Group's last published financial information was prepared, save that:

- on 8 November 2016, the Company announced that the Fund II GP had advised the Board that recent underperformance of certain Fund II portfolio companies against their respective current year budgets was expected to impact the 2012 Cell NAV as at 30 September 2016 with a current expectation of a decline in the region of 14 per cent; and
- on 16 November 2016, the Company announced that it had received a cash offer from and had entered into exclusive discussions with Shaanxi Ligeance Mineral Resources Co. Limited for the sale of the 2009 Fund's interest in Gardner Aerospace Holdings Limited for a purchase price of £326 million.

CONSENT

Numis has given and not withdrawn its written consent to the inclusion in this document of its name and the references to it in the form and context in which they appear.

DOCUMENTS ON DISPLAY

Copies of the following documents will be available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) at Lefebvre Place, Lefebvre Street, St Peter Port, Guernsey GY1 2JP (being the place of the Extraordinary General Meetings) and at the offices of DLA Piper UK LLP, 3 Noble Street, London EC2V 7EE from the date of this document up to and including the date of the Extraordinary General Meetings and will also be available for inspection at each Extraordinary General Meeting itself for at least 15 minutes before each Extraordinary General Meeting until each Extraordinary General Meeting ends:

1. the Memorandum of Incorporation and the Articles of Incorporation of the Company;
2. the Memorandum of Incorporation and the Articles of Incorporation of the Company proposed to be adopted at the Extraordinary General Meetings, showing the amendments proposed to the Company's existing Memorandum of Incorporation and the Articles of Incorporation;
3. the audited financial statements and the independent auditor's reports for each of the years ended 31 March 2015 and 31 March 2016; and
4. the consent letter from Numis referred to above; and
5. this document

PART 3: DEFINITIONS

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

“2009 Cell”	the protected cell in the Company established following the conversion as described in more detail in the prospectus published by the Company on 19 December 2011;
“2009 Shares”	the ordinary shares of £1.00 each in the 2009 Cell;
“2009 Shareholders”	the holders of the ordinary shares in the capital of the 2009 Cell of the Company of £1.00 each;
“2012 Cell”	the protected cell in the Company established following the conversion as described in more detail in the prospectus published by the Company on 19 December 2011;
“2012 Shares”	the ordinary shares of £1.00 each in the 2012 Cell;
“2012 Shareholders”	the holders of the ordinary shares in the capital of the 2012 Cell of the Company of £1.00 each;
“Articles of Incorporation”	the articles of incorporation of the Company (as amended from time to time);
“Board” or “Directors”	the board of directors of the Company;
“Buyback Contract”	the proposed agreement to be entered into between (i) the Company acting through the 2012 Cell and (ii) BECAP12 Fund LP acting by its general partner BECAP12 GP LP acting by its general partner BECAP12 GP Limited for the purchase by the Company of up to 57,096,555 2012 Shares;
“Cell”	the 2009 Cell and/or the 2012 Cell;
“Cell Shares”	has the meaning given to it in the Articles of Incorporation;
“Company”	Better Capital PCC Limited, incorporated in Guernsey with registered number 51194;
“Companies Law”	The Companies (Guernsey) Law, 2008 (as amended);
“Extraordinary General Meetings”	the extraordinary general meetings of the 2009 Shareholders, the 2012 Shareholders and the Company convened for 3.00 p.m., 3.15 p.m. and 3.30 p.m. (respectively) on 7 December 2016 (or any adjournment thereof) notices of which are set out on pages 16 to 25 of this document;
“Fund II”	BECAP12 Fund LP, a Guernsey limited partnership established and registered in Guernsey as a limited partnership on 17 November 2011 (registration number 1558);
“Fund II GP”	BECAP12 GP LP or its successor for the time being as general partner of Fund II;
“Independent Directors”	the Board excluding Jon Moulton;
“Listing Rules”	the listing rules made by the Financial Conduct Authority under Part VI of the Financial Services and Markets Act 2000 as amended from time to time;
“Memorandum of Incorporation”	the memorandum of incorporation of the Company (as amended from time to time);
“Resolutions”	the resolutions set out in the notices of the Extraordinary General Meetings on pages 16 to 25 of this document; and
“Shareholders”	the holders of the 2009 Shares and/or the 2012 Shares.

PART 4: NOTICE OF EXTRAORDINARY GENERAL MEETING OF THE HOLDERS OF THE 2009 SHARES

BETTER CAPITAL PCC LIMITED

(a protected cell company limited by shares incorporated in Guernsey under The Companies (Guernsey) Law 2008, as amended, with registration number 51194 and registered as a Registered Closed-ended Collective Investment Scheme with the Guernsey Financial Services Commission (the “Company”))

NOTICE is hereby given that the Extraordinary General Meeting of the 2009 Shareholders to be held at Lefebvre Place, Lefebvre Street, St Peter Port, Guernsey GY1 2JP on 7 December 2016 at 3.00 p.m. for the transaction of the following business:

ORDINARY RESOLUTION

1. THAT, conditional upon the passing of resolution 2, the conversion of each of the 2009 Shares pursuant to article 19.1.4 of the New Articles of Incorporation (as defined below) into a redeemable share which is redeemable in accordance with the provisions of the New Articles of Incorporation (as defined below) be and is hereby approved.

SPECIAL RESOLUTION

2. THAT pursuant to article 7.3 of the articles of incorporation of the Company, the regulations contained in the document signed for the purposes of identification by the Chairman be and are hereby approved for adoption as the new articles of incorporation of the Company (the “**New Articles of Incorporation**”) in substitution for and to the exclusion of the existing articles of incorporation of the Company (such New Articles of Incorporation including the variation of rights attaching to the shares in the 2009 Cell).

By order of the Board

Heritage International Fund Managers Limited
Company Secretary

25 November 2016

Heritage Hall, Le Marchant Street, St Peter Port, Guernsey

NOTES TO THE NOTICE OF THE EXTRAORDINARY GENERAL MEETING OF THE HOLDERS OF THE 2009 SHARES IN THE 2009 CELL

1. As at the date of sending this notice, the 2009 Cell of the Company has issued share capital of 206,780,952 2009 Shares of £1.00 each. Pursuant to the Company's Articles of Incorporation at a meeting of the 2009 Cell, on a show of hands, every 2009 Shareholder present in person or by proxy and entitled to vote shall have one vote, and on a poll every 2009 Shareholder present in person or by proxy shall have one vote for each share held by him.
2. A 2009 Shareholder who is entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote instead of him. The proxy need not be a 2009 Shareholder. A 2009 Shareholder may appoint more than one proxy to attend the meeting provided that each proxy is appointed to exercise rights attached to different shares.
3. A blue form of proxy is enclosed with this notice. To be effective, the instrument appointing a proxy (together with any power of attorney or other authority under which it is executed or a duly certified copy of such power) must be sent to the Company's Registrar, Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF, England, to arrive by 3.00 p.m. on 5 December 2016. A corporation may execute a proxy under its common seal or by the hand of a truly authorised officer or other agent. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting.
4. A 2009 Shareholder is not entitled to take part in the Extraordinary General Meeting of the 2009 Shareholders or vote at the same (whether personally or by representative or proxy) unless the following conditions have been satisfied: (i) in respect of any 2009 Shares he has acquired, all calls and amounts due from him to the Company have been paid; (ii) in respect of any 2009 Shares he has acquired, he has been registered as their holder; and (iii) if and for so long as the Directors determine, he or any other person appearing to be interested in the 2009 Shares held by him has failed to comply with a notice requiring the disclosure of 2009 Shareholders' interests.
5. In accordance with Article 22.10 of the Company's Articles of Incorporation and Regulation 41 of the Uncertificated Securities (Guernsey) Regulations, 2009, only those 2009 Shareholders entered on the register of 2009 Shareholders of the Company at close of business on 5 December 2016 shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register of 2009 Shareholders after that time shall be disregarded in determining the rights of any person to attend or vote at that meeting.
6. The register of directors' interests kept by the Company shall be open to the inspection of any 2009 Shareholder of the Company between the hours of 10.00 am and noon for a period beginning fourteen days before and ending three days after the Extraordinary General Meeting of the 2009 Cell and from the commencement until the conclusion of the Extraordinary General Meeting of the 2009 Cell.
7. As at the date of this Notice of Extraordinary General Meeting of the holders of the 2009 Shares, there are no outstanding warrants and/or options to subscribe for 2009 Shares.
8. An ordinary resolution means a resolution passed by a simple majority of those present at the meeting in person or by proxy and voting on the resolution.
9. A special resolution means a resolution passed by a majority of not less than 75% of the votes cast in respect of the resolution by those 2009 Shareholders present at the meeting in person or by proxy.
10. The form of proxy is valid for use at the Extraordinary General Meeting of the holders of the 2009 Shares and any adjournment thereof.
11. A blackline showing the proposed changes to the Memorandum of Incorporation and the Articles of Incorporation is available at the registered office of the Company from the date of this document up to and including the date of the Extraordinary General Meeting and will also be available for inspection at the place of the Extraordinary General Meeting itself for at least 15 minutes before the Extraordinary General Meeting until the Extraordinary General Meeting ends.

PART 5: NOTICE OF EXTRAORDINARY GENERAL MEETING OF THE HOLDERS OF THE 2012 SHARES

BETTER CAPITAL PCC LIMITED

(a protected cell company limited by shares incorporated in Guernsey under The Companies (Guernsey) Law 2008, as amended, with registration number 51194 and registered as a Registered Closed-ended Collective Investment Scheme with the Guernsey Financial Services Commission (the “Company”))

NOTICE is hereby given that the Extraordinary General Meeting of the 2012 Shareholders to be held at Lefebvre Place, Lefebvre Street, St Peter Port, Guernsey GY1 2JP, on 7 December 2016 at 3.15 p.m. (or, if later, immediately following the conclusion of the Extraordinary General Meeting of the 2009 Shareholders) for the transaction of the following business:

ORDINARY RESOLUTION

THAT pursuant to article 22.4.5 of the articles of incorporation of the Company, the Buyback Proposal (as defined in the circular to shareholders dated 25 November 2016 a copy of which is produced to the meeting (the “**Circular**”)), being the repurchase by the Company of the 2012 Shares under terms of an agreement between the Company acting through the 2012 Cell and BECAP12 Fund LP acting by its general partner BECAP12 GP LP acting by its general partner BECAP12 GP Limited for the purchase by the Company of up to 57,096,555 shares in the 2012 Cell (the “**Shares**”) in the manner and on the terms and conditions as set out in the proposed contract tabled at the meeting (the “**Buyback Contract**”) and which comprises a “related party transaction” under the Listing Rules, be and is hereby authorised for the purposes of section 315 of the Companies (Guernsey) Law, 2008 (as amended) and that the Company be authorised to enter into the Buyback Contract and that the Directors be and are hereby authorised to take all such steps as may be necessary or desirable in relation thereto and to carry the same into effect with such modifications, variations, revisions or amendments (providing such modifications, variations or amendments are not of a material nature) as they shall deem necessary or desirable. The authority conferred by this resolution shall be in addition to the general authority granted at the Company’s annual general meeting held on 5 September 2016 to make market purchases of Shares and shall expire on 24 May 2018, however, the expiration of such authority shall not prevent the Company from purchasing Shares after the expiration of the authority in accordance with the terms of the Buyback Contract made and agreed prior to the expiration of the authority.

By order of the Board

Heritage International Fund Managers Limited
Company Secretary

25 November 2016

Heritage Hall, Le Marchant Street, St Peter Port, Guernsey

NOTES TO THE NOTICE OF EXTRAORDINARY GENERAL MEETING OF THE 2012 SHARES IN THE 2012 CELL

1. As at the date of sending this notice, the 2012 Cell of the Company has issued share capital of 346,600,520 2012 Shares of £1.00 each. Pursuant to the Company's Articles of Incorporation at a meeting of the 2012 Cell, on a show of hands, every 2012 Shareholder present in person or by proxy and entitled to vote shall have one vote, and on a poll every 2012 Shareholder present in person or by proxy shall have one vote for each share held by him.
2. A 2012 Shareholder who is entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote instead of him. The proxy need not be a 2012 Shareholder. A 2012 Shareholder may appoint more than one proxy to attend the meeting provided that each proxy is appointed to exercise rights attached to different shares.
3. A pink form of proxy is enclosed with this notice. To be effective, the instrument appointing a proxy (together with any power of attorney or other authority under which it is executed or a duly certified copy of such power) must be sent to the Company's Registrar, Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, England, to arrive by 3.15 p.m. on 5 December 2016. A corporation may execute a proxy under its common seal or by the hand of a truly authorised officer or other agent. Completion and return of the form of proxy will not preclude 2012 Shareholders from attending and voting in person at the meeting.
4. A 2012 Shareholder is not entitled to take part in the Extraordinary General Meeting of the holders of the Ordinary Shares in the Capital of the 2012 Cell of the Company or vote at the same (whether personally or by representative or proxy) unless the following conditions have been satisfied: (i) in respect of any 2012 Shares he has acquired, all calls and amounts due from him to the Company have been paid; (ii) in respect of any 2012 Shares he has acquired, he has been registered as their holder; and (iii) if and for so long as the Directors determine, he or any other person appearing to be interested in the 2012 Shares held by him has failed to comply with a notice requiring the disclosure of 2012 Shareholders' interests.
5. In accordance with Article 22.10 of the Company's Articles of Incorporation and Regulation 41 of the Uncertificated Securities (Guernsey) Regulations, 2009, only those 2012 Shareholder entered on the register of 2012 Shareholders of the Company at close of business on 5 December 2016 shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register of 2012 Shareholders after that time shall be disregarded in determining the rights of any person to attend or vote at that meeting.
6. The register of directors' interests kept by the Company shall be open to the inspection of any 2012 Shareholder of the Company between the hours of 10.00 am and noon for a period beginning fourteen days before and ending three days after the Extraordinary General Meeting of the 2012 Cell and from the commencement until the conclusion of the Extraordinary General Meeting of the 2012 Cell.
7. As at the date of this Notice of Extraordinary General Meeting of the holders of the 2012 Shares, there are no outstanding warrants and/or options to subscribe for 2012 Shares.
8. An ordinary resolution means a resolution passed by a simple majority of those present at the meeting in person or by proxy and voting on the resolution.
9. The Form of Proxy is valid for use at the Extraordinary General Meeting of the holders of the 2012 Shares and any adjournment thereof.

PART 6: NOTICE OF EXTRAORDINARY GENERAL MEETING

BETTER CAPITAL PCC LIMITED

(a protected cell company limited by shares incorporated in Guernsey under The Companies (Guernsey) Law 2008, as amended, with registration number 51194 and registered as a Registered Closed-ended Collective Investment Scheme with the Guernsey Financial Services Commission (the “Company”))

NOTICE is hereby given that the Extraordinary General Meeting of the holders of the Company to be held at Lefebvre Place, Lefebvre Street, St Peter Port, Guernsey GY1 2JP , on 7 December 2016 at 3.30 p.m. (or, if later, immediately following the conclusion of the Extraordinary General Meeting of the 2012 Shareholders) for the transaction of the following business:

ORDINARY RESOLUTION

1. THAT, conditional upon the passing of resolution 4, pursuant to article 19.1.4 of the New Articles of Incorporation (as defined below), each of the shares in the 2009 Cell be and is hereby converted into a redeemable share which is redeemable in accordance with the provisions of the New Articles of Incorporation.

SPECIAL RESOLUTIONS

2. THAT the Buyback Proposal (as defined in the circular to shareholders dated 25 November 2016 a copy of which is produced to the meeting (the “**Circular**”)), being the repurchase by the Company of the 2012 Shares under terms of an agreement between the Company acting through the 2012 Cell and BECAP12 Fund LP acting by its general partner BECAP12 GP LP acting by its general partner BECAP12 GP Limited for the purchase by the Company of up to 57,096,555 shares in the 2012 Cell (the “**Shares**”) in the manner and on the terms and conditions as set out in the proposed contract tabled at the meeting (the “**Buyback Contract**”) and which comprises a “related party transaction” under the Listing Rules, be and is hereby authorised for the purposes of section 315 of the Companies (Guernsey) Law, 2008 (as amended) and that the Company be authorised to enter into the Buyback Contract and that the Directors be and are hereby authorised to take all such steps as may be necessary or desirable in relation thereto and to carry the same into effect with such modifications, variations, revisions or amendments (providing such modifications, variations or amendments are not of a material nature) as they shall deem necessary or desirable. The authority conferred by this resolution shall be in addition to the general authority granted at the Company’s annual general meeting held on 5 September 2016 to make market purchases of Shares and shall expire on 24 May 2018, however, the expiration of such authority shall not prevent the Company from purchasing Shares after the expiration of the authority in accordance with the terms of the Buyback Contract made and agreed prior to the expiration of the authority.
3. THAT the following be included as additional paragraphs in the memorandum of incorporation of the Company:
 - “5. The Company is limited by shares within the meaning of section 2(2)(a)(i) of the Companies Law.
 6. The Company shall have power by special resolution to make provision in this Memorandum of Incorporation for any matter mentioned in section 15(7) of the Companies Law.
 7. The Company shall have power by special resolution to alter any provision in this Memorandum of Incorporation mentioned in section 15(7) of the Companies Law.”

4. THAT the regulations contained in the document signed for the purposes of identification by the Chairman be and are hereby approved and adopted as the new articles of incorporation of the Company (the “**New Articles of Incorporation**”) in substitution for and to the exclusion of the existing articles of incorporation of the Company.

By order of the Board

Heritage International Fund Managers Limited
Company Secretary

25 November 2016

Heritage Hall, Le Marchant Street, St Peter Port, Guernsey

NOTES TO THE NOTICE OF EXTRAORDINARY GENERAL MEETING OF THE COMPANY

1. As at the date of sending this notice, the Company has issued share capital of 553,381,472 Ordinary Shares of £1 each, of which 206,780,952 are 2009 Shares and 346,600,520 are 2012 Shares. Pursuant to the Company's Articles of Incorporation at any general meeting of the Company:
 - a. each holder of 2009 Shares who is present in person shall have one vote and on a poll the vote shall be weighted where a vote cast in relation to each 2009 Share shall count as 1.1096 towards the total number of votes cast; and
 - b. each holder of 2012 Shares who is present in person shall have one vote and on a poll the vote shall be weighted where a vote cast in relation to each 2012 Share shall count as 0.9770 towards the total number of votes cast.

The figure which may be used by the Company's shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules, is the aggregate of the number of votes capable of being cast on a poll, namely 568,072,852. This is calculated as 206,780,952 2009 Shares multiplied by 1.1096 plus 346,600,520 2012 shares multiplied by 0.9770.

Similarly, to calculate the numerator, holders of 2009 Shares should multiply their holding of 2009 Shares by 1.1096 and holders of 2012 Shares should multiply their holding of 2012 Shares by 0.9770. The aggregate sum of those calculations will result in the relevant number of voting rights for the numerator.

2. A Shareholder who is entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote instead of him. The proxy need not be a Shareholder. A Shareholder of the Company may appoint more than one proxy to attend the meeting provided that each proxy is appointed to exercise rights attached to different shares.
3. For holders of 2009 Shares, a white form of proxy is enclosed with this notice and for holders of 2012 Shares, a green form of proxy is enclosed. To be effective, the instrument appointing a proxy (together with any power of attorney or other authority under which it is executed or a duly certified copy of such power) must be sent to the Company's Registrar, Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, England, by 3.30 p.m. on 5 December 2016. A corporation may execute a proxy under its common seal or by the hand of a truly authorised officer or other agent. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting.
4. A member is not entitled to take part in the Extraordinary General Meeting or vote at the same (whether personally or by representative or proxy) unless the following conditions have been satisfied: (i) all calls and amounts due from him to the Company have been paid; (ii) in respect of any shares he has acquired in the Company, he has been registered as their holder; and (iii) if and for so long as the Directors determine, he or any other person appearing to be interested in the shares in the Company held by him has failed to comply with a notice requiring the disclosure of members' interests.
5. In accordance with Article 22.10 of the Company's Articles of Incorporation and Regulation 41 of the Uncertificated Securities (Guernsey) Regulations, 2009, only those members entered on the register of members of the Company at close of business on 5 December 2016 shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register of members after that time shall be disregarded in determining the rights of any person to attend or vote at that meeting.
6. The register of directors' interests kept by the Company shall be open to the inspection of any member of the Company between the hours of 10.00 am and noon for a period beginning fourteen days before and ending three days after the Extraordinary General Meeting and from the commencement until the conclusion of the Extraordinary General Meeting.
7. As at the date of this Notice of Extraordinary General Meeting, there are no outstanding warrants and/or options to subscribe for 2009 Shares and no outstanding warrants and/or options to subscribe for 2012 Shares.
8. An ordinary resolution means a resolution passed by a simple majority of those present at the meeting in person or by proxy and voting on the resolution.

9. A special resolution means a resolution passed by a majority of not less than 75% of the votes cast in respect of the resolution by those Shareholders present at the meeting in person or by proxy.
10. The form of proxy is valid for use at the Extraordinary General Meeting of the Company and any adjournment thereof.

A blackline showing the proposed changes to the Memorandum of Incorporation and the Articles of Incorporation is available at the registered office of the Company from the date of this document up to and including the date of the Extraordinary General Meeting and will also be available for inspection at the place of the Extraordinary General Meeting itself for at least 15 minutes before the Extraordinary General Meeting until the Extraordinary General Meeting ends.

PART 7: DRAFT BUYBACK CONTRACT

DATED: _____ 2016

BETTER CAPITAL PCC LIMITED

AND

BECAP12 FUND LP

**AGREEMENT FOR THE SALE AND PURCHASE OF
UP TO 57,096,555 CELL SHARES IN THE 2012 CELL OF BETTER CAPITAL PCC LIMITED**

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THIS AGREEMENT is made on ● 2016

BETWEEN:

- (1) **BETTER CAPITAL PCC LIMITED**, a protected cell company limited by shares incorporated in Guernsey with registration number 51194 whose registered office is at Heritage Hall, PO Box 225, Le Marchant Street, St Peter Port, Guernsey GY1 4HY, acting in respect of its 2012 Cell (the “**Buyer**”); and
- (2) **BECAP12 FUND LP**, a limited partnership registered in Guernsey with registration number 1558 whose registered office address is at Heritage Hall, PO Box 225, Le Marchant Street, St Peter Port, Guernsey, GY1 4HY, acting by its general partner BECAP12 GP LP acting by its general partner BECAP12 GP Limited, a non-cellular company incorporated in Guernsey with registration number 54252 whose registered office is at Heritage Hall, PO Box 225, Le Marchant Street, St Peter Port, Guernsey GY1 4HY (the “**Seller**”).

RECITAL:

- (A) The Seller wishes to sell and the Buyer wishes to buy the Shares (as defined below) and accordingly the Seller shall sell the Shares in accordance with the terms of this Agreement.
- (B) This Agreement is entered into by the Buyer pursuant to sections 313 and 314 of the Law (as defined below).

THE PARTIES AGREE as follows:

1. INTERPRETATION

1.1 In this Agreement:

“**Business Day**” means a day other than a Saturday or Sunday or public holiday in England;

“**Cell Shares**” means the Cell Shares (as that term is defined in the articles of incorporation of the Buyer) issued in respect of the protected cell of the Buyer known as the 2012 Cell;

“**Dispute**” is defined in clause 12.2;

“**Encumbrance**” means a mortgage, charge, pledge, lien, option, right of pre-emption, third-party right or interest, or security interest of any kind;

“**Expiry Date**” means 24 May 2018;

“**Law**” means the Companies (Guernsey) Law, 2008, as amended;

“**Listing Rules**” means the listing rules of the Financial Conduct Authority;

“**Notice**” is defined in clause 10.1;

“**Proceedings**” is defined in clause 12.4;

“**Shares**” means the Tranche 1 Shares and the Further Tranche Shares;

“**Tranche 1 Completion**” means completion of the sale and purchase of the Tranche 1 Shares in accordance with this Agreement;

“**Tranche 1 Completion Date**” means the date specified by the Buyer in the Tranche 1 Completion Notice, which shall be a Business Day following publication of the Company’s interim results for the period ended 30 September 2016;

“**Tranche 1 Completion Notice**” means a notice sent by the Buyer to the Seller and received at least one Business Day prior to the Tranche 1 Completion Date to which the notice relates;

“**Tranche 1 Purchase Price**” means the Tranche 1 Share Price multiplied by the number of Tranche 1 Shares;

“**Tranche 1 Share Price**” means the price per Cell Share determined in accordance with clause 2.8;

“**Tranche 1 Shares**” means 28,548,278 Cell Shares registered in the name of the Seller (amounting to 50 per cent. of the total number of Cell Shares registered in the name of the Seller at the date of this Agreement);

“**Further Tranche Completion**” means completion of the sale and purchase of the Further Tranche Shares in accordance with this Agreement;

“Further Tranche Completion Date” means such Business Day prior to 30 June 2021 which is specified by the Buyer in a Further Tranche Completion Notice as the date on which the completion of the sale and purchase of any Further Tranche Shares is to be completed;

“Further Tranche Completion Notice” means a notice sent by the Buyer to the Seller and received at least one Business Day prior to the Further Tranche Completion Date to which the notice relates;

“Further Tranche Purchase Price” means the Further Tranche Share Price multiplied by the number of Further Tranche Shares specified in the relevant Further Tranche Completion Notice;

“Further Tranche Share Price” means the price per Cell Share determined in accordance with clause 2.9; and

“Further Tranche Shares” means up to 28,548,277 Cell Shares registered in the name of the Seller (amounting to the balance of the total number of Cell Shares registered in the name of the Seller at the date of this Agreement).

1.2 In this Agreement, a reference to:

1.2.1 a statutory provision includes a reference to the statutory provision as modified or re-enacted or both from time to time before the date of this Agreement and any subordinate legislation made under the statutory provision (as so modified or re-enacted) before the date of this Agreement;

1.2.2 a **“person”** includes a reference to any individual, firm, company, corporation or other body corporate, government, state or agency of a state or any joint venture, association or partnership, works council or employee representative body (whether or not having separate legal personality);

1.2.3 singular includes the plural and vice versa;

1.2.4 an individual includes a reference to that individual’s legal personal representatives, successors and permitted assigns; and

1.2.5 a clause, paragraph or schedule, unless the context otherwise requires, is a reference to a clause or paragraph of, or schedule to, this Agreement.

1.3 The headings in this Agreement do not affect its interpretation.

2. SALE AND PURCHASE OF THE SHARES

2.1 The Seller agrees to sell, and the Buyer agrees to buy:

2.1.1 the Shares; and

2.1.2 each right attaching to the Shares at the relevant completion date, free of any Encumbrance, on the terms of this Agreement.

2.2 In consideration for the Seller agreeing to the sale of the Tranche 1 Shares, the Buyer shall pay the Tranche 1 Purchase Price to the Seller on the Tranche 1 Completion Date.

2.3 The payment referred to in clause 2.2 shall be satisfied by a reduction equal to the Tranche 1 Purchase Price of such amounts as are owed from the Seller to the Buyer on the Tranche 1 Completion Date under the loans then existing between them.

2.4 In consideration for the Seller agreeing to the sale of the Further Tranche Shares, the Buyer shall pay the Further Tranche Purchase Price to the Seller on the relevant Further Tranche Completion Date.

2.5 The payment referred to in clause 2.4 shall be satisfied by a reduction equal to the Further Tranche Purchase Price of such amounts as are owed from the Seller to the Buyer on the Further Tranche Completion Date under the loans then existing between the Buyer and the Seller or, in the event that such amounts are insufficient to permit the Further Tranche Purchase Price to be set off in full against them, by such other method as the Seller shall determine following consultation with the Buyer.

2.6 For the purpose of section 313(3) of the Law, the Seller hereby consents to the sale of the Shares in accordance with the terms of this Agreement.

2.7 The Seller warrants that the terms of this Agreement have been authorised by a special resolution of the Buyer prior to its signature, which authority shall expire on the Expiry Date.

- 2.8 The Tranche 1 Share Price shall be the volume weighted average price of a Cell Share on the Business Day immediately preceding the Tranche 1 Completion Date, or, if that price is higher than the price permitted by Listing Rule 12.4.1, the highest price permitted by that rule.
- 2.9 Each Further Tranche Share Price shall be the volume weighted average price of a Cell Share on the Business Day immediately preceding the relevant Further Tranche Completion Date, or, if that price is higher than the price permitted by Listing Rule 12.4.1, the highest price permitted by that rule.

3. COMPLETION

- 3.1 Tranche 1 Completion shall take place on the Tranche 1 Completion Date when:
 - 3.1.1 the Buyer shall pay the Tranche 1 Purchase Price in accordance with clause 2.2; and
 - 3.1.2 the Seller shall deliver any waiver, consent, release or other document necessary to give the Buyer or its nominee(s) full legal and beneficial ownership of the Tranche 1 Shares to the Buyer (or to whomsoever the Buyer may direct).
- 3.2 A Further Tranche Completion shall take place on the relevant Further Tranche Completion Date when:
 - 3.2.1 the Buyer shall pay the Further Tranche Purchase Price in accordance with clause 2.4; and
 - 3.2.2 the Seller shall deliver any waiver, consent, release or other document necessary to give the Buyer or its nominee(s) full legal and beneficial ownership of the Further Tranche 2 Shares to the Buyer (or to whomsoever the Buyer may direct).
- 3.3 For the avoidance of doubt the Buyer is not under an obligation to serve a Further Tranche Completion Notice and may serve more than one Further Tranche Completion Notice so that there may be no, one, or more than one Further Tranche Completion Date.
- 3.4 No form of written share transfer form in respect of the Shares shall be required unless the Buyer shall otherwise require.
- 3.5 A party is not obliged to complete this Agreement unless the other party complies with all its obligations under clause 3.1 and 3.2.
- 3.6 If Tranche 1 Completion does not take place on the Tranche 1 Completion Date because the Seller fails to comply with any of its obligations under clause 3.1.2 or because the Buyer fails to comply with any of its obligations under clause 3.1.1 (whether such failure amounts to a repudiatory breach or not), then the Buyer or the Seller (as the case may be) may by notice to the Seller or the Buyer (as the case may be):
 - 3.6.1 terminate this Agreement; or
 - 3.6.2 postpone Tranche 1 Completion to a date nominated in the notice (which must be a Business Day).
- 3.7 If a Further Tranche Completion does not take place on the relevant Further Tranche Completion Date because the Seller fails to comply with any of its obligations under clause 3.1.2 or because the Buyer fails to comply with any of its obligations under clause 3.2.1 (whether such failure amounts to a repudiatory breach or not), then the Buyer or the Seller (as the case may be) may by notice to the Seller or the Buyer (as the case may be):
 - 3.7.1 terminate this Agreement; or
 - 3.7.2 postpone the Further Tranche Completion to a date nominated in the notice (which must be a Business Day).
- 3.8 If the Buyer or the Seller (as the case may be) terminates this Agreement pursuant to either clause 3.6.1 or clause 3.6.1, each party's further rights and obligations cease immediately on termination, but termination does not affect a party's accrued rights and obligations at the date of termination.
- 3.9 It is agreed that, pursuant to section 319 of the Law, upon Tranche 1 Completion, the Tranche 1 Shares shall be treated as cancelled and the amount of the Buyer's share capital shall be diminished accordingly.

3.10 It is agreed that, pursuant to section 319 of the Law, upon a Further Tranche Completion, the relevant Further Tranche Shares shall be treated as cancelled and the amount of the Buyer's share capital shall be diminished accordingly.

4. WARRANTIES

4.1 All parties to this Agreement (collectively or individually as specified in each sub-clause) warrant as follows:

4.1.1 that each party has full power and authority to enter into and perform this Agreement which, when executed, will constitute valid and binding obligations on it in accordance with its terms;

4.1.2 that the entry by each party into this Agreement has been duly and validly authorised and all requisite (other than in the case of individuals, corporate or constitutional) action has been taken in order to make such entry valid and binding upon it in accordance with the terms of this Agreement;

4.1.3 that the entry by which party into this Agreement and the consummation of the transactions contemplated will not:

(a) breach or conflict with any provision of its memorandum and articles of incorporation or other constitutive documents or result in a breach of, conflict with or constitute a default under any mortgage, indenture, agreement or other instrument to which it is a party or by which it, or any of its properties or assets, is bound; or

(b) violate any order, judgment or decree of any court of governmental agency to which it is a party or by which it, or any of its properties or assets, is bound.

4.2 The Seller warrants on the date of the Agreement and at each of Tranche 1 Completion and (in respect of the Further Tranche Shares only) at each Further Tranche Completion that it, he or she:

4.2.1 is entitled to sell and transfer the full legal and beneficial ownership of the Shares, on the terms set out in this Agreement without consent of any third party;

4.2.2 has complied in all material respects with the Buyer's Memorandum and Articles of Incorporation (the "**Articles**") relating to the Buyer, has not breached the Articles and has no liability in accordance with this Agreement; and

4.2.3 owns the Shares free and clear of any Encumbrance.

5. GENERAL

5.1 A variation of this Agreement is valid only if it is in writing and signed by or on behalf of each party.

5.2 The failure to exercise or delay in exercising a right or remedy provided by this Agreement or by law does not impair or constitute a waiver of the right or remedy or an impairment of or a waiver of other rights or remedies. No single or partial exercise of a right or remedy provided by this Agreement or by law prevents further exercise of the right or remedy or the exercise of another right or remedy. Any waiver shall be effective only if given in writing and in such case shall only apply to the specific event referred to in such written waiver.

5.3 The parties' rights and remedies contained in this Agreement are cumulative and not exclusive of rights or remedies provided by law.

5.4 If at any time any provision of this Agreement is or becomes, or is adjudicated by any court of competent jurisdiction or public authority to be, illegal, invalid or unenforceable in any respect under the law of any jurisdiction, this shall not affect or impair:

5.4.1 the legality, validity or enforceability in that jurisdiction of any other provision of this Agreement; or

5.4.2 the legality, validity or enforceability under the law of any other jurisdiction of that or any other provision of this Agreement.

5.5 The parties (and their successors or assigns) may assign their rights and/or any other benefits arising under or out of this Agreement.

5.6 Except to the extent that they have been performed and except where this Agreement provides otherwise, the obligations contained in this Agreement remain in force after Completion.

6. CONFIDENTIALITY

6.1 The Parties acknowledge that the terms and contents of this Agreement (or any agreement or arrangement entered into pursuant to this Agreement) (the “**Confidential Information**”) are and shall remain confidential.

6.2 Each Party irrevocably undertakes to the other to keep confidential (and to ensure that its agents and professional and other advisers keep confidential) the Confidential Information and not to divulge to any third party without the prior written consent of the other Party (which consent shall not be unreasonably withheld) the Confidential Information.

6.3 Clause 6.2 does not apply to:

6.3.1 information which is or becomes public knowledge otherwise than as a direct or indirect result of a breach of this Clause;

6.3.2 the disclosure of information to the extent required to be disclosed by law or any court of competent jurisdiction, any governmental official or regulatory authority (including the Guernsey Financial Services Commission) or any binding judgment, order or requirement of any other competent authority;

6.3.3 the disclosure of information to any tax authority to the extent reasonably required for the purposes of the tax affairs of either Party; or

6.3.4 the disclosure to either Party’s professional advisers of information reasonably required to be disclosed for purposes relating to this Agreement.

6.4 Without prejudice to any other rights or remedies which a Party may have, each Party acknowledges and agrees that damages would not be an adequate remedy for any breach of this Clause and the remedies of injunction and other equitable relief are appropriate for any threatened or actual breach of any such provision and no proof of special damages shall be necessary for the enforcement of the rights under this Clause.

6.5 In the event that either Party discloses any Confidential Information to any person in accordance with this Clause, that Party shall remain responsible for any breach of this Clause by the person to whom that Confidential Information is disclosed.

6.6 The Seller irrevocably undertakes to the Buyer that he shall not (directly or indirectly) make or permit the making of any statement regarding the Buyer, its officers or its employees which would reasonably be expected to be damaging to the goodwill or reputation of the Buyer, its officers or its employees.

7. FURTHER ASSURANCE

The Seller shall, from time to time and on being required to do so by the Buyer, perform or procure the performance of all such acts and/or execute or procure the execution of all such documents in a form satisfactory to the Buyer to give full effect to this Agreement and to secure to the Buyer or its nominee(s) (if any) the full benefit of the rights, powers and remedies conferred upon the Buyer or its nominee(s) (if any) by or pursuant to this Agreement.

8. LIMITED RECOURSE

The Seller acknowledges that the Buyer is a protected cell company and agrees that the liability of the Buyer under or in this connection with this Agreement shall at all times be limited to the total of the assets attributable to the 2012 Cell of the Buyer.

9. ENTIRE AGREEMENT

9.1 This Agreement constitutes the entire agreement between the parties relating to the subject matter of this Agreement.

9.2 The Buyer acknowledges that it has not relied on or been induced to enter into this Agreement by any statement representation or warranty.

10. NOTICES

- 10.1 A notice or other communication under or in connection with this Agreement (a “**Notice**”) shall be in writing and delivered personally or sent by first class post pre-paid recorded delivery (and air mail if overseas) or by fax to the party due to receive the Notice to the addresses set out in clause 10.3 or to another address or person or fax number notified in writing by that party in accordance with the terms of this clause 10.
- 10.2 A Notice is deemed given when actually received by the recipient provided always that a Notice actually received by the recipient outside the hours of 9:00 am (UK time) to 5:00 pm (UK time) shall be deemed received at 9:00 am (UK time) on the next Business Day.
- 10.3 The address referred to in clause 10.1 is:

Name of party:	Address :	Marked for the attention of:
The Seller	Heritage Hall, PO Box 225, Le Marchant Street, Guernsey, GY1 4HY	Tom Daish
The Buyer	Heritage Hall, PO Box 225, Le Marchant Street, Guernsey, GY1 4HY	Tom Daish

11. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which when executed and delivered is an original and all of which together evidence the same agreement.

12. GOVERNING LAW AND JURISDICTION

- 12.1 This Agreement and all non-contractual or other obligations arising out of or in connection with it shall be governed by the laws of the Island of Guernsey.
- 12.2 The courts of the Island of Guernsey have exclusive jurisdiction to settle any dispute arising from or connected with this Agreement (a “**Dispute**”).
- 12.3 The parties agree that the courts of the Island of Guernsey are the most appropriate and convenient courts to settle any Dispute and, accordingly, that they will not argue to the contrary.
- 12.4 The Seller agrees that the documents which start any proceedings relating to a Dispute (“**Proceedings**”) and any other documents required to be served in relation to those proceedings may be served on it by being delivered to the address stated at clause 8.3 of this Agreement. Nothing in this clause 12.4 shall affect the right of the Buyer to serve process in any other manner permitted by law. This clause applies to Proceedings in the Island of Guernsey and to Proceedings elsewhere.

SIGNED
for and on behalf of
BETTER CAPITAL PCC LIMITED
acting in respect of its 2012 Cell

.....

Name:
Title:

SIGNED by
BECAP12 FUND LP
acting by its general partner
BECAP12 GP LP
acting by its general partner
BECAP12 GP Limited
acting by:

.....

Name:
Title:

