

Name  
 Address Line 1  
 Address Line 2  
 Address Line 3  
 Post Code

Shareholder Reference Number (SRN): CXXXXXXXXXX

**THIS LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**If you are in any doubt as to the decision you should take, you are recommended to consult an independent financial adviser who, if you are taking advice in the United Kingdom, is authorised under the Financial Services and Markets Act 2000 or, if you are taking advice outside the United Kingdom, from another appropriately authorised independent financial adviser.**

**To: holders of options ("Options") under Part A of the Charles Taylor Sharesave Scheme (the "UK Sharesave Scheme")**

16 October 2019

Dear Optionholder,

On 19 September 2019, the board of Charles Taylor plc ("**Charles Taylor**") announced that it had reached agreement with Jewel BidCo Limited ("**LMP Bidco**"), a company formed on behalf of funds advised by Lovell Minnick Partners LLC and its affiliates ("**Lovell Minnick**"), on the terms of a recommended cash offer (the "**Offer**") of 315 pence (the "**Offer Price**") per Charles Taylor ordinary share ("**Shares**").

Charles Taylor shareholders will be asked to approve the Offer and, once this approval has been given and the other conditions to the Offer satisfied or waived, Charles Taylor will ask the Court to approve the transfer of all Shares to LMP Bidco in return for payment of the Offer Price (a "**Scheme of Arrangement**"). When the Court approves the Scheme of Arrangement (expected to be in early 2020), this is referred to as "**Court Sanction**". The date of the Court Sanction is dependent on when certain regulatory conditions to the Offer are satisfied or waived. Once the date for the Court Sanction is finalised, it will be announced by Charles Taylor through a Regulatory Information Service announcement and on its website at <http://www.ctplc.com/investors/>.

This letter should be read in conjunction with the Scheme of Arrangement circular, which is available at <http://www.ctplc.com/investors/> (the "**Circular**"), as the definitions used in the Circular apply to this letter as well. The Circular also explains further details in relation to the Scheme of Arrangement. A copy of this letter is also available at <http://www.ctplc.com/investors/>.

**This letter explains the effect of the Scheme of Arrangement on your Options and the action you need to take to exercise your Options.**

If you hold Options granted in 2016 which are due to mature on 1 December 2019, you will also receive a maturity pack from Computershare, the UK Sharesave Scheme administrator, which sets out details of how you can exercise those Options before the Scheme of Arrangement if you want to.

**SUMMARY**

***Options granted in 2016 which mature on 1 December 2019***

As you hold Options which mature before Court Sanction you can choose to exercise these Options in the usual way through [www.computershare.com/charlestaylorshareplans](http://www.computershare.com/charlestaylorshareplans) as described in the maturity pack. Alternatively, if you prefer, you can wait to exercise following Court Sanction as set out in this letter. If you exercise these Options through the maturity exercise process using your Employee Online Account and using the dedicated Scheme of Arrangement portal (see below), your Options will only be exercised once. Any exercise requests which are made after 19 December 2019 will only be actioned once Court Sanction has occurred.

Please note that in accordance with the rules of the UK Sharesave Scheme, if the Scheme of Arrangement becomes effective, these Options will no longer be exercisable on the expiry of the period of 20 days following the effective date of the Scheme of Arrangement ("**Effective Date**") and you will not have the normal six months from maturity in which to exercise.

***Options granted in 2016 which do not mature on 1 December 2019***

If you have taken a savings holiday in respect of your Options granted in 2016, such Options will not mature on 1 December 2019 and will be treated in the same way as Options granted in 2018 (see below).

***Options granted in 2018 which will become exercisable on Court Sanction***

Under the rules of the UK Sharesave Scheme your Options will become exercisable early (to the extent that you have made savings under your savings contract with which to exercise them) on the date of Court Sanction (expected to be in early 2020). However, so that you do not lose out as a result of having to exercise your Option early, LMP Bidco has agreed that you will receive a payment equal to the gain which you could have made if your Options had been exercisable in full (the "**Compensation Payment**"). ***The Compensation Payment will be made to you only if you agree to exercise your Options conditional upon Court Sanction by completing and submitting Exercise Instructions (see the following box) by not later than 1 pm on 20 November 2019.***

**EXERCISING YOUR OPTIONS**

The proposal being made to you in connection with the Scheme of Arrangement is **to exercise your Options** on the following basis:

1. exercise each of your Options to the extent of your savings under your savings contract. The Shares you acquire as a result of exercising your Options will each be acquired by LMP Bidco for the Offer Price of 315 pence in cash; and
2. receive the Compensation Payment (if applicable) equal to the gain you could have made if you had exercised in full (i.e. the difference between 315 pence and your option exercise price) in respect of each Share you have not been able to acquire under your Options.

The Compensation Payment means that, for Options that have not already matured, you should be placed in the same gross (i.e. before tax) position as if you had been able to exercise your Option in full and receive the payment of 315 pence for each of the resulting Shares.

**To exercise your Options on this basis you should access the Scheme of Arrangement online portal at [www.eproxyappointment.com](http://www.eproxyappointment.com) and submit your exercise instructions ("Exercise Instructions") using the online portal by 1pm on 20 November 2019.**

**To access the Scheme of Arrangement online portal, you will need to enter your SRN (set out at the top of this letter and the Control number and PIN set out below:**

**Control Number: XXXXXX**

**PIN: XXXXX**

**YOU SHOULD NOTE THAT IF YOU DO NOT EXERCISE YOUR OPTIONS, YOUR OPTIONS WILL NO LONGER BE EXERCISABLE AND CEASE TO BE OF ANY VALUE ON THE EXPIRY OF THE PERIOD OF 20 DAYS FOLLOWING THE EFFECTIVE DATE.**

**SETTLEMENT**

If you validly submit your Exercise Instructions through the Scheme of Arrangement online portal by **no later than 1pm on 20 November 2019** your Options will be exercised as follows:

- your Options will be exercised immediately following Court Sanction;

- the Shares that you acquire will be held in the Computershare Investor Services plc Vested Share Account (the "**Nominee**") on your behalf before being transferred to LMP Bidco on the Scheme of Arrangement becoming effective. By submitting your Exercise Instructions you will be deemed to have read, understood and agreed to the Terms and Conditions of the Vested Share Account which can be found on the Scheme of Arrangement online portal; and
- the Nominee will issue the payment for your Shares to you within 5 working days of the proceeds being received by the Nominee following the Effective Date. The Nominee will pay the proceeds to the bank account details held within your Employee Online Account. If you have not provided any valid bank account details in your Employee Online Account, a Pounds Sterling cheque will be sent to the address the Nominee holds on record for you.

The Compensation Payment is expected to be made via payroll (i.e. after the exercise of your Options and once the necessary calculations have been made). The Compensation Payment will be paid subject to deductions for income tax and employee's National Insurance contributions.

**IMPORTANT: PLEASE ENSURE THAT YOUR ADDRESS AND PAYMENT DETAILS IN YOUR EMPLOYEE ONLINE ACCOUNT ARE UP-TO-DATE.**

### **TAXATION CONSIDERATIONS**

A brief summary of the tax implications for UK tax resident employees of exercising your Options is set out in the Appendix (*United Kingdom Taxation*) at the end of this letter. If you are in any doubt as to your personal tax position, you should consult an appropriate professional adviser without delay.

### **ACTION TO BE TAKEN**

If you wish to exercise your Options and receive the Offer Price of 315 pence per Share, together with the Compensation Payment (if applicable), you must access the Scheme of Arrangement online portal and **submit your Exercise Instructions using the online portal by 1pm on 20 November 2019.**

Please read the Terms and Conditions on the Scheme of Arrangement online portal carefully before you submit your Exercise Instructions.

**YOU SHOULD NOTE THAT IF YOU DO NOT EXERCISE YOUR OPTIONS, YOUR OPTIONS WILL NO LONGER BE EXERCISABLE AND CEASE TO BE OF ANY VALUE ON THE EXPIRY OF THE PERIOD OF 20 DAYS FOLLOWING THE EFFECTIVE DATE.**

### **LEAVERS**

The proposals in this letter also apply to you if (i) you have already left employment with Charles Taylor or a subsidiary of Charles Taylor (or leave before Court Sanction) and (ii) as a result of leaving, you have a right to exercise your Options. In these circumstances, you may already have received details from Computershare Plan Managers giving you the opportunity to exercise your Options using the normal exercise procedures. You should therefore note that nothing in this letter serves to extend the life of an Option which lapses (or has already lapsed) under the rules of the UK Sharesave Scheme and that, as outlined above, if the Scheme of Arrangement becomes effective, all Options that are outstanding and have not been exercised will no longer be exercisable on the expiry of the period of 20 days following the Effective Date.

Where you exercise your Options early on Court Sanction your Compensation Payment will be calculated based on the difference between the number of Shares that you would have been able to acquire at the end of your normal six month exercise period and the number of Shares that you acquired on Court Sanction.

## FURTHER INFORMATION

Further information in relation to the Scheme of Arrangement and its effect on your Options can be found on the Scheme of Arrangement online portal. If after reading this additional information, you still have questions, please contact Computershare by telephone on +44 (0) 370 889 4020 or by email at [SAYE@computershare.co.uk](mailto:SAYE@computershare.co.uk) or the Company Secretariat Team at [CompanySecretary@ctplc.com](mailto:CompanySecretary@ctplc.com).

If you are in any doubt as to what action to take or in relation to your tax position, you should consult your own professional adviser or other financial adviser duly authorised under the Financial Services and Markets Act 2000 immediately.

## RECOMMENDATION

The directors of Charles Taylor, who have been so advised by Rothschild & Co as to the financial terms of the proposal, consider the proposal set out in this letter to be fair and reasonable in the context of the Scheme of Arrangement. In providing its advice to the directors of Charles Taylor, Rothschild & Co has taken into account the commercial assessments of the directors of Charles Taylor.

The directors of Charles Taylor unanimously recommend that, to the extent to which they are or become capable of exercise, you exercise your Options as set out in this letter.

Sent on behalf of

**The directors of Charles Taylor plc**

**The directors of Jewel Bidco Limited**

## NOTES

In the event of any differences between this letter and the rules of the UK Sharesave Scheme that governs the options to which this letter relates and the relevant legislation, the rules of the UK Sharesave Scheme and the legislation will apply. Copies of the rules are available at [www.computershare.com/charlestaylorshareplans](http://www.computershare.com/charlestaylorshareplans) or from [CompanySecretary@ctplc.com](mailto:CompanySecretary@ctplc.com).

The release, publication or distribution of this letter (in whole or in part) in, into or from jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document (and any accompanying documents) come should inform themselves about, and observe, any such restrictions. Any failure to comply with those restrictions may constitute a violation of the securities laws of any such jurisdiction. This document does not constitute an offer to sell or issue, nor the solicitation of an offer to buy or subscribe for, shares in any jurisdiction in which such offer or solicitation is unlawful.

The Lovell Minnick Responsible Persons accept responsibility for the information, if any, contained in this letter (including any expressions of opinion) relating to the reasons for the Acquisition, the intentions for the Charles Taylor Group following the Scheme becoming Effective, LMP Bidco, Lovell Minnick, the Wider Lovell Minnick Group, and the Lovell Minnick Responsible Persons and their respective immediate families and the related trusts of and persons connected with the Lovell Minnick Responsible Persons, and persons deemed to be acting in concert with LMP Bidco. To the best of the knowledge and belief of the Lovell Minnick Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this letter (including any expressions of opinion) for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The directors of Charles Taylor accept responsibility for the information contained in this letter (including any expressions of opinion) other than the information (and expressions of opinion), if any, for which responsibility is taken by the Lovell Minnick Responsible Persons pursuant to this letter. To the best of the knowledge and belief of the directors of Charles Taylor (who have taken all reasonable care to ensure that such is the case), the information contained in this letter (including any expressions of opinion) for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

Rothschild & Co, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Charles Taylor and for no one else in connection with the Offer and will not be responsible to anyone other than Charles Taylor for providing the protections afforded to its clients nor for providing advice in relation to the Offer or any other matters referred to in this document.

Rothschild & Co has given and not withdrawn their written consent to the issue of this letter with the inclusion of the references to their name in the form and context in which they appear.

Accidental omission to dispatch this letter to any person to whom the proposals herein are made or should be made shall not invalidate the proposals in any way.

This letter is governed by and should be construed in accordance with English law.

## APPENDIX

### UNITED KINGDOM TAXATION

Set out below is a summary of the UK tax treatment in relation to the exercise of your Options on Court Sanction or in the 20 days following the Effective Date and the transfer of your Shares under the Scheme of Arrangement. It is based on current UK legislation and what is understood to be HMRC practice as at the date of this letter. The rates of tax, tax bands and exemptions referred to in this summary are those that are applicable for the tax year ending 5 April 2020. This summary is prepared on the assumption that you are UK tax resident and domiciled at all material times. If you are tax resident or otherwise subject to tax in any other jurisdiction then you should seek appropriate professional advice.

If you are in any doubt as to your tax position in respect of your Options you should consult an appropriate independent professional adviser.

#### EXERCISE OF OPTIONS

- You will not be liable to pay any income tax or National Insurance when you exercise your Options.
- You will make a capital gain on the disposal of your Shares. Whether any capital gains tax (**CGT**) arises will, however, depend on whether your total capital gains for the 2019/20 tax year are in excess of the annual exemption described further below.

The capital gain per Share will be the excess of the Offer Price over your Option exercise price. Your total capital gain will therefore be this excess amount multiplied by the number of Shares you acquire and then sell under the Scheme of Arrangement.

If you have more than one Option under the UK Sharesave Scheme, you will need to take the different exercise prices into account when calculating your capital gains.

You are entitled to make capital gains of up to £12,000 (for the current 2019/20 UK tax year) before paying CGT. If your total capital gains exceed this figure, you would need to declare your total capital gains (after taking into account any applicable exemptions, losses and reliefs) and pay CGT on the excess above £12,000. Capital gains are taxed at 10% for basic rate taxpayers and 20% for higher or additional rate taxpayers. You would need to complete a self-assessment tax return in order to do so, and so should contact HMRC if you do not normally complete a self-assessment tax return. More information on CGT can be found at <https://www.gov.uk/capital-gains-tax>.

**If you do not exercise by submitting your Exercise Instructions before or on Court Sanction, you will lose out on the ability to receive the Compensation Payment.**

#### COMPENSATION PAYMENT

The Compensation Payment will be paid subject to income tax and National Insurance contributions, which will be deducted from the Compensation Payment before it is paid to you through payroll.