

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about this offer or as to the action you should take, you are recommended to seek your own independent financial advice from a stockbroker, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000. If you are outside the UK, you should immediately consult an appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Offer Shares, please send this document, together with the accompanying documents, as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into or from any Restricted Jurisdiction.

The release, publication or distribution of this document, the Form of Acceptance and the Form of Proxy in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

You should read the whole of this document carefully and (if you hold Offer Shares in certificated form) in conjunction with the accompanying Form of Acceptance and Form of Proxy the terms of which are deemed to form part of the Offer.

Fairfax I.S. PLC, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting only for each of NewCo and the Management Team and no one else in connection with the Offer and will not be responsible to anyone other than NewCo and the Management Team for providing the protections afforded to clients of Fairfax I.S. PLC or for providing advice in relation to the Offer or any other matters referred to in this document.

Torch Partners Corporate Finance Limited, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting only for each of NewCo and LDC and no one else in connection with the Offer and will not be responsible to anyone other than NewCo and LDC for providing the protections afforded to clients of Torch Partners Corporate Finance Limited or for providing advice in relation to the Offer or any other matters referred to in this document.

Mazars Corporate Finance Limited, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting only for WorkPlace and no one else in connection with the Offer and will not be responsible to anyone other than WorkPlace for providing the protections afforded to clients of Mazars Corporate Finance Limited or for providing advice in relation to the Offer or any other matters referred to in this document.

Recommended Cash Offer

By

Wasp Management Software Limited

(a company formed on behalf of Lloyds TSB Development Capital Limited and the Management Team)

to acquire the entire issued and to be issued ordinary share capital of

WorkPlace Systems International plc

(other than those shares contracted to be acquired by NewCo under the terms of the Share Exchange Deed)

Your attention is drawn to the letter from the Chairman of WorkPlace on behalf of the Independent Directors, which is set out on pages 8 to 15 of this document, unanimously recommending: (i) Independent WorkPlace Shareholders to vote in favour of the Ordinary Resolution to be proposed at the General Meeting of WorkPlace; and (ii) WorkPlace Shareholders to accept the Offer.

To accept the Offer in respect of Offer Shares held in certificated form, the accompanying Form of Acceptance should be completed, signed, witnessed (in the case of an individual) and returned along with your share certificate(s) or other document(s) of title as soon as possible and in any event so as to be received by Equiniti Limited at Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA no later than 1.00 p.m. on 30 December 2011, by following the procedure set out in Part C of Appendix I to this document.

To accept the Offer in respect of Offer Shares held in uncertificated form (that is, in CREST) you must make your acceptance electronically through CREST so that the TTE instruction settles no later than 1.00 p.m. on 30 December 2011, by following the procedure set out in Part D of Appendix I to this document. If you are a CREST sponsored member, you must refer to your CREST sponsor before taking any action as only your CREST sponsor will be able to send the necessary TTE instructions to Euroclear in relation to your Offer Shares.

Notice of the General Meeting of WorkPlace, to be held at the offices of SNR Denton at One Fleet Place, London EC4M 7WS, at 11.00 a.m. on 28 December 2011, to approve certain arrangements with the Management Team in relation to the Offer is set out at the end of this document. A Form of Proxy for use at the General Meeting is enclosed. To be valid, the Form of Proxy for use in connection with the General Meeting should be completed and returned by post as soon as possible and, in any event, so as to reach the Registrars at Capita Registrars Limited, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by not later than 11.00 a.m. on 22 December 2011.

Completion and return of a Form of Proxy will not preclude Independent WorkPlace Shareholders from attending and voting at the General Meeting in person should they so wish.

IMPORTANT INFORMATION

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document includes certain “forward-looking” statements with respect to the financial condition, results of operations and business of WorkPlace and/or NewCo and certain plans and objectives of the board of directors of WorkPlace, and NewCo with respect thereto. The forward-looking statements contained herein may include statements about the expected effects on NewCo or WorkPlace of the Offer, the expected timing and scope of the Offer, anticipated earnings enhancements and other strategic options, as well as other statements in this document other than historical facts. Forward-looking statements include, without limitation, statements typically containing words such as “intends”, “expects”, “anticipates”, “targets”, “estimates” and words of similar import. These statements are based on assumptions and assessments made by the boards of directors of WorkPlace and NewCo in the light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe appropriate. They have not been reviewed by the auditors of WorkPlace or NewCo. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.

All subsequent oral or written forward-looking statements attributable to WorkPlace or NewCo or any of their respective members, directors, officers or employees or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements included in this document are based on information available to WorkPlace and NewCo on the date of this document and are made only as of the date of this document. Undue reliance should not be placed on such forward-looking statements.

Subject to compliance with the Code, neither WorkPlace nor NewCo intend, or undertake any obligation, to update any information contained in this document.

OVERSEAS SHAREHOLDERS

Unless otherwise determined by NewCo and permitted by applicable law and regulation, subject to certain exemptions, the Offer is not being, and will not be, made, directly or indirectly, in or into and will not be capable of acceptance from or within a Restricted Jurisdiction. Accordingly, unless otherwise determined by NewCo, copies of this document and the Form of Acceptance and any other accompanying document are not being and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction and persons receiving this document, the Form of Acceptance and any other accompanying document (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions as doing so may be a breach of applicable law and regulation in that jurisdiction and may invalidate any purported acceptance of the Offer. The availability of the Offer to persons who are not resident in the United Kingdom may be affected by the laws of their relevant jurisdiction. Such persons should inform themselves about and observe any applicable legal or regulatory requirements of their jurisdiction and should carefully read paragraph 6 of Part B of Appendix I to this document.

Any person (including nominees, trustees and custodians) who would, or otherwise intends to, or may have a legal or contractual obligation to, forward this document and/or the Form of Acceptance and/or any related document to any jurisdiction outside the United Kingdom, should inform themselves of, and observe, any applicable legal or regulatory requirements of any relevant jurisdiction, seek appropriate advice and carefully read paragraph 6 of Part B of Appendix I to this document and the relevant provisions of the Form of Acceptance, before taking any action.

DEALING DISCLOSURE REQUIREMENTS

Under Rule 8.3(a) of the Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect

of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in one per cent. or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3 of the Code.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4 of the Code).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

GENERAL

The receipt of cash pursuant to the Offer by WorkPlace Shareholders may be a taxable transaction under applicable national, state and local, as well as foreign and other tax laws. For summary information on certain limited aspects of the taxation of certain WorkPlace Shareholders tax-resident in the UK, please refer to paragraph 15 of Part 2 of this document. Each WorkPlace Shareholder is urged to consult his independent professional adviser regarding the tax consequences of acceptance of the Offer.

PUBLICATION ON WEBSITE AND AVAILABILITY OF HARD COPIES

A copy of this document and the announcement under Rule 2.7 of the Code will be made available free of charge, at www.workplacesystems.com and www.waspidco.com by no later than 12 noon on 12 December 2011 and will be available during the course of the Offer. You may request a hard copy of this document, free of charge, by contacting Paul Wright, the Chief Finance Officer of WorkPlace, on +44(0) 1908 251 300 or Jenny Stephenson of CMS Cameron Mckenna LLP on +44(0) 207 367 3000. You may also request that all future documents, announcements and information sent to you in relation to the Offer should be in hard copy form.

For the avoidance of doubt, the content of the websites referred to above are not incorporated into and does not form part of this document.

ACTION TO BE TAKEN

TO ACCEPT THE OFFER

If you hold your Offer Shares in certificated form (that is, not in CREST), to accept the Offer you must complete the enclosed Form of Acceptance in accordance with Part C of Appendix I to this document. Shareholders should return the completed Form of Acceptance (along with your share certificate(s) and/or other documents of title) by post to the Receiving Agent Equiniti Limited at Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA or by hand (during normal business hours only) to Equiniti Limited at Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA as soon as possible and, in any event, **so as to be received by no later than 1.00 p.m. (London time) on 30 December 2011**. If you are posting in the UK, the enclosed first class reply paid envelope has been provided for your convenience.

If you hold your Offer Shares in uncertificated form (that is, in CREST), to accept the Offer you must follow the procedure set out in Part D of Appendix I to this document **so that the TTE Instruction settles no later than 1.00 p.m. (London time) on 30 December 2011**. If you hold your Offer Shares as a CREST sponsored member, you should refer to your CREST sponsor as only your CREST sponsor will be able to send the necessary instruction to Euroclear.

This document is being sent to holders of awards under the WorkPlace Share Option Schemes for information only.

THE FIRST CLOSING DATE OF THE OFFER IS 1.00 P.M. (LONDON TIME) ON 30 DECEMBER 2011.

TO VOTE IN FAVOUR OF THE MANAGEMENT ARRANGEMENTS

Notice of the General Meeting of WorkPlace to be held at SNR Denton at One Fleet Place, London EC4M 7WS at 11.00 a.m. on 28 December 2011 is set out at the end of this document. A reply paid Form of Proxy is enclosed for the use by the WorkPlace Shareholders in connection with the General Meeting. WorkPlace Shareholders are requested to complete the Form of Proxy in accordance with the instructions printed thereon and to return it to the Registrars at Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, as soon as possible and in any event so that it is received no later than 11.00 a.m. on 22 December 2011. Only Independent WorkPlace Shareholders are permitted to vote on the Ordinary Resolution. The completion and return of the Form of Proxy will not preclude you from attending the General Meeting and voting in person should you wish to.

HELPLINE

If you have any questions relating to this document, please telephone Equiniti, the receiving agent for the Offer, on 0871 384 2958 from within the UK or on +44 121 415 0225 if calling from outside the UK. Calls to the 0871 384 2958 number cost 8 pence per minute (excluding VAT) from a BT landline. Other network providers' costs may vary. Lines are open 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday. Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

This page should be read in conjunction with the rest of the document. Your attention is drawn, in particular, to paragraph 17 of Part 2 of this document, which sets out the procedure for acceptance of the Offer, and to the conditions and further terms of the Offer set out in Part A and Part B of Appendix I to this document and (in respect of Offer Shares held in certificated form) in the Form of Acceptance. WorkPlace Shareholders in any doubt about the Offer or the action they should take are recommended to seek financial advice from their independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) if they are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser in the relevant jurisdiction.

IMPORTANT DATES AND TIMES

The dates and times set forth in the table below in connection with the Offer may change in accordance with the terms and conditions of the Offer, as described in this document.

<i>Event</i>	<i>Time and/or Date</i>
Announcement of the Offer	9 December 2011
Publication of this document	9 December 2011
Latest time for the receipt of valid Proxy Forms	11.00 a.m. (London time) 22 December 2011
General Meeting	11.00 a.m. (London time) 28 December 2011
Latest time and date for WorkPlace Shareholders to accept the Offer	1.00 p.m. (London time) 30 December 2011
Earliest date for cancellation of admission to trading of WorkPlace Shares on AIM	No later than 8.00 a.m. (London time) 31 January 2012

Payment of consideration to the WorkPlace Shareholders who validly accept the Offer prior to it having been declared unconditional in all respects will be made within 14 days of the Offer having been declared unconditional in all respects. Payment of consideration to the WorkPlace Shareholders who validly accept the Offer after it has been declared unconditional in all respects will be made within 14 days of receipt of their valid acceptance.

CONTENTS

	<i>Page</i>
IMPORTANT INFORMATION	2
ACTION TO BE TAKEN	4
IMPORTANT DATES AND TIMES	5
PART 1	
LETTER OF RECOMMENDATION FROM THE CHAIRMAN OF WORKPLACE	8
1. Introduction	8
2. Summary terms of the Offer	9
3. Irrevocable Undertakings and letters of intent	9
4. Background to and reasons for recommending the Offer	10
5. Arrangements with the Management Team	11
6. General Meeting	12
7. Current trading and prospects of WorkPlace	12
8. Information on NewCo and LDC	13
9. Management, employees, location and changes to the WorkPlace Board	13
10. Cancellation of trading on AIM, re-registration as a private company and compulsory acquisition	14
11. WorkPlace Share Option Schemes	14
12. United Kingdom Taxation	14
13. Overseas WorkPlace Shareholders	14
14. Action to be taken	14
15. Recommendation	15
PART 2	
LETTER FROM NEWCO TO WORKPLACE SHAREHOLDERS	16
1. Introduction	16
2. The Offer	16
3. Recommendation	17
4. Background to and reasons for the Offer	17
5. Arrangements with the Management Team	17
6. Management, employees and locations	19
7. Irrevocable Undertakings and letters of intent to accept the Offer and vote in favour of the Ordinary Resolution	19
8. Information on LDC	20
9. Information on Lloyds Banking Group	20
10. Information relating to NewCo	20
11. Financing and cash confirmation	21
12. Information relating to WorkPlace	21
13. WorkPlace Share Option Schemes	21
14. WorkPlace cancellation of trading on AIM, re-registration as a private company and intention to compulsorily purchase Offer Shares	22
15. Taxation	22
16. Overseas Shareholders	23
17. Procedure for Acceptance of the Offer	23
18. Settlement	26
19. Further information	27
20. Action to be taken to accept the Offer	28

	<i>Page</i>	
Appendix I	Conditions and Further Terms of the Offer	29
Part A	Conditions of the Offer	29
	1. Definitions and Interpretations	29
	2. Acceptance Condition	29
	3. Certain further conditions of the Offer	30
Part B	Further Terms of the Offer	36
Part C	Form of Acceptance	51
Part D	Electronic Acceptance	54
Appendix II	Financial Information relating to NewCo, LDC and Lloyds Banking Group	57
Appendix III	Financial Information relating to the WorkPlace Group	60
Appendix IV	Additional Information	61
NOTICE OF GENERAL MEETING		81
DEFINITIONS		83

PART 1

LETTER OF RECOMMENDATION FROM THE CHAIRMAN OF WORKPLACE

(Incorporated in England & Wales with registered number 3966381)

Directors:

Ian Lenagan (*Chairman*)*
Bernard Quinn (*Chief Executive*)**
Paul Wright (*Chief Finance Officer*)**
Alex Davis (*Chief Technology Officer*)**
Anthony Knight (*Client Services Director*)**
Ian Mills (*Design Director*)
Nigel Garrett (*Sales Director*)
John Herring (*Non-Executive Director*)*

Registered office:

Precedent Drive
Rooksley
Milton Keynes
Buckinghamshire
MK13 8PP

The directors marked with an asterisk (*) are Independent Directors

The directors marked with a double asterisk (**) are the Management Team

9 December 2011

To WorkPlace Shareholders and, for information only, to participants in the WorkPlace Share Option Schemes

Dear Shareholder

Recommended Cash Offer for WorkPlace by NewCo

1. Introduction

On 9 December 2011, the Independent Directors and the NewCo board announced that they had reached agreement on the terms of a recommended cash offer by NewCo for the entire issued and to be issued share capital of WorkPlace, excluding the Roll-over Shares. The Offer values the entire issued and to be issued share capital of WorkPlace at approximately £41.0 million.

NewCo, a company backed by LDC and the Management Team, is a recently incorporated company established for the purpose of making the Offer. The board of directors of NewCo comprises the members of the Management Team who are all existing WorkPlace Directors, as well as Daniel Sasaki and Kunal Dasgupta of LDC. In view of the proposed arrangements between the Management Team and NewCo (details of which are set out in paragraph 5 of this Part 1) it was agreed that a committee of the independent directors of WorkPlace should be formed comprising Ian Lenagan and John Herring for the purposes of evaluating the Offer and the Management Offers. Given their conflicts of interest with regard to the Offer and the Management Offers, Bernard Quinn (Chief Executive), Paul Wright (Chief Finance Officer), Alex Davis (Chief Technology Officer) and Anthony Knight (Client Services Director) have not participated in the Independent Directors' decision to recommend that you accept the Offer or vote in favour of the Management Offers. Ian Mills and Nigel Garrett will remain on the WorkPlace Board following the Offer becoming, or being declared, wholly unconditional and although they are not part of the Management Team, they are not considered independent for the purposes of evaluating the Offer and have also not participated in the Independent Directors' decision to recommend that you accept the Offer or vote in favour of the Management Offers.

Accordingly, I am now writing to you, on behalf of the Independent Directors, to explain the background to the Offer and the reasons why the Independent Directors, having been so advised by Mazars, consider the terms of the Offer to be fair and reasonable so far as Independent WorkPlace Shareholders are concerned and are unanimously recommending that:

- Independent WorkPlace Shareholders should vote in favour of the Ordinary Resolution to be proposed at the General Meeting to be held on 28 December 2011; and

- all WorkPlace Shareholders should accept the Offer,

as the Independent Directors have irrevocably undertaken to accept the Offer in respect of a total of 68,917,759 Offer Shares, representing approximately 43.2 per cent. of the Offer Shares and to vote in favour of the Ordinary Resolution in respect of a total of 68,917,759 Eligible Voting Shares, representing approximately 47.5 per cent. of the Eligible Voting Shares.

2. Summary terms of the Offer

The formal Offer is set out in the letter from NewCo in Part 2 of this document. The conditions and terms of the Offer are set out in Appendix I to this document and in the accompanying Form of Acceptance (applicable if you hold WorkPlace Shares in certificated form).

Under the terms of the Offer, WorkPlace Shareholders are entitled to receive:

For each Offer Share 25 pence in cash

The Offer values WorkPlace's entire issued and to be issued share capital at approximately £41.0 million and represents:

- a premium of approximately 81.8 per cent. to the Closing Price of 13.75 pence per Offer Share on 8 December 2011, being the last Business Day prior to the commencement of the Offer Period; and
- a premium of approximately 79.3 per cent. to the average Closing Price of 13.94 pence per Offer Share over the twelve month period to 8 December 2011, being the last Business Day prior to the commencement of the Offer Period.

The Offer Shares will be transferred to NewCo fully paid with full title guarantee and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and other third party rights or interests and together with all rights attaching to such Offer Shares including, without limitation, the right to receive all dividends and other distributions (if any) announced, declared, made or paid after the Announcement Date.

The Offer extends to all Offer Shares unconditionally allotted or issued and fully paid on the date of the Offer and any Offer Shares which are unconditionally allotted or issued and fully paid before the date on which the Offer closes to acceptances or such earlier date as NewCo may announce, subject to the Code and in accordance with the further conditions and terms of the Offer set out in Appendix I to this document.

Details of the conditions and the further terms of the Offer are set out in Appendix I to this document.

3. Irrevocable Undertakings and letters of intent

NewCo has received irrevocable undertakings from the Independent Directors and the Continuing Directors to accept the Offer in respect of a total of 72,905,929 Offer Shares (which includes 1,250,000 Offer Shares to be issued pursuant to the exercise of WorkPlace Options), representing approximately 45.7 per cent. of the Offer Shares and to vote in favour of the Ordinary Resolution in respect of a total of 71,655,929 Eligible Voting Shares, representing approximately 49.4 per cent. of the Eligible Voting Shares.

Certain other Independent WorkPlace Shareholders have also irrevocably undertaken to accept the Offer and to vote in favour of the Ordinary Resolution in respect of a total of 15,566,175 Offer Shares, representing approximately 9.8 per cent. of the Offer Shares and approximately 10.7 per cent. of the Eligible Voting Shares. NewCo has also received letters of intent from other Independent WorkPlace Shareholders to accept the Offer and vote in favour of the Ordinary Resolution in respect of, in aggregate, 28,392,243 Offer Shares, representing approximately 17.8 per cent. of the Offer Shares and representing approximately 19.6 per cent. of the Eligible Voting Shares.

In addition, the members of the Management Team have irrevocably undertaken to accept the Offer in respect of all of the Management Offer Shares amounting to 10,643,914 of the Offer Shares and representing approximately 6.7 per cent. of the Offer Shares.

Accordingly NewCo has received in aggregate irrevocable undertakings and letters of intent in respect of a total of:

- (a) 127,508,261 Offer Shares to accept the Offer, representing a total of 80.0 per cent. of the Offer Shares; and
- (b) 115,614,347 Eligible Voting Shares to vote in favour of the Ordinary Resolution, representing a total of 79.7 per cent. of the Eligible Voting Shares.

Further details of the irrevocable undertakings are set out at paragraph 7 of Part 2 and paragraph 8 of Appendix IV to this document.

4. Background to and reasons for recommending the Offer

For 25 years, the WorkPlace Group has provided Workforce Management software solutions which can often enable customers to improve their financial and operational performance by increasing service levels, reducing labour ineffectiveness and improving employee utilisation. As a leading supplier in this market, WorkPlace has a blue chip customer base, including Walmart in the US, Next, Gala Coral, and Wickes in the UK and H&M and Metro Group in Europe.

In deciding to recommend the Offer to WorkPlace Shareholders, the Independent Directors have taken into account a range of factors, including those outlined below.

In 2009, WorkPlace introduced its Software as a Service (“SaaS”) product “WorkPlace OnLine” which is delivered as a service over the internet. Since then, WorkPlace has focused significant resource on selling its SaaS product whilst maintaining the original WorkPlace On-premise solutions for its existing and new potential clients.

WorkPlace has managed the additional research & development (“R&D”) expenditure for WorkPlace OnLine carefully within the constraints required for satisfactory financial performance and against the background of a difficult trading environment in recent years. Additional financial investment is likely to be needed in R&D and sales & marketing resources to develop further the WorkPlace OnLine presence and profile in Europe and the United States in order to take advantage of the increased market opportunity which is available for a SaaS-based Workforce Management Product.

The medium and long term growth prospects for WorkPlace are dependent on the adoption of WorkPlace’s Workforce Management solutions by an increasing number of end user customers in various business sectors but with a particular focus on retailers in the US, UK and Europe. The opportunity also arises with the Online SaaS product for some of these new business wins to come from customers switching away from other suppliers to use WorkPlace’s products and services.

Whilst WorkPlace has an encouraging pipeline of business opportunities in specific markets and a number of promising ongoing pilots, it cannot be guaranteed whether or when current pilots will turn into full contracts. Similarly, extension of pilot programmes and the potential for cancellation or postponement of investment projects by WorkPlace customers, mean that delivery of consistent sales growth remains unpredictable whilst clearly possible with the product set and opportunities available to the Company.

In considering whether to recommend the Offer, the Independent Directors have concluded that whilst WorkPlace could continue to trade successfully as an independent entity, the Offer Price made represents a fair offer which takes into account the Company’s potential growth in the next full year at least and which is particularly attractive to shareholders against the backdrop of financial uncertainty in the European and worldwide economies.

In considering whether to recommend the Offer, the Independent Directors have also placed considerable weight on the attraction to WorkPlace Shareholders of an immediate cash return of 25 pence per Offer Share, which represents an attractive premium to both the current and recent closing prices at which the WorkPlace Shares have traded.

The Independent Directors consider that the Offer provides certainty to WorkPlace's Shareholders and provides fair value now for the medium and longer term prospects for the Company.

For these reasons, the Independent Directors, firstly, unanimously recommend that WorkPlace Shareholders accept the Offer and, secondly, unanimously recommend Independent WorkPlace Shareholders to vote in favour of the Ordinary Resolution, as they have irrevocably undertaken to accept in respect of a total of 68,917,759 Offer Shares, representing approximately 43.2 per cent. of the Offer Shares and to vote in favour of the Ordinary Resolution in respect of a total of 68,917,759 Eligible Voting Shares representing approximately 47.5 per cent. of the Eligible Voting Shares.

5. Arrangements with the Management Team

NewCo believes that the ongoing participation by the Management Team in the continued growth of WorkPlace is fundamental, in the light of their knowledge of the Company's software, services, customers and the markets in which WorkPlace operates. As a consequence, the Management Offers, which are described in more detail in paragraph 7 of Appendix IV to this document, have been agreed between NewCo and the Management Team.

The Management Team will accept the Offer in respect of its Management Offer Shares in accordance with the irrevocable undertakings given by the Management Team as described in paragraph 8 of Appendix IV to this document. NewCo will acquire the Roll-over Shares from the Management Team in exchange for NewCo Loan Notes and NewCo B Ordinary Shares, pursuant to the terms of the Share Exchange Deed, at the date that the Offer becomes, or is declared, unconditional in all respects. Anthony Knight has agreed to subscribe for certain NewCo Loan Notes pursuant to the Subscription and Shareholders Agreement at (or within 20 days of) the date that the Offer becomes, or is declared, unconditional in all respects. Accordingly, the Management Team shall hold NewCo B Ordinary Shares and NewCo Loan Notes as set out in the table below.

<i>Name</i>	<i>Amount of NewCo 'A' Loan Notes £</i>	<i>Amount of NewCo 'B' Loan Notes £</i>	<i>Number of NewCo B Ordinary Shares</i>	<i>% of issued share capital of NewCo</i>
Bernard Quinn	287,451	287,451	10,625	4.38%
Paul Wright	118,414	118,413	10,625	4.38%
Alex Davis	118,414	118,413	10,625	4.38%
Anthony Knight ⁽¹⁾	118,413	118,413	10,625	4.38%

(1) Assuming Anthony Knight subscribes in full for his NewCo Loan Notes in accordance with the Subscription and Shareholders Agreement.

As at the date that the Offer becomes, or is declared, unconditional in all respects, the Management Team will hold in aggregate approximately 17.5 per cent. of the issued share capital of NewCo and the remaining approximately 82.5 per cent. will be owned by LDC. LDC's interest is split between voting and non-voting shares. LDC will hold voting shares equalling 49.9 per cent. of the shareholder voting rights in NewCo with the remainder of LDC's shares comprising non-voting shares and the Management Team holds the remaining voting shares in equal proportions.

Eight per cent. of NewCo Ordinary Shares have been authorised to be issued and are intended for future allocation to employees or directors of the NewCo Group (subject to remuneration committee approval).

The shareholding of the Management Team is subject to adjustment depending on whether NewCo achieves certain financial performance targets for the financial years ending 31 December 2012, 31 December 2013 and 31 December 2014. At the end of each of these three years, if the financial performance targets are met, there will be no adjustment to the Management Team's shareholding. If the financial performance targets for the relevant financial year are exceeded, the Management Team's shareholding will increase by one per cent. and if the financial performance targets for the relevant financial year are not achieved, the Management Team's shareholding will decrease by one per cent.

The members of the Management Team have agreed pursuant to the Subscription and Shareholders Agreement to enter into new service contracts on the Offer being declared unconditional in all respects, which are broadly on the same terms as their current service contracts with WorkPlace, save that the service contracts are being made consistent in relation to notice periods so that any member of the Management Team may terminate on six months' notice and NewCo may terminate on 12 months' notice.

In relation to the Management Offers, the Panel has agreed, subject to the Ordinary Resolution being passed on a poll of Independent WorkPlace Shareholders at the General Meeting to be held on 28 December 2011, to allow the Management Offers to be made on the terms and subject to the conditions set out in the Share Exchange Deed and the Subscription and Shareholders Agreement notwithstanding the fact that the opportunity to participate in such arrangements is not being extended to all WorkPlace Shareholders.

Mazars has advised the Independent Directors that the Management Offers are fair and reasonable so far as the Independent WorkPlace Shareholders are concerned.

6. General Meeting

The Offer is conditional on, *inter alia*, the passing of the Ordinary Resolution by the Independent Shareholders at the General Meeting to approve the Management Offers for the purposes of Rule 16 of the Code.

In accordance with Rule 16.2 of the Code, as all members of the Management Team are shareholders in WorkPlace, and as a result of the Management Offers, they will become shareholders in NewCo on a basis that is not being made available to the Independent WorkPlace Shareholders, such Management Offers must be approved at the General Meeting. The Management Offers are therefore subject to the Ordinary Resolution being approved on a poll by a majority of the Independent WorkPlace Shareholders at the General Meeting. Notice of the General Meeting is set out at the end of this Offer Document.

Please refer to Part A of Appendix I for full details of the conditions to the Offer.

7. Current trading and prospects of WorkPlace

Trading highlights from the Interim Financial Statements for the 6 months ended 30 September 2011 were as follows:

	£'000
Revenue	5,289
Profit from operations	286
Profit before tax	290
Basic/diluted earnings (pence per share)	0.20/0.18

In the Interim Report published at the same time as this document, the Chairman, Ian Lenagan, reported:

“In May 2011 the Company celebrated its 25th Anniversary, a notable achievement for an independent UK software company. It is apt that this coincided with a continuation of and improvement in the operating profit of the Company which started in the second-half of the previous Financial Year.

As previously reported to the market, the first half of the Financial Year focused on the SaaS pilots being run by the Company in each of its operating regions and the conversion of these pilots into full roll-outs. On 1 September the Company announced that it had succeeded in moving to roll-out its OnLine SaaS solution at a major retailer in the US in addition to a number of high street operators in the UK. The Company also won contracts in the Middle East and South Africa for its SaaS solution and in the Baltics for its On-premise StaffPlanner product.

During the period the Company sold its investment in EASE Inc, a US Labour Standards Software and Consultancy company, whilst maintaining its Distribution Rights for the retail EASE product. The Company also sold its remaining freehold property in Woodstock which it had sublet for a number of years. The Company made a combined profit of £27k, after transaction costs, on the sale of these two assets releasing over £400k of working capital.

Financial Results

The operating profit for the half-year of £286k compared favourably to the loss of £480k in the comparable period of 2010 and the £125k profit recorded in the second-half of the Financial Year ended 31 March 2011.

Revenue for the six month period ended 30 September 2011 increased to £5.3 million (2010: £4.7 million). The gross margin increased to 90 per cent. (2010: 88 per cent.) as the fixed cost element of the company's SaaS infrastructure was now spread across a greater number of customers. The Company's overhead base increased during the period from £3.9 million in the six months to 31 March 2011 to £4.5 million (2010: £4.6 million) reflecting the cost of additional staff during the period to support the growing revenue streams. At 30 September 2011 the Company retained cash balances of £1.5 million (2010: £2.1 million). The reduction in cash was more than offset by an increase in working capital as the timing of new contracts and the extended credit requested by several retail customers was recognised through the business.

Business Performance

Interest in WorkPlace On-Line continues to grow in all regions in which the Company operates and a growing awareness of the benefits which can be achieved through a true SaaS solution has been important in winning business in all regions. The value of the Company's rapid implementation process has been recognised in the retail sector and the delivery of SaaS via the internet has opened new opportunities for customers with multiple small format outlets.

In addition the Company has continued to develop its On-premise product and, during the period, received further orders from existing customers to enable them to roll-out the On-Premise software into new countries.

Outlook

The progress made by the Company during the last twelve months in developing the SaaS solution alongside the existing On-Premise software is reflected in the half-year figures and the orders that were announced in September."

8. Information on NewCo and LDC

NewCo is a limited liability company incorporated in England and Wales for the purposes of making the Offer and is backed by LDC. NewCo has not traded since its incorporation and the only obligations that it has entered into are in connection with implementing the Offer.

Further information on NewCo and LDC is set out in paragraphs 8 and 10 of Part 2 and Appendices II and IV to this document.

9. Management, employees, location and changes to the WorkPlace Board

Your attention is drawn to the statement of NewCo's plans for WorkPlace if the Offer becomes or is declared unconditional in all respects, as set out in paragraph 6 of the letter from NewCo in Part 2 of this document.

The Independent Directors are pleased to note the statements made by NewCo in its letter in Part 2 of this document that, following the Offer becoming or being declared wholly unconditional, the existing employment rights, including pension rights, of all management and employees of WorkPlace will be fully safeguarded in accordance with contractual and statutory requirements.

The Independent Directors also welcome NewCo's confirmation that NewCo does not intend to change the location of WorkPlace's place of business or to redeploy any of WorkPlace's fixed assets or effect a material change in any conditions of employment (save for the Management Team's new service contracts, details of which are set out in paragraph 5 above). NewCo has also confirmed to the Independent Directors that the existing employment rights, including pension rights, of all WorkPlace employees will be fully safeguarded upon the Offer becoming, or being declared, wholly unconditional.

The Management Team will remain in place to operate WorkPlace once the Offer has become unconditional in all respects, on the terms set out in their new service contracts. The Continuing Directors will also remain

in place on the terms of their existing service contracts. Following completion of the Offer Ian Lenagan and John Herring will resign as WorkPlace Directors. Following the Offer becoming, or being declared, unconditional in all respects, Ian Lenagan has agreed to provide consultancy services to NewCo. Details of his consultancy agreement with NewCo and the terms of his compromise agreement with WorkPlace are set out in paragraph 7 of Appendix IV to this document.

10. Cancellation of trading on AIM, re-registration as a private company and compulsory acquisition

Your attention is drawn to paragraph 14 of the letter from NewCo set out in Part 2 of this document in relation to NewCo's intentions regarding the de-listing and cancellation of trading in WorkPlace Shares and re-registration of WorkPlace as a private company following the Offer becoming or being declared wholly unconditional (the earliest date for which would be 31 January 2012).

Shareholders should be aware that the cancellation of trading of the WorkPlace Shares will significantly reduce the liquidity and marketability of any Offer Shares in respect of which the Offer has not been accepted.

11. WorkPlace Share Option Schemes

The Offer extends to any Offer Shares which are unconditionally allotted or issued fully paid (or credited as fully paid) prior to the date on which the Offer closes (or such earlier date as NewCo may, subject to the Code and/or with consent of the Panel, determine) as a result of the exercise of options granted under the WorkPlace Share Option Schemes. Participants in the WorkPlace Share Option Schemes will be contacted and appropriate proposals will be made to such participants at the time of posting this document. At the date of this document options over a maximum of 15,923,538 WorkPlace Shares are outstanding.

12. United Kingdom Taxation

Your attention is drawn to paragraph 15 of the letter from NewCo in Part 2 of this document. If you are in any doubt as to your tax position, or you are subject to taxation in any jurisdiction other than the United Kingdom, you should immediately consult an appropriate independent professional adviser.

13. Overseas WorkPlace Shareholders

The attention of Overseas Shareholders is drawn to paragraph 16 of the letter from NewCo in Part 2 of this document.

14. Action to be taken

To accept the Offer:

If your Offer Shares are in certificated form (that is, not in CREST), the Form of Acceptance must be completed, signed and returned as soon as possible, (together with your share certificate(s) and/or other document(s) of title) and in any event so as to be received by Equiniti Limited at Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA no later than 1.00 p.m. on 30 December 2011. A reply paid envelope is enclosed for your convenience for use in the UK only.

If your Offer Shares are in uncertificated form (that is, in CREST), you should NOT return the Form of Acceptance but instead ensure that an Electronic Acceptance is made by you or on your behalf and that settlement is no later than 1.00 p.m. (London time) on 30 December 2011.

Further details on the action to be taken to accept the Offer are set out in paragraph 17 of the letter from NewCo set out in Part 2 of this document.

If you have any questions relating to this document, please telephone Equiniti Limited, the Receiving Agent for the Offer, on 0871 384 2958 from within the UK or on +44 121 415 0225 if calling from outside the UK. Calls to the 0871 384 2958 number cost 8 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday. Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training

purposes. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

To vote in favour at the General Meeting:

A reply paid Form of Proxy is enclosed for the use by the Independent WorkPlace Shareholders in connection with the General Meeting. Independent WorkPlace Shareholders are requested to complete the Form of Proxy in accordance with the instructions printed thereon and to return it to the Registrars at Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, as soon as possible and in any event so that it is received no later than 11.00 a.m. on 22 December 2011. The completion and return of the Form of Proxy will not preclude you from attending the General Meeting and voting in person should you wish to do so.

If you are in any doubt about the Offer and/or the action you should take, you should consult an independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or another appropriately authorised independent professional adviser if you are taking advice in a territory outside the United Kingdom.

15. Recommendation

In view of their proposed involvement with NewCo, members of the Management Team have not participated in the consideration of the Offer or the formulation of advice to Independent WorkPlace Shareholders. Accordingly the recommendation of the Offer is being made by the Independent Directors.

The Independent Directors, who have been so advised by Mazars, consider the terms of the Offer to be fair and reasonable. In providing advice to the Independent Directors in relation to the Offer, Mazars has taken into account the commercial assessments of the Independent Directors.

Accordingly, the Independent Directors unanimously recommend that WorkPlace Shareholders accept the Offer as they have irrevocably undertaken to do in respect of a total of 68,917,759 Offer Shares representing approximately 43.2 per cent. of the Offer Shares.

Mazars has advised the Independent Directors that the terms of the Management Offers are fair and reasonable in so far as Independent WorkPlace Shareholders are concerned.

The Independent Directors also unanimously recommend that the Independent WorkPlace Shareholders vote in favour of the Ordinary Resolution to approve the Management Offers, as the Independent Directors have irrevocably undertaken to do in respect of a total of 68,917,759 Eligible Voting Shares, representing approximately 47.5 per cent. of the Eligible Voting Shares.

In giving its advice, Mazars is advising the Independent Directors in relation to the Offer and is not acting for any Independent Director in his personal capacity or for any WorkPlace Shareholder or WorkPlace option holder. Mazars will not be responsible to any such person for providing the protections afforded to its customers or for advising any such person in relation to the Offer. In particular, Mazars will not owe any duties or responsibilities to any particular WorkPlace Shareholder or holder of WorkPlace Options concerning the Offer.

Yours faithfully



Ian Lenagan

Chairman

WorkPlace Systems International plc

PART 2

LETTER FROM NEWCO TO WORKPLACE SHAREHOLDERS

FAIRFAX

TORCH
PARTNERS

9 December 2011

To WorkPlace Shareholders and, for information only, to participants in the WorkPlace Share Option Schemes.

Dear Shareholder

Recommended Cash Offer for WorkPlace by Newco

1. Introduction

On 9 December 2011, the Independent Directors and the board of directors of NewCo, a Company backed by LDC, announced that they had reached an agreement on the terms of a recommended cash offer to be made by NewCo for the entire issued and to be issued share capital of WorkPlace, excluding the Roll-over Shares. The Offer values the entire issued and to be issued share capital of WorkPlace at approximately £41.0 million and each Offer Share at 25 pence.

This letter, Appendix I to this document and the Form of Acceptance (in relation to certificated Offer Shares (that is, those not held in CREST)) together contain the formal conditions and terms of the Offer.

Your attention is drawn to the letter from the Chairman of WorkPlace, on behalf of the Independent Directors, set out in Part 1 of this document, which explains the background to the Offer and the reasons why the Independent Directors, who have been so advised by Mazars, consider the terms of the Offers to be fair and reasonable and why the Independent Directors, accordingly, unanimously recommend WorkPlace Shareholders to accept the Offer and Independent WorkPlace Shareholders to vote in favour of the Ordinary Resolution.

Your attention is also drawn to information contained in other parts of this document including Appendix I (*Conditions and Further Terms of the Offer*), Appendix II (*Financial Information relating to NewCo, LDC and Lloyds Banking Group*), Appendix III (*Financial Information relating to WorkPlace*) and Appendix IV (*Additional Information*).

2. The Offer

Under the Offer, which is made on and subject to the further terms set out in this document and, in the case of Offer Shares held in certificated form, the Form of Acceptance, WorkPlace Shareholders will receive:

For each Offer Share 25 pence in cash

The Offer values WorkPlace's entire issued and to be issued share capital at approximately £41.0 million and represents:

- a premium of approximately 81.8 per cent. to the Closing Price of 13.75 pence per Offer Share on 8 December 2011, being the last Business Day prior to the commencement of the Offer Period; and
- a premium of approximately 79.3 per cent. to the average Closing Price of 13.94 pence per Offer Share over the last twelve months to 8 December 2011, being the last Business Day prior to the commencement of the Offer Period.

The Offer extends to all Offer Shares unconditionally allotted or issued and fully paid on the date of the Offer and any Offer Shares which are unconditionally allotted or issued and fully paid before the date on which

the Offer closes to acceptances or such earlier date as NewCo may announce, subject to the Code and in accordance with the further conditions and terms of the Offer set out in Appendix I to this document.

The Offer Shares will be transferred to NewCo fully paid with full title guarantee and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and other third party rights or interests and together with all rights attaching to such Offer Shares including, without limitation, the right to receive all dividends and other distributions (if any) announced, declared, made or paid after the Announcement Date.

The Offer will be subject to the further conditions and terms set out and referred to in Appendix I to this document and, in the case of Offer Shares held in certificated form, in the accompanying Form of Acceptance.

The procedure for acceptance of the Offer is set out in paragraph 17 of this letter.

For summary information on certain limited aspects of UK taxation consequences of accepting the Offer for certain Independent WorkPlace Shareholders resident in the UK for tax purposes, please refer to paragraph 15 of this letter.

3. Recommendation

In view of their proposed involvement with NewCo, the members of the Management Team have not participated in the consideration of the Offer or the formulation of the advice given to Independent WorkPlace Shareholders by the Independent Directors. Ian Mills and Nigel Garrett will remain on the WorkPlace Board following the Offer becoming, or being declared, wholly unconditional and although they are not part of the Management Team, they are not considered independent for the purposes of evaluating the Offer and have also not participated in the Independent Directors' decision to recommend that you accept the Offer or vote in favour of the Management Offers. Further details with regard to the background to and reason for recommending the Offer and the Independent Directors' recommendation are set out in paragraphs 4 and 15 of Part 1 of this document.

4. Background to and reasons for the Offer

As one of the pre-eminent UK mid-market private equity firms, LDC has significant experience and a strong track record of investing in the UK technology sector. LDC believes that WorkPlace represents an attractive investment opportunity on the basis of three key factors: (i) WorkPlace's reputation with its workforce management software solutions in the market verticals in which it operates; (ii) the ability of LDC to add value to the operations of WorkPlace; and (iii) the ability of WorkPlace to prioritise its growth potential without the demands of a public listing.

Research and development and other investments

WorkPlace has invested significant amounts of capital on research and development in the last three years, in part, in developing WorkPlace's Software as a Service product "WorkPlace OnLine". LDC believes that in order to achieve its full potential, WorkPlace OnLine will continue to require additional significant investment, not only in R&D, but also in sales & marketing.

The ability of LDC to add value

LDC is a long established private equity investor with extensive experience managing growth businesses and LDC believes that existing and new customers can draw confidence from the reputation of LDC and its track record of commitment to its portfolio businesses. LDC believes that WorkPlace's ability to grow in the future will be enhanced under its ownership as it executes its longer term strategy. LDC intends to support the Company by providing resources to continue to invest in research, product development, sales and marketing and, should valid opportunities arise, strategic acquisitions.

5. Arrangements with the Management Team

NewCo believes that the ongoing participation in and leadership of the business of WorkPlace by the Management Team is fundamental to its continued growth, due to their knowledge of the Company's

software, services, customers and the markets in which WorkPlace operates. As a consequence, the Management Offers, which are described in more detail in paragraph 7 of Appendix IV to this document, have been agreed between NewCo and the Management Team.

The Management Team will accept the Offer in respect of their Management Offer Shares in accordance with the irrevocable undertakings given by the Management Team as described in paragraph 7 of this Part 2 and paragraph 8 of Appendix IV to this document. NewCo will acquire the Roll-over Shares from the Management Team in exchange for NewCo Loan Notes and NewCo Ordinary B Shares, pursuant to the terms of the Share Exchange Deed, at the date that the Offer becomes, or is declared, unconditional in all respects. Anthony Knight has agreed to subscribe for certain NewCo Loan Notes pursuant to the Subscription and Shareholders Agreement at (or within 20 days of) the date that the Offer becomes, or is declared, unconditional in all respects. Accordingly, the Management Team shall hold NewCo Ordinary B Shares and NewCo Loan Notes as set out in the table below.

<i>Name</i>	<i>Amount of NewCo 'A' Loan Notes £</i>	<i>Amount of NewCo 'B' Loan Notes £</i>	<i>Number of NewCo 'B' Ordinary Shares</i>	<i>% of issued share capital of NewCo</i>
Bernard Quinn	287,451	287,451	10,625	4.38%
Paul Wright	118,414	118,413	10,625	4.38%
Alex Davis	118,414	118,413	10,625	4.38%
Anthony Knight ⁽¹⁾	118,413	118,413	10,625	4.38%

(1) Assuming Anthony Knight subscribes in full for his NewCo Loan Notes in accordance with the Subscription and Shareholders Agreement.

As at the date that the Offer becomes, or is declared, unconditional in all respects, the Management Team will hold in aggregate approximately 17.5 per cent. of the issued share capital of NewCo and the remaining approximately 82.5 per cent. will be owned by LDC. LDC's interest is split between voting and non-voting shares. LDC will hold voting shares equalling 49.9 per cent. of the shareholder voting rights in NewCo with the remainder of LDC's NewCo Shares comprising non-voting shares and the Management Team shall hold the remaining voting shares in equal proportions.

Eight per cent. of NewCo Ordinary Shares have been authorised to be issued and are intended for future allocation to employees or directors of the NewCo Group (subject to remuneration committee approval).

The shareholding of the Management Team is subject to adjustment depending on whether NewCo achieves certain financial performance targets for the financial years ending 31 December 2012, 31 December 2013 and 31 December 2014. At the end of each of these three years, if the financial performance targets are met, there will be no adjustment to the Management Team's shareholding. If the financial performance targets for the relevant financial year are exceeded, the Management Team's shareholding will increase by one per cent. and if the financial performance targets for the relevant financial year are not achieved, the Management Team's shareholding will decrease by one per cent.

The members of the Management Team have agreed pursuant to the Subscription and Shareholders Agreement to enter into new service contracts on the Offer being declared unconditional in all respects, which are broadly on the same terms as their current service contracts with WorkPlace plc, save that the service contracts are being made consistent in relation to notice periods so that any member of the Management Team may terminate on six months' notice and NewCo may terminate on 12 months' notice.

In relation to the Management Offers, the Panel has agreed, subject to the requisite Ordinary Resolution being passed on a poll of Independent WorkPlace Shareholders at the General Meeting to be held on 28 December 2011, to allow the Management Offers to be made on the terms and subject to the conditions of the Share Exchange Deed and the Subscription and Shareholders Agreement notwithstanding the fact that the opportunity to participate in such arrangements is not being extended to all WorkPlace Shareholders.

Accordingly, set out at the end of this document is a notice convening the General Meeting for 11.00 a.m. on 28 December 2011 at which the Ordinary Resolution to approve the Management Offers, pursuant to the

Code, will be proposed. In accordance with the requirements of the Code, only the Independent WorkPlace Shareholders will be permitted to vote on the Ordinary Resolution, which will be taken on a poll. The Offer is conditional, *inter alia*, upon the passing of the Ordinary Resolution.

As stated in the letter of recommendation from the Independent Directors in Part I of this document, Mazars has advised the Independent Directors that the terms of the Management Offers are fair and reasonable so far as the Independent WorkPlace Shareholders are concerned.

6. Management, employees and locations

NewCo values the skills, knowledge and expertise of WorkPlace’s existing management and employees and expects them to play an important role in the further development and continuing growth of the WorkPlace business.

NewCo has indicated that, with the exception of Ian Lenagan and John Herring who will resign from the WorkPlace Board upon the Offer becoming, or being declared, wholly unconditional, the Offer will not have any adverse repercussions on WorkPlace’s employees or management and will provide continuity of employment for staff. Following the Offer becoming, or being declared, unconditional in all respects, Ian Lenagan has agreed to provide consultancy services to NewCo. Details of his consultancy agreement with NewCo and the terms of his compromise agreement with WorkPlace are set out in paragraph 7 of Appendix IV to this document.

Furthermore, NewCo does not intend to change the location of WorkPlace’s place of business or to redeploy any of WorkPlace’s fixed assets or effect a material change in any conditions of employment (save for the Management Team’s new service contracts, which are broadly on the same terms as their current service contracts with WorkPlace, save as set out in paragraph 5 of this Part 2) and has confirmed to the Independent Directors that the existing employment rights, including pension rights, of all WorkPlace employees will be fully safeguarded upon the Offer becoming, or being declared, unconditional in all respects.

7. Irrevocable Undertakings and letters of intent to accept the Offer and vote in favour of the Ordinary Resolution

The Independent Directors and the Continuing Directors have irrevocably undertaken to accept the Offer in respect of a total of 72,905,929 Offer Shares (which includes 1,250,000 Offer Shares to be issued pursuant to the exercise of WorkPlace Options), representing approximately 45.7 per cent. of the Offer Shares and to vote in favour of the Ordinary Resolution in respect of a total of 71,655,929 Eligible Voting Shares, representing approximately 49.4 per cent. of the Eligible Voting Shares. The undertakings provided by the Independent Directors and the Continuing Directors will continue to be binding, even in the event of a higher offer for WorkPlace by a competing third party and cannot be withdrawn unless the Offer lapses or is withdrawn.

The following Independent WorkPlace Shareholders have entered into irrevocable undertakings to accept the Offer in respect of the following Offer Shares and to vote in favour of the Ordinary Resolution in respect of the following Eligible Voting Shares:

<i>Name</i>	<i>Total number of WorkPlace Shares</i>	<i>Percentage of Eligible Voting Shares</i>	<i>Percentage of Offer Shares</i>
Hargreave Hale Limited	3,450,000	2.4%	2.2%
Timothy Mark Westaway	4,782,875	3.3%	3.0%
Michael David Wailing	7,333,300	5.1%	4.6%

The irrevocable undertakings provided by Hargreave Hale Limited, Timothy Mark Westaway and Michael David Wailing will remain binding in the event of a higher offer for WorkPlace by a competing third party, unless the value of the competing offer represents an improvement of ten per cent. or more of the value of the consideration being made available under the Offer.

NewCo has also received letters of intent from the following institutional shareholders of WorkPlace to accept the Offer in respect of the following Offer Shares and to vote in favour of the Ordinary Resolution in respect of the following Eligible Voting Shares:

<i>Name</i>	<i>Total number of WorkPlace Shares</i>	<i>Percentage of Offer Shares</i>	<i>Percentage of Eligible Shares</i>
Liontrust Investment Partners LLP	21,621,601	14.9%	13.6%
Schroders Investment Management Limited	6,770,642	4.7%	4.2%

The Management Team has irrevocably undertaken to accept the Offer (or procure that the registered holder accepts the Offer) in respect of the Management Offer Shares, which amount to 10,643,914 Offer Shares, representing 6.7 per cent. of the Offer Shares.

Accordingly, NewCo has received, in aggregate, letters of intent or irrevocable undertakings in respect of a total of:

- (a) 127,508,261 Offer Shares, to accept the Offer representing approximately 80.0 per cent. of the Offer Shares; and
- (b) 115,614,347 Eligible Voting Shares to vote in favour of the Ordinary Resolution, representing approximately 79.7 per cent. of the Eligible Voting Shares.

Further details relating to these undertakings are set out in paragraph 8 of Appendix IV to this document.

8. Information on LDC

LDC is one of the UK's leading mid-market private equity firms with over 30 years' history supporting ambitious management teams. LDC is a wholly owned subsidiary of Lloyds TSB Bank plc which itself is a wholly owned subsidiary of Lloyds Banking Group plc. LDC has been investing with funds provided by its parent throughout the economic cycle.

LDC has a portfolio of over 70 businesses valued in excess of £1.3 billion, an extensive network of 10 offices across the UK and a presence in Hong Kong. LDC assists the businesses it invests in by providing access to new market opportunities and potential synergies, both from its portfolio and within the Lloyds Banking Group.

Further information on LDC is set out in Appendices II and IV to this document.

9. Information on Lloyds Banking Group

Lloyds Banking Group is a UK based financial services group providing a wide range of banking and financial services, primarily in the UK, to personal and corporate customers. Its main business activities include retail, commercial and corporate banking, general insurance, and life, pensions and investment provision. During its last financial year to 31 December 2010, Lloyds Banking Group and its affiliates worldwide earned consolidated revenues of approximately £43.5 billion.

Further information on Lloyds Banking Group is set out in Appendices II and IV to this document.

10. Information relating to NewCo

NewCo is a limited liability company incorporated in England and Wales for the purposes of making the Offer and is backed by LDC. NewCo has not traded since its incorporation and the only obligations that it has entered into are in connection with implementing the Offer.

Further information on NewCo is set out in Appendices II and IV to this document.

11. Financing and cash confirmation

The consideration payable under the Offer will be funded entirely through financing provided by LDC with no requirement for any funding from third party providers of debt finance to the NewCo Group. LDC's funding is provided from Lloyds Banking Group's cash resources.

Fairfax and Torch Partners, joint financial advisers to NewCo, have confirmed that they are satisfied that sufficient resources are available to NewCo to satisfy the full cash consideration payable to WorkPlace Shareholders under the terms of the Offer and participants in the WorkPlace Share Options Schemes under the proposals to be made to such participants.

Further details of the equity financing structure are set out in paragraph 9 of Appendix IV to this document.

12. Information relating to WorkPlace

WorkPlace is a public limited company incorporated in England and Wales with company number 3966381 and registered office at Precedent Drive, Rooksley, Milton Keynes, Buckinghamshire MK13 8PP. WorkPlace is a leader in its market for the development and supply of workforce management software solutions and consulting services.

WorkPlace software modules address, for a variety of industry sectors, staff requirement forecasting, staff scheduling and staff tracking together with many aspects of the planning and tracking of work done by staff including resources required. Major application modules cover: Labour Budgeting, Staff Requirement Forecasting, Staff Scheduling, Schedule Management, Time and Attendance, Task Management and Work Tracking.

WorkPlace has its headquarters in Milton Keynes, England and has additional offices in North America and Australia. A cross-section of clients includes Walmart in the US, Argos, BAE Systems, BBC, British Airways, Gala Coral, Menzies Aviation, National Express, Next, World Duty Free and Wickes in the UK, and H&M and Metro Group in Europe.

For 25 years, WorkPlace has provided solutions which can enable organisations often to improve their financial and operational performance by reducing labour ineffectiveness, increasing service levels and improving employee utilisation. WorkPlace customers exist in a wide variety of sectors and range from sites with less than ten staff to centralised or multi-site operations with many thousands of staff.

Highlights of the consolidated financials for the financial years ending 31 March 2011 and 2010 are as follows:

	<i>2011</i>	<i>2010</i>
	<i>£'000</i>	<i>£'000</i>
Revenue	9,097	9,064
(Loss)/profit from operations	(355)	46
(Loss)/profit before tax	(349)	50
Basic/Diluted (Loss)/earnings (pence per share)	(0.24)	0.03

Further information on WorkPlace is set out in Appendices III and IV to this document.

13. WorkPlace Share Option Schemes

The Offer extends to any Offer Shares which are unconditionally allotted or issued fully paid (or credited as fully paid) prior to the date on which the Offer closes (or such earlier date as NewCo may, subject to the Code and/or with the consent of the Panel, determine) as a result of the exercise of options granted under the WorkPlace Share Option Schemes. Participants in the WorkPlace Share Option Schemes will be contacted and appropriate proposals will be made to such participants at the time of posting this document. At the date of this document options over a maximum of 15,923,538 WorkPlace Shares are outstanding.

14. WorkPlace cancellation of trading on AIM, re-registration as a private company and intention to compulsorily purchase Offer Shares

If NewCo receives acceptances under the Offer in respect of, or otherwise acquires, 90 per cent. or more of the Offer Shares, NewCo will exercise its rights pursuant to sections 974 to 991 of the Companies Act 2006 to acquire compulsorily the remaining Offer Shares in respect of which the Offer has not been accepted following the Offer becoming or being declared unconditional in all respects.

It is also intended that, following the Offer becoming or being declared unconditional in all respects and subject to any applicable regulatory requirements, NewCo will procure that WorkPlace applies to the London Stock Exchange for the cancellation of trading in WorkPlace's Shares on AIM. De-listing would significantly reduce the liquidity and marketability of any Offer Shares not acquired by NewCo.

NewCo will also seek to procure the re-registration of WorkPlace as a private company.

15. Taxation

United Kingdom Taxation

The following paragraphs, which are intended as a general guide only and not a substitute for detailed tax advice, are based on current UK legislation and HMRC published practice as at the last practicable date prior to the issue of this document, which may change. They summarise certain limited aspects of the UK taxation treatment of acceptance of the Offer. They relate only to the position of Independent WorkPlace Shareholders who are resident and, in the case of individuals, ordinarily resident in the UK for taxation purposes at all relevant times and who hold their Offer Shares beneficially as an investment (other than under a personal equity plan or an individual savings account) and who have not (and are not deemed to have) acquired their Offer Shares by reason of an offer of employment. The comments below apply only to certain categories of person and, in particular, may not apply to such persons as market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services, to whom special rules may apply.

If you are in any doubt as to your taxation position or if you may be subject to taxation in any jurisdiction other than the United Kingdom, you should consult an appropriately qualified independent professional adviser immediately.

UK taxation of chargeable gains

An Independent WorkPlace Shareholder's liability to UK taxation of chargeable gains in respect of the disposal of Offer Shares pursuant to the Offer will depend on that Independent WorkPlace Shareholder's individual circumstances.

The sale of Offer Shares by an Independent WorkPlace Shareholder pursuant to the Offer will constitute a disposal, or part disposal, of his shareholding. Such a disposal or part disposal may give rise to a liability to UK taxation of chargeable gains depending on that Independent WorkPlace Shareholder's individual circumstances (including the availability of exemptions, reliefs and allowable losses) and, in particular, the Independent WorkPlace Shareholder's base cost in his holding of Offer Shares.

For Independent WorkPlace Shareholders within the charge to UK corporation tax (but which do not qualify for the substantial shareholdings exemption in respect of their Offer Shares) indexation allowance may be available in respect of the full period of ownership of the Offer Shares to reduce any chargeable gain arising (but not to create or increase an allowable loss) on the disposal of Offer Shares.

WorkPlace Share Option Schemes

Special tax provisions may apply to Independent WorkPlace Shareholders who have acquired or acquire their Offer Shares by exercising options under the WorkPlace Share Option Schemes, including provisions imposing a charge to UK income tax when such an option is exercised. Such Independent WorkPlace Shareholders are advised to seek independent professional advice.

Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)

No UK stamp duty or SDRT should be payable by WorkPlace Shareholders as a result of accepting the Offer.

16. Overseas Shareholders

The availability of the Offer to Independent WorkPlace Shareholders who are not resident in the UK may be affected by the laws of their relevant jurisdiction. Such persons should inform themselves about and observe any applicable legal or regulatory requirements of their jurisdiction and should carefully read paragraph 6 of Part B of Appendix I to this document. If you remain in any doubt, you should consult your professional adviser in the relevant jurisdiction without delay.

The attention of Independent WorkPlace Shareholders who are citizens or residents of jurisdictions outside the UK or who are holding shares for such citizens or residents and any person (including, without limitation, nominees, trustees and custodians) who would, or otherwise intend to, or may have an obligation to, forward this document and/or the Form of Acceptance and/or any related document in connection with the Offer outside the UK is drawn to paragraph 6 of Part B of Appendix I to this document and to the relevant provisions of the Form of Acceptance, which they should carefully read before taking any action.

The Offer is not being made, directly or indirectly, in or into and is not capable of acceptance from or within any Restricted Jurisdiction. Accordingly, acceptors who are unable to give the warranties set out in paragraph 3 of Part C of Appendix I to this document or paragraph 3 of Part D of Appendix I to this document in respect of Electronic Acceptances, may be deemed not to have validly accepted the Offer.

17. Procedure for Acceptance of the Offer

Independent WorkPlace Shareholders who hold their Offer Shares in certificated form should carefully read paragraph 17.1 in conjunction with the Form of Acceptance and Parts B and C of Appendix I to this document. The instructions on the Form of Acceptance are deemed to be incorporated in and form part of the terms of the Offer. Independent WorkPlace Shareholders who hold their Offer Shares in uncertificated form (that is, through CREST) should carefully read paragraph 17.2 in conjunction with Parts B and D of Appendix I to this document.

17.1 *To accept the Offer in relation to Offer Shares held in certificated form (i.e. not in CREST)*

(a) *Completion of the Form of Acceptance*

To accept the Offer in respect of Offer Shares held in certificated form, you must complete the Form of Acceptance in accordance with the instructions set out below and on the Form of Acceptance. You should complete separate Forms of Acceptance for Offer Shares held in certificated form but under different designations. If you have any queries as to how to complete the Form of Acceptance, please telephone the Receiving Agent on 0871 384 2958 from within the UK or on +44 121 415 0225 if calling from outside the UK. Additional Forms of Acceptance are available from the Receiving Agent upon request.

(i) *To accept the Offer in respect of all your Offer Shares in certificated form*

To accept the Offer in respect of all your Offer Shares held in certificated form, you must complete Box 3A of the enclosed Form of Acceptance. If appropriate, you should also complete Boxes 5 and/or 6. In all cases, you must sign Box 4 of the enclosed Form of Acceptance in accordance with the instructions printed on the Form of Acceptance. If “ALL” is not marked Box 3A and no number is inserted in Box 3B (or if a number is inserted in Box 3B which is greater than the number of Offer Shares which you hold) and you have signed Box 4, your acceptance will be deemed to be in respect of all Offer Shares in certificated form held by you.

(ii) *To accept the Offer in respect of less than all your Offer Shares in certificated form*

To accept the Offer in respect of less than all your Offer Shares held in certificated form, you must insert in Box 3B of the enclosed Form of Acceptance such lesser number of

Offer Shares in respect of which you wish to accept the Offer in accordance with the instructions printed thereon. You should then follow the procedure set out in paragraph (i) above in respect of such lesser number of Offer Shares. If you do not insert a number in Box 3B of the Form of Acceptance, or if you insert in Box 3B a number which is greater than the number of Offer Shares that you hold and you have signed Box 4, your acceptance will be deemed to be in respect of all Offer Shares in certificated form held by you.

In all cases, you must sign either Box 4A or 4B (as appropriate) on the relevant Form of Acceptance including, if you are an individual, in the presence of a witness who should also sign in accordance with the instructions printed on it. Any Independent Workplace Shareholder which is a company should execute the relevant Form of Acceptance in accordance with the instructions printed on it. The Form of Acceptance is issued only to the addressee(s) and is specific to the class of security and the unique designated account printed on it. The Form of Acceptance is a personalised form and is not transferable between accounts or uniquely designated accounts. NewCo and the Receiving Agent accept no liability for any instructions which do not comply with the terms set out in this document, the Form of Acceptance or accompanying materials.

(b) *Return of the Form of Acceptance*

To accept the Offer in respect of Offer Shares held in certificated form, the duly completed, signed and witnessed Form of Acceptance should be returned by post or by hand (during normal business hours) to Equiniti Limited at Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA together (subject to paragraph (c) below) with the relevant share certificate(s) and/or other document(s) of title, as soon as possible, and, in any event, so as to be received not later than 1.00 p.m. (London time) on 30 December 2011. A reply-paid envelope for use in the UK only is enclosed for your convenience. No acknowledgement of receipt of documents will be given by or on behalf of NewCo.

Any Form of Acceptance received in an envelope postmarked in a Restricted Jurisdiction or otherwise appearing to NewCo or its agents to have been sent from any Restricted Jurisdiction may be rejected as an invalid acceptance of the Offer. For further information on Overseas Shareholders, see paragraph 16 of this Part 2 above and paragraph 14 of this Part 2 and paragraph 6 of Part B of Appendix I to this document and the relevant provisions of the Form of Acceptance.

(c) *Document(s) of title*

If your Offer Shares are in certificated form, a completed, signed and witnessed Form of Acceptance should be accompanied by the relevant share certificate(s) and/or other document(s) of title. If for any reason the relevant share certificate(s) and/or other document(s) of title is/are not readily available or is/are lost, you should nevertheless complete, sign and lodge the Form of Acceptance as stated above so as to be received by the Receiving Agents at the address referred to in paragraph (b) above **not later than 1.00 p.m. (London time) on 30 December 2011**. You should send with the Form of Acceptance, any share certificate(s) and/or other document(s) of title which you may have available, accompanied by a letter stating that the remaining documents will follow as soon as possible or that you have lost one or more of your share certificate(s) and/or other document(s) of title. You should then arrange for the relevant outstanding share certificate(s) and/or other document(s) of title to be forwarded as soon as possible. If you have lost your share certificate(s) and/or other document(s) of title, you should contact the Registrars as soon as possible on 0871 664 0321 from within the UK or on +44 (0)20 8639 3399 if calling from outside the UK, requesting a letter of indemnity for the lost share certificate(s) and/or other document(s) of title which, when completed in accordance with the instructions given, should be returned by post or by hand (during normal business

hours only) to the Receiving Agent, Equiniti Limited, at the address given in paragraph (b) above.

(d) *Validity of acceptances in respect of Offer Shares in certificated form*

Without prejudice to Parts A and B of Appendix I to this document and subject to the provisions of the Code, NewCo reserves the right to treat as valid, in whole or in part, any acceptance of the Offer in relation to Offer Shares in certificated form which is not entirely in order or which is not accompanied by the relevant share certificate(s) and/or other document(s) of title. In that event, no payment of cash under the Offer will be made until after the relevant share certificate(s) and/or other document(s) of title or indemnities satisfactory to NewCo have been received.

17.2 *Offer Shares held in uncertificated form (i.e. in CREST)*

(a) *General*

If your Offer Shares are in uncertificated form, to accept the Offer you should take (or procure the taking of) the action set out below to transfer Offer Shares in respect of which you wish to accept the Offer to the appropriate escrow balance(s) (that is, send a TTE Instruction), specifying the Receiving Agent (in its capacity as a CREST participant under the Escrow Agent's relevant participant ID referred to below) as the Escrow Agent, **as soon as possible and in any event so that the TTE Instruction settles by not later than 1.00 p.m. (London time) on 30 December 2011. Please note that settlement cannot take place on weekends or bank holidays (or other times at which the CREST system is non-operational). You should, therefore, ensure that you time the input of any TTE Instructions accordingly.**

The input and settlement of a TTE Instruction in accordance with this paragraph (a) will (subject to satisfying the requirements set out in Parts A and C of Appendix I to this document) constitute an acceptance of the Offer in respect of the number of Offer Shares so transferred to escrow.

If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Your CREST sponsor will be able to confirm details of your participant ID and the member account ID under which your Offer Shares are held. In addition, only your CREST sponsor will be able to send the TTE Instruction(s) to Euroclear in relation to your Offer Shares.

After settlement of a TTE Instruction, you will not be able to access Offer Shares held in CREST for any transaction or charging purposes. If the Offer becomes unconditional, the Escrow Agent will transfer the Offer Shares concerned to itself in accordance with paragraph 5 of Part D of Appendix I to this document.

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

You should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE Instruction relating to your Offer Shares to settle prior to 1.00 p.m. (London time) on 30 December 2011. In this regard, you are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(b) *To accept the Offer in respect of Offer Shares held in uncertificated form*

To accept the Offer in respect of Offer Shares held in uncertificated form, you should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) to Euroclear a TTE Instruction in relation to such shares. A TTE Instruction to Euroclear must be properly

authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain the following details:

- the ISIN number of the Offer Shares. This is GB0009250845;
- the number of Offer Shares in respect of which you wish to accept the Offer (i.e. the number of Offer Shares in uncertificated form to be transferred to escrow);
- your participant ID;
- your member account ID;
- the participant ID of the Escrow Agent. This is 5RA15;
- the member account ID of the Escrow Agent for the Offer. This is WASWOR01 for the Offer;
- the intended settlement date. This should be as soon as possible and, in any event, not later than 1.00 p.m. (London time) on 30 December 2011;
- the corporate action number of the Offer which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- input with a standard delivery instruction priority of 80; and your name and contact telephone number in the shared note field.

(c) *Validity of acceptances in respect of Offer Shares held in uncertificated form*

Holders of Offer Shares in uncertificated form who wish to accept the Offer should note that a TTE Instruction will only be a valid acceptance of that Offer as at the relevant closing date if it has settled on or before 1.00 p.m. (London time) on that date. A Form of Acceptance which is received in respect of Offer Shares held in uncertificated form will not constitute a valid acceptance and will be disregarded.

(d) *General*

NewCo will make an appropriate announcement if any of the details contained in paragraph 17(a) or 17(b) above alter for any reason.

Normal CREST procedures (including timings) apply in relation to any Offer Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the Offer (whether any such conversion arises as a result of a transfer of Offer Shares or otherwise). Independent Workplace Shareholders who are proposing to convert any such Offer Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Offer Shares as a result of the conversion to take all necessary steps in connection with an acceptance of the Offer (in particular, as regards delivery of share certificate(s) or other document(s) of title or transfers to an escrow balance in the manner described above) **prior to 1.00 p.m. (London time) on 30 December 2011.**

If you are in any doubt as to the procedure for acceptance of the Offer, please contact the Receiving Agent by telephone on 0871 384 2958 from within the UK or on +44 121 415 0225 if calling from outside the UK, or at the address referred to in paragraph 14.1(b) above. You are reminded that, if you are a CREST sponsored member, you should contact your CREST sponsor before taking any action.

18. Settlement

Subject to the Offer becoming unconditional and provided that the TTE Instruction, Forms of Acceptance, share certificate(s) and/or other document(s) of title are in order, settlement of the consideration to which any

Independent WorkPlace Shareholder (or the first named shareholder in the case of joint holders) is entitled under the Offer will be effected by the despatch of cheques or the crediting of CREST accounts: (i) in the case of acceptances received, valid and complete in all respects, by the First Closing Date, within 14 days of such date; and (ii) in the case of acceptances received, valid and complete in all respects, after such date but while the Offer remains open for acceptance, within 14 days of such receipt, and in either case in the manner described in sub-paragraphs (a), (b) and (c) below.

(a) ***Offer Shares in certificated form (i.e. not in CREST)***

Where an acceptance relates to Offer Shares held in certificated form, settlement of the cash consideration to which the accepting Independent WorkPlace Shareholder is entitled will be despatched by first class post (or by such other method as may be approved by the Panel) to the accepting Independent WorkPlace Shareholder or its appointed agents (but not into any Restricted Jurisdiction). All such cash payments will be made in pounds sterling by cheque drawn on a branch of a UK clearing bank.

(b) ***Offer Shares in uncertificated form (i.e. in CREST)***

Where an acceptance relates to Offer Shares in uncertificated form, settlement of the cash consideration to which the accepting Independent WorkPlace Shareholder is entitled will be paid by means of a CREST payment in favour of the accepting Independent WorkPlace Shareholder's payment bank in respect of the cash consideration due, in accordance with CREST payment arrangements. NewCo reserves the right to settle all or any part of the consideration referred to in this paragraph (b), for all or any accepting Independent WorkPlace Shareholder(s), in the manner referred to in paragraph (a) above, if, for any reason, it wishes to do so.

(c) ***General***

If the Offer does not become unconditional:

- (i) in the case of Offer Shares held in certificated form, the relevant Form of Acceptance, share certificate and/or other document(s) of title will be returned by post (or by such other method as may be approved by the Panel) within 14 days of the Offer lapsing to the person or agent whose name and address is set out in Box 1 or, if appropriate, Box 6 of the relevant Form of Acceptance or, if none is set out to the first-named holder at his/her registered address (provided that no such documents will be sent to an address in any Restricted Jurisdiction); and
- (ii) in the case of Offer Shares held in uncertificated form, the Escrow Agent will immediately after the Offer lapsing (or within such longer period as may be approved by the Panel, not exceeding 14 days of the Offer lapsing), give TFE instructions to Euroclear to transfer all Offer Shares held in Escrow balances and in relation to which it is the Escrow Agent for the purposes of the Offer to the original available balances to the Independent WorkPlace Shareholders concerned.

All remittances, communications, notices, certificates and document(s) of title sent by, to or from Independent WorkPlace Shareholders or their appointed agents will be sent at their own risk.

Except with the consent of the Panel, settlement of the consideration to which any Independent WorkPlace Shareholder is entitled under the Offer will be settled in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which NewCo may otherwise be, or claim to be, entitled as against such Independent WorkPlace Shareholder.

19. Further information

Your attention is drawn to the further information contained in the Appendices which form part of this document and (if you hold your Offer Shares in certificated form) the accompanying Form of Acceptance.

20. Action to be taken to accept the Offer

To accept the Offer:

- if you hold your Offer Shares, or any of them, in certificated form (that is, not in CREST), to accept the Offer in respect of those Offer Shares you should complete, sign and return the Form of Acceptance (together with your share certificate(s) and any other document(s) of title) **as soon as possible and, in any event, so as to be received by the Receiving Agent not later than 1.00 p.m. on 30 December 2011**. Further details on the procedures for acceptance of the Offer if you hold any of your Offer Shares in certificated form are set out in paragraph 17.1 of this letter, Parts B and C of Appendix I to this document and in the accompanying Form of Acceptance. A reply-paid envelope (for use in the UK only) is enclosed for your convenience; or
- if you hold your Offer Shares, or any of them, in uncertificated form (that is, in CREST), to accept the Offer in respect of those Offer Shares you should follow the procedure for Electronic Acceptance through CREST so that the TTE Instruction settles **as soon as possible and, in any event, not later than 1.00 p.m., on 30 December 2011**. Further details on the procedures for electronic acceptance of the Offer if you hold any of your Offer Shares in uncertificated form are set out in paragraph 17.2 of this letter and Parts B and D of Appendix I to this document. If you hold your Offer Shares as a CREST sponsored member you should refer to your CREST sponsor, as only your CREST sponsor will be able to send the necessary TTE Instruction(s) to CREST.

To vote in favour of the Ordinary Resolution:

- Independent WorkPlace Shareholders should also complete the enclosed Form of Proxy for use at the General Meeting to be held at 11.00 a.m. on 28 December 2011 at the offices of SNR Denton. The Offer is conditional, *inter alia*, on the Ordinary Resolution being duly passed. The Form of Proxy should be completed by Independent WorkPlace Shareholders only in accordance with the instructions printed thereon, and lodged with WorkPlace's Registrars as soon as possible and in any event no later than 11.00 a.m. on 22 December 2011. Only the Independent WorkPlace Shareholders are permitted to vote on the Ordinary Resolution.
- Independent WorkPlace Shareholders should complete and return the Form of Proxy whether or not they intend to attend the General Meeting. Completion and return of the Form of Proxy will not preclude Independent WorkPlace Shareholders from attending the meeting and voting in person.

If you are in any doubt as to the procedure for acceptance, please contact the shareholder helpline by telephone on 0871 384 2958 from within the UK or on +44 121 415 0225 if calling from outside the UK.

Your decision as to whether to accept the Offer will depend on your individual circumstances. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice from an independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are in the UK or, if you are outside the UK, from an appropriately authorised independent financial adviser, without delay.

Yours faithfully



Daniel Sasaki

for and on behalf of *NewCo*

Appendix I

Conditions and Further Terms of the Offer

Part A: Conditions of the Offer

1. Definitions and Interpretations

- 1.1 Except where the context requires otherwise, any reference in this Appendix I to:
- 1.1.1 the **“Acceptance Condition”** means the condition set out in paragraph 2 of this Part A of Appendix I;
 - 1.1.2 **“acceptances of the Offer”** includes deemed acceptances of the Offer;
 - 1.1.3 **“acting in concert with NewCo”** is a reference to a person acting or deemed to be acting in concert with NewCo for the purposes of the Code and/or the Offer (including the Management Team);
 - 1.1.4 **“Day 39”** means 17 January 2012;
 - 1.1.5 **“Day 60”** means 7 February 2012;
 - 1.1.6 **“Disclosed”** means fairly disclosed by WorkPlace: (i) in the Financial Statements; or (ii) by way of Public Announcement; or (iii) in writing to NewCo or its financial or legal advisers by or on behalf of WorkPlace or any of the WorkPlace Directors prior to the date of this document;
 - 1.1.7 **“First Closing Date”** means 30 December 2011;
 - 1.1.8 **“the Offer becoming unconditional”** means the Acceptance Condition and further conditions of the Offer set out in paragraphs 3.1 and 3.2 of this Part A of Appendix I becoming satisfied, and references to the Offer having become or not become unconditional shall be construed accordingly;
 - 1.1.9 the **“relevant day”** has the meaning given to it in paragraph 3.1 of Part B of this Appendix I;
 - 1.1.10 **“Restricted Escrow Transfer”** has the meaning given to it in paragraph 6.6 of Part B of this Appendix I; and
 - 1.1.11 **“Restricted ESA Instruction”** has the meaning given to it in paragraph 6.6 of Part B of this Appendix I.

2. Acceptance Condition

The Offer is conditional on valid acceptances being received (and not, where permitted, withdrawn) by not later than 1.00 p.m. (London time) on 30 December 2011 (or such later time(s) and/or date(s) as NewCo may, subject to the rules of the Code or with the consent of the Panel, decide) in respect of such number of Offer Shares which, together with the Offer Shares acquired or agreed to be acquired by NewCo or parties acting in concert with NewCo before or during the Offer Period (whether pursuant to the Offer or otherwise), will result in NewCo and any person acting in concert with it holding Offer Shares carrying more than 90 per cent. (or such lower percentage, but not lower than 50 per cent., as NewCo may decide) of the voting rights then normally exercisable at a general meeting of WorkPlace. For the purpose of this condition, Offer Shares which have been unconditionally allotted but not issued before the Offer becomes unconditional, whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise, shall be deemed to carry the voting rights which they will carry on issue.

3. Certain further conditions of the Offer

Subject to the requirements of the Panel, the Offer is conditional upon the following further conditions:

Passing the Ordinary Resolution to approve the Management Offers

- 3.1 the passing at the WorkPlace General Meeting (or at any adjournment of the meeting) of the Ordinary Resolution by the Independent WorkPlace Shareholders to approve the Management Offers;

Australian Foreign Investment Policy

- 3.2 the issue of a notice of consent by the Treasurer of the Commonwealth of Australia (“**Treasurer**”), stating that the Australian Commonwealth Government does not object to the investment in Australia pursuant to the Offer, under the Australian Government’s Foreign Investment Policy (“**Policy**”), and, if that consent is given subject to conditions or requirements, this condition is not fulfilled unless those conditions or requirements are reasonably acceptable to NewCo;

Notifications, waiting periods and authorisations

- 3.3 all material notifications, filings or applications which are necessary having been made in connection with the Offer and all necessary waiting periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with in respect of the Offer and the acquisition or the proposed acquisition of any shares or other securities in, or control or management of, WorkPlace by NewCo, in each case where the absence of such notification, filing or application would have a material adverse effect on NewCo or the Wider WorkPlace Group in each case taken as a whole, and all authorisations necessary in respect thereof having been obtained in terms and in a form reasonably satisfactory to NewCo from all appropriate third parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider WorkPlace Group or NewCo has entered into contractual arrangements and all such authorisations necessary to carry on the business of any member of the Wider WorkPlace Group in any jurisdiction remaining in full force and effect at the time at which the Offer becomes otherwise wholly unconditional and no notice of an intention to revoke or not to renew such authorisations having been made where, in each case, absence of such authorisation would have a material adverse effect on the Wider WorkPlace Group taken as a whole;

Antitrust and regulatory

- 3.4 no antitrust regulator, government, governmental, quasi governmental, supranational, statutory, regulatory, environmental or investigative body, court, trade, agency, association, institution or any statutory person in any jurisdiction in which WorkPlace carries on business (a “**Relevant Jurisdiction**” and each a “**Third Party**”) having, without the consent of NewCo, given notice in writing of a decision to take, institute, implement or threaten in writing any action, proceeding, suit, investigation, enquiry or reference (and in each case, not having withdrawn the same), or having required any action to be taken or otherwise having done anything, or having enacted, made or proposed any statute, regulation, decision, order or change to published practice (and in each case, not having withdrawn the same) (in each case which would be material in the context of the Wider WorkPlace Group) and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to:
 - 3.4.1 require, prevent or materially delay the divestiture or materially alter the terms envisaged for such divestiture by NewCo or by any member of the Wider WorkPlace Group of all or any material part of its businesses, assets or property or impose any limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their assets or properties (or any part thereof) (in any case to an extent which is material in the context of the Wider WorkPlace Group, as the case may be, taken as a whole);

- 3.4.2 except pursuant to Chapter 3 of Part 28 of the 2006 Act, require NewCo or the Wider WorkPlace Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider WorkPlace Group (other than in connection with the implementation of the Offer);
- 3.4.3 impose any material limitation on, or result in a material delay in, the ability of NewCo directly or indirectly to acquire, hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in WorkPlace or on the ability of any member of the Wider WorkPlace Group or NewCo directly or indirectly to hold or exercise effectively all or any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise voting or management control over, any member of the Wider WorkPlace Group, in each case to an extent which is material in the context of the NewCo or the Wider WorkPlace Group taken as a whole;
- 3.4.4 otherwise materially adversely affect the business, assets or profits of any member of the Wider WorkPlace Group to an extent in any such case which is material in the context of the Wider WorkPlace Group taken as a whole;
- 3.4.5 result in any member of the Wider WorkPlace Group ceasing to be able to carry on business to the extent conducted at the date of this document under any name under which it presently carries on business (in any case to an extent which is material in the context of the Wider WorkPlace Group taken as a whole);
- 3.4.6 make the Offer, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, WorkPlace by NewCo void, unenforceable and/or illegal under the laws of any Relevant Jurisdiction, or otherwise, directly or indirectly materially prevent or prohibit, restrict, restrain or delay to a material extent or otherwise materially delay the implementation of, or impose material additional conditions or obligations with respect to, or otherwise materially challenge or require material adverse amendment of the Offer or the acquisition of any shares or other securities in, or control or management of, WorkPlace by NewCo;
- 3.4.7 require, prevent or materially delay a divestiture by NewCo of any shares or other securities (or the equivalent) in any member of the Wider WorkPlace Group (in any case to an extent which is material in the context of the Wider WorkPlace Group taken as a whole or NewCo); or
- 3.4.8 impose any material limitation on the ability of NewCo or of any member of the Wider WorkPlace Group to integrate all or any part of its business with all or any part of the business of NewCo and/or any other member of the Wider WorkPlace Group (in any case to an extent which is material in the context of the Wider WorkPlace Group taken as a whole or NewCo),

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any Relevant Jurisdiction in respect of the Offer or the acquisition or proposed acquisition of any WorkPlace Shares having expired, lapsed or been terminated;

Certain matters arising as a result of any arrangement, agreement, etc.

- 3.5 save as Disclosed, there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Wider WorkPlace Group is a party or by or to which any such member or any of its assets is or may be bound or be subject which, as a consequence of the Offer or the acquisition or the proposed acquisition by NewCo of any shares or other securities in WorkPlace or because of a change in the control or management of any member of the Wider WorkPlace Group would or might reasonably be expected to result in, to an extent in any such case which is material in the context of the Wider WorkPlace Group taken as a whole:

- 3.5.1 any monies borrowed by, or any other indebtedness, actual or contingent, of, or any grant available to, any member of the Wider WorkPlace Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
- 3.5.2 the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider WorkPlace Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen) becoming enforceable;
- 3.5.3 any such arrangement, agreement, lease, licence, franchise, permit or other instrument being terminated or the rights, liabilities, obligations or interests of any member of the Wider WorkPlace Group being adversely modified or any obligation or liability arising or any adverse action being taken or arising thereunder;
- 3.5.4 any liability of any member of the Wider WorkPlace Group to make any severance termination, bonus or other payment to any of its directors, or other officers;
- 3.5.5 any member of the Wider WorkPlace Group ceasing to be able to carry on business under any name under which it presently carries on business;
- 3.5.6 the financial or trading position of, any member of the Wider WorkPlace Group being prejudiced or adversely affected; or
- 3.5.7 the creation of any liability (actual or contingent) by any member of the Wider WorkPlace Group other than trade creditors or other liabilities incurred in the ordinary course of business,

and no event having occurred which, under any provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider WorkPlace Group is a party or by or to which any such member or any of its assets are bound, entitled or subject, would or might reasonably be expected to result in any of the events or circumstances as are referred to in conditions 3.5.1 to 3.5.7 to an extent in any such case which is material in the context of the Wider WorkPlace Group taken as a whole;

Certain events occurring since the Announcement Date

- 3.6 save as Disclosed, no member of the Wider WorkPlace Group having since the Announcement Date:
 - 3.6.1 issued or agreed to issue or authorised or announced its intention to authorise or propose the issue, of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of WorkPlace Shares out of treasury (except, in each case, where relevant, as between WorkPlace and wholly owned subsidiaries of WorkPlace or between the wholly owned subsidiaries of WorkPlace and except for the issue or transfer out of treasury of WorkPlace Shares on the exercise of employee share options or vesting of employee share awards in the ordinary course under the WorkPlace Share Option Schemes);
 - 3.6.2 recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution (whether payable in cash or otherwise) other than dividends (or other distributions whether payable in cash or otherwise) lawfully paid or made by any wholly owned subsidiary of WorkPlace to WorkPlace or any of its wholly owned subsidiaries;
 - 3.6.3 other than pursuant to the Offer (and except for transactions between WorkPlace and its wholly owned subsidiaries or between the wholly owned subsidiaries of WorkPlace and transactions in the ordinary course of business) implemented, effected, authorised or announced its intention to implement, effect or authorise any merger, demerger, reconstruction,

amalgamation, scheme, commitment or acquisition or disposal of assets or shares or loan capital (or the equivalent thereof) in any undertaking or undertakings which remains open for acceptance to an extent in any such case which is material in the context of the Wider WorkPlace Group taken as a whole;

- 3.6.4 except for transactions in the ordinary course of business or between WorkPlace and its wholly owned subsidiaries, disposed of, or transferred, mortgaged or created any security interest over any material asset or any right, title or interest in any material asset or authorised or announced any intention to do so;
- 3.6.5 issued, authorised or announced an intention to authorise, the issue of or made any change in or to the terms of any debentures or become subject to any contingent liability or (other than trade credit incurred in the ordinary course of business) incurred or increased any indebtedness except as between WorkPlace and any of its wholly owned subsidiaries or between such subsidiaries which in any case is material in the context of the Wider WorkPlace Group taken as a whole;
- 3.6.6 entered into or varied or authorised or announced its intention, other than in the ordinary course of business, to enter into or vary any material contract, arrangement, agreement, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, unusual or onerous nature or magnitude to an extent in any such case which is material in the context of the Wider WorkPlace Group taken as a whole;
- 3.6.7 entered into or materially varied the terms of, or made any offer (which remains open for acceptance) to enter into or materially vary the terms of any contract, service agreement, commitment or arrangement with any director of WorkPlace (other than pursuant to the implementation of the Offer);
- 3.6.8 proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any employee of the Wider WorkPlace Group (in a manner which is material in the context of the Wider WorkPlace Group taken as a whole, other than pursuant to the implementation of the Offer);
- 3.6.9 purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, except in respect of the matters mentioned in sub-paragraph 3.6.1 above, made any other change to any part of its share capital (other than pursuant to the implementation of the Offer);
- 3.6.10 (other than in respect of claims between WorkPlace and any wholly owned subsidiaries of WorkPlace) waived, compromised or settled any claim which is material in the context of the Wider WorkPlace Group taken as a whole;
- 3.6.11 terminated or varied the terms of any agreement or arrangement between any member of the Wider WorkPlace Group and any other person in a manner which would have a material adverse effect on the financial position of the Wider WorkPlace Group taken as a whole;
- 3.6.12 made any alteration to its articles of association or other incorporation documents;
- 3.6.13 been unable, or admitted in writing that it is unable to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any material part of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;
- 3.6.14 taken any corporate action or had any legal proceedings instituted or threatened in writing against it in relation to its winding-up (other than in respect of a member of the Wider WorkPlace Group which is dormant and was solvent at the relevant time), dissolution,

reorganisation or for the appointment of a receiver, administrator, manager, administrative receiver, trustee or similar officer of all or any material part of its assets or revenues or any analogous or equivalent steps or proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed (in any case to an extent which is material in the context of the Wider WorkPlace Group taken as a whole);

3.6.15 made, authorised or announced an intention to propose any change in its loan capital to an extent in any such case which is material in the context of the Wider WorkPlace Group taken as a whole (other than pursuant to the implementation of the Offer); or

3.6.16 entered into any agreement, arrangement, commitment or contract or passed any resolution or made any offer (which remains open for acceptance) to effect any of the transactions, matters or events referred to in this condition 3.6 which in any such case is material in the context of the Wider WorkPlace Group as a whole;

No adverse change, litigation, regulatory enquiry or similar (save as Disclosed)

3.7 since the Announcement Date and save as Disclosed, there has been:

3.7.1 no adverse change having occurred in the business, assets, financial or trading position or profits of any member of the Wider WorkPlace Group which is material in the context of the Wider WorkPlace Group taken as a whole;

3.7.2 no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened in writing, announced or instituted by or against or remaining outstanding against or in respect of, any member of the Wider WorkPlace Group or to which any member of the Wider WorkPlace Group is or could reasonably be expected to become a party (whether as claimant, defendant or otherwise) having been threatened in writing, announced, instituted or remaining outstanding by, against or in respect of, any member of the Wider WorkPlace Group, in each case which might adversely affect any member of the Wider WorkPlace Group in any way which is material in the context of the Wider WorkPlace Group taken as a whole;

3.7.3 no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider WorkPlace Group having been threatened in writing, announced or instituted or remaining outstanding by, against or in respect of any member of the Wider WorkPlace Group, in each case which might adversely affect any member of the Wider WorkPlace Group in any way which is material in the context of the Wider WorkPlace Group taken as a whole;

3.7.4 no contingent or other liability in respect of any member of the Wider WorkPlace Group having arisen or increased other than in the ordinary course of business which is reasonably likely to materially affect adversely the business, assets, financial or trading position or profits of any member of the Wider WorkPlace Group to an extent in any such case which is material in the context of the Wider WorkPlace Group taken as a whole; and

3.7.5 no steps having been taken and no omissions having been made which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider WorkPlace Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which might reasonably be expected to have a material adverse effect on the Wider WorkPlace Group taken as a whole;

No discovery of certain matters regarding information, liabilities and environmental issues

3.8 save as Disclosed, NewCo not having discovered:

3.8.1 that any financial, business or other information concerning the Wider WorkPlace Group that is material in the context of the Offer and that has been publicly announced or otherwise publicly disclosed prior to the Announcement Date by or on behalf of any member of the Wider WorkPlace Group is materially misleading, contains a material misrepresentation of any fact, or omits to state a fact necessary to make that information not materially misleading (in any

- case which has not been corrected and to an extent which is material in the context of the Wider WorkPlace Group taken as a whole);
- 3.8.2 that any member of the Wider WorkPlace Group is, otherwise than in the ordinary course of business, subject to any liability, contingent or otherwise and which is material in the context of the Wider WorkPlace Group taken as a whole;
- 3.8.3 that any past or present member of the Wider WorkPlace Group has not complied in any material respect with all applicable legislation, regulations of any jurisdiction or any notice or requirement of any authorisations relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance likely to impair the environment (including property) or harm human health, which non-compliance would be reasonably likely to give rise to any material liability including any penalty for non-compliance (whether actual or contingent) on the part of any member of the Wider WorkPlace Group (in any case to an extent which is material in the context of the Wider WorkPlace Group taken as a whole);
- 3.8.4 that there has been a material disposal, discharge, spillage, accumulation, release, leak, emission or the migration of any waste or hazardous substance likely to impair the environment (including any property) or harm human health which (whether or not giving rise to any material liability (whether actual or contingent) on the part of any member of the Wider WorkPlace Group (in any case to an extent which is material in the context of the Wider WorkPlace Group taken as a whole); or
- 3.8.5 that there is or is reasonably likely to be any material obligation or liability (whether actual or contingent) or requirement to make good, remediate, repair, reinstate or clean up any property currently or previously owned, occupied, operated or made use of by any past or present member of the Wider WorkPlace Group under any environmental legislation, common law, regulation, notice, circular, authorisation or order of any third party in any jurisdiction or to contribute to the cost thereof or associated therewith or indemnify any person in relation thereto (in any case to an extent which is material in the context of the Wider WorkPlace Group taken as a whole);

Intellectual Property

- 3.8.6 NewCo not having discovered since the Announcement Date in relation to any intellectual property owned, used or licensed by the Wider WorkPlace Group or to any third parties that:
- (a) any member of the Wider WorkPlace Group that has lost its title to any intellectual property or any intellectual property owned, used or licensed by the Wider WorkPlace Group has been revoked, cancelled or declared invalid;
 - (b) any agreement regarding the use of any intellectual property licensed to or by any member of the Wider WorkPlace Group has been terminated or varied; or
 - (c) any claim has been filed or threatened alleging that any member of the Wider WorkPlace Group has infringed any intellectual property rights of any third party or any member of the Wider WorkPlace Group has been found to have infringed the intellectual property rights of a third party,

which, in each case, is material in the context of the Wider WorkPlace Group taken as a whole.

Part B: Further Terms of the Offer

The following further terms apply, unless the context requires otherwise, to the Offer.

1. Further terms of the Offer

- 1.1 The Offer will lapse unless the conditions set out above (other than condition (2)) are fulfilled or (if capable of waiver) waived or, where appropriate, have been determined by NewCo in its reasonable opinion to be or to remain satisfied no later than twenty-one days after the later of: (i) 30 December 2011 or; (ii) the date on which the Offer becomes or is declared unconditional as to acceptances, or such later date as the Panel may agree. NewCo shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied, or to treat as fulfilled any of the further conditions set out at paragraphs 3.2 to 3.8 (inclusive) of Part A of this Appendix I by any date earlier than the latest date specified above for fulfilment of that condition.
- 1.2 NewCo reserves the right to waive, in whole or in part, all or any of the further conditions set out at paragraphs 3.2 to 3.8 (inclusive) of Part A of this Appendix I by any date earlier than the latest date specified above for fulfilment of that condition.
- 1.3 NewCo shall be under no obligation to waive or treat as satisfied any of the further conditions set out at paragraphs 3.2 to 3.8 (inclusive) of Part A of this Appendix I by a date earlier than the latest date specified above for the satisfaction thereof notwithstanding that the other conditions of the Offer may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any such conditions may not be capable of fulfilment. If NewCo is required by the Panel to make an offer for WorkPlace under the provisions of Rule 9 of the Code, NewCo may make such alterations to the conditions as are necessary to comply with the provisions of that Rule.
- 1.4 Under Rule 13.5 of the Code, NewCo may not invoke a condition to the Offer so as to cause the Offer not to proceed, to lapse, or to be withdrawn unless the circumstances which give rise to the right to invoke the condition are of material significance to NewCo in the context of the Offer. The acceptance condition contained in paragraph 2 of Part A of this Appendix I is not subject to this provision of the Code.
- 1.5 The Offer will lapse (unless the Panel otherwise consents) if the Offer or any matter arising from or relating to the Offer is referred to the UK Competition Commission before 1.00 p.m. on 30 December 2011 or the date on which the Offer becomes or is declared unconditional as to acceptances, whichever is the later.
- 1.6 The availability of the Offer to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.
- 1.7 If the Offer lapses, the Offer will cease to be capable of further acceptances and accepting WorkPlace Shareholders and NewCo shall cease to be bound by acceptances submitted at or before the time when the Offer so lapses.
- 1.8 NewCo may, with the agreement of the Independent Directors and the Panel, elect to implement the acquisition by way of a court-sanctioned scheme of arrangement under Part 26 of the Companies Act. Any such scheme of arrangement will be implemented on the same terms (subject to appropriate amendments), so far as applicable, as those which would apply to the Offer.
- 1.9 The Offer Shares will be transferred to NewCo fully paid with full title guarantee and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and other third party rights or interests and together with all rights attaching to such Offer Shares, including, without limitation, the right to receive all dividends and other distributions (if any) announced, declared, made or paid after the Announcement Date.
- 1.10 This Offer will be governed by English Law and will be subject to the jurisdiction of the English courts and the conditions set out in this document and in the Form of Acceptance.

- 1.11 The conditions in Part A of this Appendix I and the further terms set out in Parts B, C and D of this Appendix I and the Form of Acceptance apply to the Offer.
- 1.12 Unless the context otherwise requires, any reference in Parts B, C and D of this Appendix I and in the Form of Acceptance:
- 1.12.1 to the Offer includes any revision, variation, renewal or extension thereof and also (where the context requires) any election or alternative available in connection with the Offer or any revision, variation, renewal or extension thereof;
- 1.12.2 to the Offer being, becoming or being declared unconditional is to the Acceptance Condition and the further conditions set out in paragraphs 3.1 and 3.2 of Part A of this Appendix I being, becoming or being declared satisfied, whether or not any other condition of the Offer remains to be fulfilled;
- 1.12.3 to the Acceptance Condition is to the condition as to the acceptances in paragraph 2 of Part A of this Appendix I and any reference to the Offer becoming unconditional as to acceptances is to be construed accordingly;
- 1.12.4 to this document and any other document containing the Offer; and
- 1.12.5 to an extension of the Offer shall include an extension of the date by which the Acceptance Condition is or was to be satisfied.

2. Acceptance Period

- 2.1 The Offer will initially be open for acceptance until 1.00 p.m. (London time) on the First Closing Date.
- 2.2 Although no revision is envisaged, if the Offer (in its original or previously revised form) is revised it will remain open for acceptance for a period of at least 14 days (or such lesser period as may be permitted by the Panel) following the date on which written notification of the revision is posted to WorkPlace Shareholders. Except with the consent of the Panel, no revision of the Offer may be made or posted to WorkPlace Shareholders after 14 February 2012 or, if later, the date falling 14 days prior to the last date on which the Offer can become unconditional as to acceptances.
- 2.3 The Offer shall not (except with the consent of the Panel) be capable of becoming unconditional after midnight (London time) on Day 60 (or any other time and/or date beyond which NewCo has stated that the Offer will not be extended and has not, where permitted, withdrawn that statement), nor of being kept open for acceptances after that time and/or date unless the Offer has previously become unconditional, provided that NewCo reserves the right, with the permission of the Panel, to extend the Offer to a later time and/or date.

Except with the consent of the Panel, NewCo may not, for the purpose of determining whether the Acceptance Condition has been satisfied, take into account acceptances received or purchases of Offer Shares made after 1.00 p.m. (London time) on Day 60 (or any other time and/or date beyond which NewCo has stated that the Offer will not be extended (and has not, where permitted, withdrawn that statement)) or, if the Offer is so extended, such later time and/or date as NewCo, with the permission of the Panel, may determine.

If the latest time at which the Offer may become unconditional is extended beyond midnight on Day 60, acceptances received and purchases of Offer Shares made in respect of which the relevant documents are received by the Receiving Agent after 1.00 p.m. on Day 60 may (except where the Code otherwise permits) only be taken into account with the agreement of the Panel.

- 2.4 If the Offer becomes unconditional, it will remain open for acceptance for not less than 14 calendar days from the date on which it would otherwise have expired (the “**Subsequent Offer Period**”). If the Offer has become unconditional and it is stated by or on behalf of NewCo that the Offer will remain open until further notice, then not less than 14 calendar days’ notice in writing will be given

to those holders of Offer Shares who have not accepted the Offer prior to the closing of the Subsequent Offer Period.

- 2.5 If a competitive situation arises after a “no extension” statement (as referred to in the Code) has been made by or on behalf of NewCo in relation to the Offer, NewCo may, if it specifically reserves the right to do so at the time such statement is made (or otherwise with the consent of the Panel), choose not to be bound by or withdraw such statement and be free to extend the Offer provided it complies with the requirements of the Code and, in particular, that:
- 2.5.1 it announces the withdrawal and that it is free to extend the Offer (as appropriate) as soon as possible and in any event within four business days after the day of the firm announcement of the competing offer or other competitive situation;
 - 2.5.2 it notifies WorkPlace Shareholders to that effect in writing at the earliest opportunity or, in the case of WorkPlace Shareholders with registered addresses outside the UK or whom NewCo knows to be a nominee, custodian or trustee holding Offer Shares for such persons, by announcement in the UK; and
 - 2.5.3 any WorkPlace Shareholders who accepted the Offer after the date of the “no extension” statement are given a right of withdrawal in accordance with paragraph 4.3 of this Part B.
- 2.6 If WorkPlace makes an announcement of the kind referred to in Rule 31.9 of the Code after Day 39 (or such other date as the Panel may determine shall be relevant for the purpose of Rule 31.9) after a “no extension” statement has been made by or on behalf of NewCo in respect of the Offer, NewCo may, with the consent of the Panel and if it reserved the right to do so in such circumstances at the time such statement was made, choose not to be bound by that statement and so be free to extend the Offer, provided that an announcement of that fact is made as soon as possible and in any event within four business days after such announcement by WorkPlace and, at the earliest opportunity thereafter, WorkPlace Shareholders are informed of that fact in writing or, in the case of WorkPlace Shareholders with registered addresses outside the UK, or whom WorkPlace knows to be a nominee, custodian or trustee holding Offer Shares for such persons, by announcement in the UK.
- 2.7 If a competitive situation arises (as determined by the Panel) and is continuing on Day 60, NewCo will enable WorkPlace Shareholders holding Offer Shares in uncertificated form who have not already validly accepted the Offer, but who have previously accepted any competing offer, to accept the Offer by special form of acceptance to take effect on Day 60 (or such later day to which the Offer may be extended with the consent of the Panel). It shall be a condition of such special form of acceptance being a valid acceptance of the Offer that: (i) it is received by the Receiving Agent on or before Day 60 (or such later day if the Offer has been extended to); (ii) the relevant WorkPlace Shareholder shall have applied to withdraw his acceptance of the competing offer, but the Offer Shares to which such withdrawal relates shall not have been released from escrow before Day 60 (or such later day as the Offer has been extended to) by the escrow agent to the competing offer; and (iii) the Offer Shares to which the special form of acceptance relates are not transferred to escrow in accordance with the procedure for acceptance set out in the letter from NewCo set out in Part 2 of this document on or before Day 60 (or such later day as the Offer has been extended to), but an undertaking is given that they will be so transferred as soon as possible thereafter.
- 2.8 WorkPlace Shareholders wishing to use such special forms of acceptance should apply to the Receiving Agent by telephone on 0871 384 2958 if calling in the UK or +44 121 415 0225 if calling from outside the UK, between the hours of 8.30 a.m. and 5.30 p.m. on the business day preceding Day 60 (or such later day) in order that such forms can be despatched. Notwithstanding the right to use such special form of acceptance, holders of Offer Shares in uncertificated form may not use a Form of Acceptance (for use when accepting the Offer in respect of certificated shares) (or any other purported form of acceptance) for the purpose of accepting the Offer in respect of such uncertificated shares.

- 2.9 For the purpose of determining whether the Acceptance Condition has been satisfied, NewCo will not be bound (unless otherwise required by the Panel) to take into account any Offer Shares which have been issued or unconditionally allotted or which arise as the result of the exercise of subscription or conversion rights before that determination takes place, unless written notice is given by WorkPlace or its agent containing relevant details of the allotment, issue, subscription or conversion has been received before that time by the Receiving Agent on behalf of NewCo at the address specified in paragraph 4 of this Part B below. Notification by telex or facsimile or other electronic transmission or copies will not be sufficient to constitute written notice for this purpose.

3. **Announcements**

- 3.1 Without prejudice to paragraph 4 of this Part B below, by 8.00 a.m. (London time) on the business day following the day on which the Offer is due to expire, or becomes unconditional, is revised or is extended, as the case may be (or such later time or date as the Panel may agree) (the “**relevant day**”), NewCo will make an appropriate announcement and simultaneously inform a Regulatory Information Service of the position. Such announcement will also state (unless otherwise permitted by the Panel):

- 3.1.1 the number of Offer Shares for which acceptances of the Offer have been received (specifying the extent, if any, to which such acceptances have been received from persons acting in concert with NewCo or in respect of Offer Shares (if any) which were subject to an irrevocable commitment or a letter of intent procured by NewCo or any person acting in concert with NewCo);
- 3.1.2 details of any relevant securities of WorkPlace in which NewCo or any person acting in concert with NewCo has an interest or in respect of which any of them has a right to subscribe, in each case specifying the nature of the interests or rights concerned. Similar details of any short positions (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, will also be stated;
- 3.1.3 details of any relevant securities of WorkPlace in respect of which NewCo or any person acting in concert with NewCo has an outstanding irrevocable commitment or letter of intent; and
- 3.1.4 details of any relevant securities of WorkPlace which NewCo or any person acting in concert with NewCo has borrowed or lent, save for any borrowed shares which have been either on-lent or sold,

and will in each case specify the percentages of each class of relevant securities represented by these figures. Any such announcement shall include a prominent statement of the total number of Offer Shares which NewCo may count towards the satisfaction of the Acceptance Condition and the percentage of the Offer Shares represented by this figure.

- 3.2 Any decision to extend the time and/or date by which the Acceptance Condition has to be satisfied may be made at any time up to, and will be announced not later than, 8.00 a.m. (London time) on the relevant day (or such later time and/or date as the Panel may agree). The announcement will also state the next expiry time and date unless the Offer is unconditional, in which case it may instead state that the Offer will remain open until further notice.
- 3.3 In computing the number of Offer Shares represented by acceptances and/or purchases, there may be included or excluded for announcement purposes, subject to paragraph 6.6 of this Part B below, acceptances and purchases not in all respects in order or subject to verification, provided that such acceptances or purchases shall not be included unless they could be counted towards fulfilling the Acceptance Condition in accordance with paragraph 6.6 of this Part B below and the provisions of the Code.
- 3.4 In this Appendix I, references to the making of an announcement or the giving of notice by or on behalf of NewCo include the release of an announcement by public relations consultants or by Torch Partners or Fairfax on behalf of NewCo and the delivery by hand, telephone, telex or facsimile transmission or other electronic transmission of an announcement to a Regulatory Information

Service. An announcement made otherwise than to a Regulatory Information Service will be notified simultaneously to a Regulatory Information Service (unless the Panel otherwise agrees).

- 3.5 Without limiting the manner in which NewCo may choose to make any public statement and subject to NewCo's obligations under applicable law, including the Code, NewCo will have no obligation to publish, advertise or otherwise communicate any such public announcement other than by making a release to a Regulatory Information Service.

4. Rights of withdrawal

- 4.1 If NewCo, having announced the Offer to be unconditional, fails by 3.30 p.m. (London time), on the relevant day (as defined in paragraph 3 of this Part B) (or such later time(s) and/or date(s) as the Panel may agree) to comply with any of the relevant requirements specified in paragraph 3 of this Part B, an accepting WorkPlace Shareholder may (unless the Panel otherwise agrees) immediately after that time withdraw his acceptance of the Offer by written notice signed by the accepting WorkPlace Shareholder (or his agent duly appointed in writing and evidence of whose appointment, in a form reasonably satisfactory to NewCo, is produced with the notice) given by post or (during normal business hours only) by hand to Equiniti Limited at Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. Alternatively, in the case of Offer Shares held in uncertificated form, withdrawals can also be effected in the manner set out in paragraph 4.7 of this Part B. Subject to paragraph 2.3 of this Part B, this right of withdrawal may be terminated not less than eight calendar days after the relevant day by NewCo confirming, if that is the case, that the Offer is still unconditional and complying with the other relevant requirements specified in paragraph 3.1 of this Part B. If any such confirmation is given, the first period of 14 calendar days referred to in paragraph 2.4 of this Part B will run from the date of that confirmation and compliance.

- 4.2 If by 1.00 p.m. (London time) on the 10 February 2012 (or such later time and/or date as the Panel may agree) the Offer has not become unconditional, an accepting WorkPlace Shareholder may withdraw his acceptance at any time thereafter in the manner referred to in paragraph 4.1 of this Part B above (or, in the case of Offer Shares held in uncertificated form, in the manner set out in paragraph 4.7 of this Part B), before the earlier of:

4.2.1 the time that the Offer becomes unconditional; and

4.2.2 the final time for lodgement of acceptances of the Offer which can be taken into account in accordance with paragraph 2.3 of this Part B.

- 4.3 If a "no extension" statement is withdrawn in accordance with paragraph 2.5 of this Part B, any acceptance made by a WorkPlace Shareholder after the date of that statement may be withdrawn thereafter in the manner referred to in paragraph 4.1 of this Part B above (or, in the case of Offer Shares held in uncertificated form, in the manner set out in paragraph 4.7 of this Part B) for a period of eight calendar days following the date on which the notice of the withdrawal of such statement is posted to WorkPlace Shareholders.

- 4.4 Acceptances will be irrevocable except as provided by this paragraph 4.

- 4.5 To be effective, a written notice of withdrawal must be received on a timely basis by the Receiving Agent to whom the acceptance was originally sent at their respective address and must specify the name of the person who has tendered the Offer Shares, the number of Offer Shares to be withdrawn and the name of the registered holder, if different from the name of the person whose acceptance is to be withdrawn. The Offer Shares in respect of which acceptances have been properly withdrawn in accordance with this paragraph 4 may subsequently be re-assented to the Offer by following one of the procedures described in paragraph 17 of the letter from NewCo set out in Part 2 of this document, at any time while the Offer remains open for acceptance.

- 4.6 In this paragraph 4, "**written notice**" (including any letter of appointment, direction or authority) means notice in writing bearing the original signature(s) of the relevant accepting WorkPlace Shareholder(s) or their agent(s) duly appointed in writing (evidence of whose appointment is

produced with the notice in a form reasonably satisfactory to NewCo). Notification by telex, email, facsimile or other electronic transmissions or copies will not be sufficient to constitute written notice. No notice which is post-marked in, or otherwise appears to NewCo or its agents to have been sent from, a Restricted Jurisdiction will be treated as valid.

4.7 In the case of Offer Shares held in uncertificated form, if withdrawals are permitted pursuant to paragraph 4.1 of this Part B above, an accepting WorkPlace Shareholder may withdraw his acceptance through CREST by sending (or, if a CREST sponsored member, procuring that his CREST sponsor sends) an ESA Instruction to settle in CREST in relation to each Electronic Acceptance to be withdrawn. Each ESA Instruction must, in order for it to be valid and to settle, include the following details:

4.7.1 the corporate action ISIN number of Offer Shares. This is GB0009250845;

4.7.2 the number of Offer Shares in uncertificated form to be withdrawn;

4.7.3 the member account ID of the accepting holder of Offer Shares;

4.7.4 the participant ID of the accepting holder of Offer Shares;

4.7.5 the participant ID of the Escrow Agent. This is 5RA15;

4.7.6 the member account ID of the Escrow Agent. This is WASWOR01;

4.7.7 the CREST transaction ID of the Electronic Acceptance to be withdrawn, to be inserted at the beginning of the shared note field;

4.7.8 input with a standard delivery instruction priority of 80;

4.7.9 the intended settlement date for the withdrawal;

4.7.10 the corporate action number for the Offer, which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST; and

4.7.11 the name and contact telephone number of the accepting WorkPlace Shareholder inserted into the shared note field.

Any such withdrawal will be conditional on the Receiving Agent verifying that the withdrawal request is validly made. Accordingly, the Receiving Agent will, on behalf of NewCo, reject or accept the withdrawal by transmitting in CREST a receiving agent reject (AEAD) or receiving agent accept (AEAN) message.

4.8 Immediately (or within such longer period, not exceeding 14 calendar days, as the Panel may permit) upon a WorkPlace Shareholder validly withdrawing his acceptance in respect of Offer Shares held in uncertificated form, the Receiving Agent will give TFE Instructions to Euroclear to transfer all relevant Offer Shares held in escrow balances, and in relation to which it is the Escrow Agent for the purposes of the Offer, to the original available balances of the WorkPlace Shareholder concerned and, in respect of Offer Shares held in certificated form, the Receiving Agent will return by post (or by such other method as may be approved by the Panel) all share certificates and/or other document(s) of title to the holder of Offer Shares concerned.

4.9 Offer Shares in respect of which acceptances have been properly withdrawn in accordance with this paragraph 4 may subsequently be re-assented to the Offer by following one of the procedures described in paragraph 17 of the letter from NewCo set out in Part 2 of this document, at any time while the Offer remains open for acceptance.

4.10 All questions as to the validity (including time of receipt) of any notice of withdrawal will be determined by NewCo, acting in good faith, whose determination (except as required by the Panel) will be final and binding. None of NewCo, the Receiving Agent or any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal or incur any liability for failure to give such notification or for any determination under this paragraph 4.

5. Revisions of the Offer

- 5.1 Although no such revision is envisaged, if the Offer (in its original or any previously revised form(s)) is revised (either in its terms or conditions or in the value or nature of the consideration offered or otherwise), and any such revised Offer represents, on the date on which such revision is announced (on such basis as NewCo may consider appropriate) an improvement (or no diminution) in the value of the consideration of the Offer as so revised compared with the value of the consideration or terms previously offered, or in the overall value received by a WorkPlace Shareholder (under or in consequence of the Offer or otherwise), the benefit of the revised Offer shall (subject to paragraphs 5.4, 5.5 and 6 of this Part B) be made available to any WorkPlace Shareholder who has validly accepted the Offer in its original or any previously revised form(s) and who has not validly withdrawn such acceptance (a **“Previous Acceptor”**). The acceptance by or on behalf of a Previous Acceptor of the Offer (in its original or any previously revised form(s)) shall, subject as provided in paragraphs 5.2, 5.3 and 6 of this Part B, be deemed to be an acceptance of the Offer as so revised and shall also constitute the appointment of NewCo or each of its directors and agents as his attorney and/or agent with authority to:
- 5.1.1 accept any such revised Offer on behalf of such Previous Acceptor;
 - 5.1.2 if such revised Offer includes alternative forms of consideration, to make on his behalf elections for and/or accept such alternative forms of consideration on his behalf in such proportions as such attorney in his absolute discretion thinks fit; and
 - 5.1.3 to execute on behalf and in the name of such Previous Acceptor all such further documents (if any) and take such further actions (if any) as may be required to give effect to such acceptances and/or elections.

In making any such acceptance and/or election, the attorney and/or agent will take into account the nature of any previous acceptance and/or election made by the Previous Acceptor and such other facts or matters as he may reasonably consider relevant.

- 5.2 For the avoidance of doubt, for the purposes of paragraph 5.1 of this Part B above, **“revision”** includes, without limitation, any revision of the Offer: (i) in its original or revised form; (ii) in relation to its respective terms and conditions; and (iii) in relation to the value or nature of the respective consideration offered.
- 5.3 The deemed acceptances and elections referred to in this paragraph 5 shall not apply and the authorities conferred by this paragraph 5 shall not be exercised by NewCo or any of its respective directors, authorised representatives and agents if, as a result thereof, a Previous Acceptor would (on such basis as Investec may consider appropriate) thereby receive and/or retain less in aggregate consideration under the revised Offer or otherwise than he would have received in aggregate as a result of the acceptance of the Offer in the form in which it was originally accepted by him or on his behalf, having regard to any previous acceptance or election originally made by him, unless such Previous Acceptor has previously otherwise agreed in writing. The authorities conferred by paragraph 5.1 above shall not be exercised in respect of any election available under the revised Offer save in accordance with this paragraph 5.3.
- 5.4 The deemed acceptances and elections referred to in this paragraph 5 shall not apply and the authorities conferred by this paragraph 5 shall be ineffective to the extent that a Previous Acceptor:
- 5.4.1 in respect of Offer Shares in certificated form, lodges with the Receiving Agent at the addresses and in the manner specified in paragraph 4.1 of this Part B, within 14 days of the posting of the document pursuant to which the revised Offer referred to in paragraph 4.1 of this Part B above is made available to WorkPlace Shareholders, a Form of Acceptance or some other form issued by or on behalf of NewCo in which he validly elects to receive the consideration receivable by him under that revised Offer in some other manner than that set out in his original acceptance;
 - or

5.4.2 in respect of Offer Shares in uncertificated form, sends (or, if a CREST personal member, procures that his CREST sponsor sends) a valid ESA Instruction to settle in CREST in relation to each Electronic Acceptance in respect of which an election is to be varied. Each such ESA Instruction must, in order for it to be valid and settle, include the following details:

- (a) the number of Offer Shares in respect of which the changed election is made, together with the ISIN number of the Offer Shares. This is GB0009250845;
- (b) the member account ID of the Previous Acceptor, together with his participant ID;
- (c) the member account ID of the Escrow Agent included in the relevant Electronic Acceptance. This is WASWOR01;
- (d) the Participant ID of the Escrow Agent. This is 5RA15;
- (e) the CREST Transaction ID of the Electronic Acceptance in respect of which an election is to be changed;
- (f) the intended settlement date for the changed election;
- (g) the corporate action number for the Offer;
- (h) input with standard delivery instruction priority of 80;

and in order that the desired change of election can be effected must include:

- (i) the member account ID of the Escrow Agent relevant to the new election.

Any such change of election in respect of Offer Shares in uncertificated form shall be conditional upon the Receiving Agent verifying that the request is validly made. Accordingly the Receiving Agent shall, on behalf of NewCo, reject or accept the requested change of election by transmitting in CREST a receiving agent reject (AEAD) or receiving agent accept (AEAN) message.

5.5 The authorities conferred by this paragraph 5 and any acceptance of a revised Offer and/or any alternative forms of consideration and/or any elections pursuant thereto shall be irrevocable unless and until the Previous Acceptor becomes entitled to withdraw his acceptance under paragraph 4 of this Part B above and duly and validly does so.

5.6 NewCo reserves the right (subject to paragraphs 4 and 5.1 of this Part B above) to treat a valid Form of Acceptance or TTE Instruction relating to the Offer (in its original or any previously revised form(s)) which is received (or dated) after the announcement or the issue of the Offer in any revised form as a valid acceptance of the revised Offer (and, where applicable, a valid election for the alternative form(s) of consideration). Such acceptance shall constitute an authority in the terms of paragraph 5.1 of this Part B above, *mutatis mutandis*, on behalf of the relevant WorkPlace Shareholder.

6. Overseas WorkPlace Shareholders

6.1 The making of the Offer in jurisdictions outside the UK, or to certain persons who are Overseas Shareholders may be prohibited or affected by the laws of the relevant jurisdictions. Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. It is the responsibility of any such person wishing to accept the Offer to satisfy himself as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required and compliance with other necessary formalities. Any such Overseas Shareholder will be responsible for the payment of any issue, transfer or other taxes or duties or other requisite payments due in that jurisdiction by whomsoever payable and NewCo and any person acting on its behalf shall be fully indemnified and held harmless by such Overseas Shareholder for any such issue, transfer or other taxes or duties or other requisite payments as such person (and any person

acting on behalf of them) may be required to pay. If you are an Overseas Shareholder and you are in doubt about your position, you should consult your professional adviser in the relevant jurisdiction.

- 6.2 Unless otherwise determined by NewCo and permitted by applicable law and regulation, the Offer is not being made, directly or indirectly, in or into a Restricted Jurisdiction, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, e-mail, telex, telephone and the internet) of interstate or foreign commerce of, or of any facilities of a national securities exchange, of any Restricted Jurisdiction and is not capable of acceptance by any such use, means, instrumentality or facility, or from within any Restricted Jurisdiction.
- 6.3 Copies of the Offer Document and/or the Form of Acceptance are not being and must not be, directly or indirectly, mailed or otherwise distributed or sent in or into or from any Restricted Jurisdiction, including to WorkPlace Shareholders with registered addresses in those jurisdictions or to persons whom NewCo knows to be custodians, nominees or trustees holding Offer Shares for such persons. Persons receiving such documents (including, without limitation, custodians, nominees and trustees) must not distribute, send or mail them in, into or from a Restricted Jurisdiction, or use such mails or any such means or instrumentality for any purpose, directly or indirectly, in connection with the Offer, and doing so may render invalid any related purported acceptance of the Offer. Persons wishing to accept the Offer must not use the mails or any such means, or instrumentality or facility of any Restricted Jurisdiction for any purpose directly or indirectly related to the acceptance of the Offer. Envelopes containing Forms of Acceptance, evidence of title or other documents relating to the Offer must not be postmarked in, or otherwise dispatched from, any Restricted Jurisdiction and all acceptors must provide addresses outside a Restricted Jurisdiction for the receipt or the remittance of the consideration to which they are entitled under the Offer, or for the return of the Form of Acceptance and (in relation to Offer Shares in certificated form) any WorkPlace share certificate(s) and/or other document(s) of title.
- 6.4 Subject as provided below, a WorkPlace Shareholder will be deemed NOT to have accepted the Offer if:
- 6.4.1 he puts “NO” in Box 5 of the Form of Acceptance and thereby does not make the representations and warranties set out in Part C (or as the case may be, Part D) of this Appendix I;
- 6.4.2 Box 1 of the Form of Acceptance contains an address in a Restricted Jurisdiction and he does not insert in Box 6 of the Form of Acceptance the name and address of a person or agent outside a Restricted Jurisdiction to whom he wishes the consideration to which he is entitled under the Offer to be sent, subject to the provisions of this paragraph 6 and applicable laws;
- 6.4.3 he inserts in Box 2 of the Form of Acceptance a telephone number in a Restricted Jurisdiction for use in the event of queries;
- 6.4.4 a Form of Acceptance received from him is received in an envelope postmarked in, or otherwise appears to NewCo or its Receiving Agents to have been sent from or otherwise evidences use of any means or instrumentality of, a Restricted Jurisdiction; or
- 6.4.5 (in respect of uncertificated Offer Shares) he makes a Restricted Escrow Transfer (as defined in paragraph 6.6 of this Part B below) pursuant to paragraph 6.6 of this Part B below unless he also makes a related Restricted ESA Instruction (as defined in paragraph 6.6 of this Part B below) which is accepted by the Receiving Agent.

NewCo reserves the right, in its sole discretion, to investigate in relation to any acceptance, whether the representations and warranties set out in Part C (or as the case may be, Part D) of this Appendix I could have been truthfully given by the relevant WorkPlace Shareholder and if such investigation is made and as a result NewCo cannot satisfy itself that such representations and warranties are true and correct, such acceptance shall not be valid.

6.5 If, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees) whether pursuant to a contractual or legal obligation or otherwise forwards the Offer Document and/or the Form of Acceptance in, into or from a Restricted Jurisdiction or uses the mails or any means or instrumentality (including, without limitation, facsimile transmission, email, telex, telephone and the internet) of interstate or foreign commerce of, or any facilities of a national securities exchange of, such Restricted Jurisdictions in connection with such forwarding, such person should:

6.5.1 inform the recipient of such fact;

6.5.2 explain to the recipient that such action may invalidate any purported acceptance by the recipient; and

6.5.3 draw the attention of the recipient to this paragraph 6.

6.6 If a WorkPlace Shareholder holding Offer Shares in uncertificated form is unable to give the representations and warranties set out in Part D of this Appendix I, but nevertheless can produce evidence satisfactory to NewCo that he is able to accept the Offer in compliance with all legal and regulatory requirements and without NewCo or its agents being in breach of any such requirements, he may only purport to accept the Offer by sending (or if a CREST sponsored member, procuring that his CREST sponsor sends) both:

6.6.1 a valid TTE Instruction to a designated escrow balance detailed below (a **“Restricted Escrow Transfer”**); and

6.6.2 one or more valid ESA Instructions (a **“Restricted ESA Instruction”**) which specify the form of consideration which he wishes to receive (consistent with the alternatives offered under the Offer if any).

Such purported acceptance will not be treated as a valid acceptance unless both the Restricted Escrow Transfer and the Restricted ESA Instruction(s) settle in CREST and NewCo decides in its absolute discretion to exercise its right to waive, vary or modify the terms of the Offer relating to Overseas Shareholders to the extent required to permit such acceptance to be made in each case during the acceptance period set out in paragraph 3 of this Part B. If NewCo decides to permit such acceptance to be made, the Receiving Agent will on behalf of NewCo accept the purported acceptance as an Electronic Acceptance on the terms of this document (as so waived, varied or modified) by transmitting in CREST a receiving agent accept (AEAN) message. Otherwise, the Receiving Agent will on behalf of NewCo reject the purported acceptance by transmitting in CREST a receiving agent reject (AEAD) message.

Each Restricted Escrow Transfer must, in order for it to be valid and to settle, include the following details:

- (a) the corporate action ISIN number of the Offer Shares. This is GB0009250845;
- (b) the number of Offer Shares in uncertificated form in respect of which the accepting holder of Offer Shares wishes to accept the Offer (i.e. the number of Offer Shares in uncertificated form to be transferred to an escrow balance);
- (c) the participant ID of the accepting WorkPlace Shareholder;
- (d) the member account ID of the accepting WorkPlace Shareholder;
- (e) the participant ID of the Escrow Agent set out in the Restricted Escrow Transfer. This is 5RA15;
- (f) the member account ID of the Escrow Agent set out in the Restricted Escrow Transfer. This is RESTRICT;

- (g) the intended settlement date. This should be as soon as possible and, in any event, not later than 1.00 p.m. (London time) on the First Closing Date;
- (h) the corporate action number for the Offer which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- (i) input with standard delivery instruction priority of 80; and
- (j) the contact name and telephone number of the accepting WorkPlace Shareholder inserted in the shared note field.

Each Restricted ESA Instruction must, in order for it to be valid and to settle include the following details:

- (a) the corporate action ISIN number of Offer Shares. This is GB0009250845;
- (b) the number of Offer Shares in uncertificated form relevant to that Restricted ESA Instruction;
- (c) the participant ID of the accepting WorkPlace Shareholder;
- (d) the member account ID of the accepting WorkPlace Shareholder;
- (e) the participant ID of the Escrow Agent set out in the Restricted Escrow Transfer. This is 5RA15;
- (f) the member account ID of the Escrow Agent set out in the Restricted Escrow Transfer. This is RESTRICT;
- (g) the member account ID of the Escrow Agent relevant to the form of consideration required in respect of the Offer. This is WASWOR01;
- (h) the CREST transaction ID of the Restricted Escrow Transfer to which the Restricted ESA Instruction relates;
- (i) the intended settlement date. This should be as soon as possible and, in any event, not later than 1.00 p.m. (London time) on the First Closing Date;
- (j) the corporate action number for the Offer; and
- (k) input with a standard delivery instruction priority of 80.

6.7 Notwithstanding anything to the contrary contained in this document or the Form of Acceptance, NewCo may make the Offer (with or without giving effect to the foregoing paragraphs of this paragraph 6) in a Restricted Jurisdiction or in any other jurisdiction pursuant to an exemption under, or in accordance with, applicable law in such jurisdictions and, in this connection, the provisions of paragraph 3 of Part C and paragraph 3 of Part D of this Appendix I will be varied accordingly.

6.8 The provisions of this paragraph 6 supersede any terms of the Offer inconsistent with them. The provisions of this paragraph 6 and/or any other terms of the Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific holder(s) of Offer Shares or on a general basis by NewCo in its absolute discretion.

6.9 References in this paragraph 6 to a WorkPlace Shareholder shall include the person or persons executing a Form of Acceptance or making an Electronic Acceptance and, in the event of more than one person executing a Form of Acceptance or making an Electronic Acceptance (as the case may be), the provisions of this paragraph shall apply to them jointly and to each of them.

6.10 Neither NewCo nor any agent or director of NewCo nor any person acting on behalf of any of them shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of acceptances of the Offer on any of the bases set out above or otherwise in connection therewith.

7. General

- 7.1 Except with the consent of the Panel, the Offer will lapse unless the Conditions have been fulfilled by midnight (London time) on Day 60 or such later date as NewCo, with the consent of the Panel, may decide.
- 7.2 If the Offer lapses for any reason, it will cease to be capable of further acceptance and accepting WorkPlace Shareholders and NewCo will cease to be bound by Forms of Acceptance and Electronic Acceptances submitted before the time the Offer lapses.
- 7.3 If the Offer becomes unconditional, NewCo intends, subject to any applicable regulatory requirements, to procure that WorkPlace applies to the London Stock Exchange for the cancellation of trading in WorkPlace's Shares on AIM and re-registration of WorkPlace as a private company. De-listing of the WorkPlace Shares would significantly reduce the liquidity and marketability of any Offer Shares not acquired by NewCo. Furthermore, if NewCo receives acceptances under the Offer in respect of, or otherwise acquires, 90 per cent. or more of the Offer Shares to which the Offer relates, NewCo will exercise its rights pursuant to sections 974 to 991 of the Companies Act 2006 to acquire compulsorily the remaining Offer Shares in respect of which the Offer has not been accepted following the Offer becoming or being declared unconditional in all respects.
- 7.4 Except with the consent of the Panel, settlement of the consideration to which any WorkPlace Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which NewCo may otherwise be, or claim to be, entitled as against such WorkPlace Shareholder and will be effected:
- 7.4.1 in the case of acceptances received, complete in all respects (including the relevant transfer to escrow or (as applicable) receipt of relevant share certificate(s) and/or other document(s) of title or indemnities satisfactory to NewCo), by the date on which the Offer becomes unconditional, within 14 calendar days of such date; or
- 7.4.2 in the case of acceptances of the Offer received, complete in all respects (including the relevant transfer to escrow or (as applicable) receipt of relevant share certificate(s), and/or other document(s) of title or indemnities satisfactory to NewCo), after the date on which the Offer becomes unconditional but while it remains open for acceptance, within 14 calendar days of such receipt.
- All cash payments (other than payments made by means of CREST) will be made by cheque drawn on a branch of a UK clearing bank. Unless otherwise determined by NewCo, no consideration will be sent to any address in a Restricted Jurisdiction. Where the Offer Shares concerned are in uncertificated form, cash consideration will be paid by a CREST payment or, at NewCo's discretion, in pounds sterling by cheque drawn as aforementioned.
- 7.5 Notwithstanding the right reserved by NewCo to treat an acceptance of the Offer as valid (even though in the case of certificated Offer Shares, the Form of Acceptance is not entirely in order or not accompanied by the relevant Offer Share certificate(s) and/or other document(s) of title or indemnities reasonably satisfactory to NewCo), except as otherwise agreed with the Panel:
- 7.5.1 an acceptance of the Offer will only be counted towards fulfilling the Acceptance Condition if the requirements of Note 4 and, if applicable, Note 6 on Rule 10 of the Code are satisfied in respect of it, and WorkPlace Shares falling within Note 8 on Rule 10 of the Code will not be counted towards fulfilling the Acceptance Condition;
- 7.5.2 a purchase of WorkPlace Shares by NewCo or its nominee(s) (or, if relevant, any person acting in concert with NewCo, or its nominee(s)) will only be counted towards fulfilling the Acceptance Condition if the requirements of Note 5 and, if applicable, Note 6 on Rule 10 of the Code are satisfied in respect of it; and

- 7.5.3 the Offer will not become unconditional unless the Receiving Agent has issued a certificate to NewCo or Torch Partners or Fairfax stating the number of Offer Shares in respect of which acceptances have been received which comply with sub-paragraph 7.5.1 of this Part B above and the number of WorkPlace Shares otherwise acquired, whether before or during the Offer Period, which comply with sub-paragraph 7.5.2 of this Part B above. A copy of such certificate will be sent to the Panel and Torch Partners and Fairfax as soon as possible after it is issued.
- 7.6 The terms, provisions, instructions and authorities contained in or deemed to be incorporated in the Form of Acceptance will, in respect of certificated Offer Shares, constitute part of the terms of the Offer. Words and expressions defined in this document shall have the same meanings when used in the Form of Acceptance, unless the context otherwise requires. The provisions of this Appendix I shall be deemed to be incorporated into and form part of the Form of Acceptance.
- 7.7 All references in this document and in the Form of Acceptance to the First Closing Date will (except in the definition of Offer Period and where the context otherwise requires) be deemed, if the expiry date of the Offer is extended, to refer to the expiry date of the Offer as so extended.
- 7.8 References in paragraph 6 of this Part B and in Part C of this Appendix I to a WorkPlace Shareholder will include references to the person or persons executing a Form of Acceptance and, in the event of more than one person executing a Form of Acceptance, such paragraphs will apply to them jointly and severally.
- 7.9 Any omission to despatch this document, the Form of Acceptance, any other documents relating to the Offer or any notice required to be despatched under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is made, or should be made, will not invalidate the Offer in any way or create any implication that the Offer has not been made to any such person.
- 7.10 Without prejudice to any other provision of this Part B, NewCo reserves the right to treat acceptances of the Offer as valid if not entirely in order or not accompanied by the relevant share certificate(s) and/or other relevant document(s) of title or not accompanied by the relevant TTE Instructions or if received by, or on behalf of it, at any place or places, or in any manner, otherwise than as specified in this document or in the Form of Acceptance. In that event, no payment of cash or settlement of consideration will be made under the Offer until the relevant TTE Instruction has settled or (as applicable) the relevant share certificate(s) and/or other document(s) of title or indemnities satisfactory to NewCo have been received.
- 7.11 No acknowledgement of receipt of any Form of Acceptance, transfer by means of CREST, communication, notice, share certificate(s) or other document(s) of title will be given by, or on behalf of NewCo. All communications, notices, certificates, document(s) of title and remittances to be delivered by, or sent to or from, holders of Offer Shares (or their designated agent(s)) will be delivered by or sent to or from them (or their designated agent(s)) at their own risk.
- 7.12 Subject to paragraph 6 of this Part B, the Offer extends to persons to whom the Offer is made or should be made but to whom this document, the Form of Acceptance or any related documents may not be despatched or who may not receive any such documents and such persons may inspect or collect copies of these documents from the Receiving Agent at the relevant address set out in paragraph 4.1 of this Part B.
- 7.13 NewCo reserves the right to notify any matter (including the making of the Offer) to all or any holder of Offer Shares with a registered address outside the UK or whom NewCo knows to be a custodian, trustee or nominee holding Offer Shares for persons who are citizens, residents or nationals of jurisdictions outside the UK, by announcement in the UK to the London Stock Exchange or in any other appropriate manner, or by paid advertisement in a daily newspaper published and circulated in the UK or any part thereof, or in the London Gazette, in which event such notice will be deemed to have been sufficiently given, notwithstanding any failure by any such WorkPlace Shareholder to receive or see such notice, and all references in this document to notice in writing by or on behalf of NewCo will be construed accordingly.

- 7.14 The Offer is made on 9 December 2011 by means of this Offer Document and an advertisement proposed to be published in the London Gazette dated on or around 12 December 2011 and is capable of acceptance from and after that time. Copies of this document, the Form of Acceptance and any related documents are available from the Receiving Agent at the address set out in paragraph 4.1 of this Part B from that time.
- 7.15 If the Offer does not become unconditional:
- 7.15.1 in respect of Offer Shares held in certificated form, the relevant share certificate(s) and/or other document(s) of title will be returned by post (or such other method as may be approved by the Panel) within 14 calendar days of the Offer lapsing or being withdrawn, at the risk of the person entitled thereto, to the person or agent whose name and address outside a Restricted Jurisdiction is set out in Box 6 of the Form of Acceptance or, if none is set out, to the first-named holder at his registered address outside a Restricted Jurisdiction (no such documents will be sent to an address in a Restricted Jurisdiction); and
- 7.15.2 in respect of Offer Shares held in uncertificated form, the Receiving Agent will, immediately after the lapsing or withdrawal of the Offer (or within such longer period as the Panel may permit, not exceeding 14 calendar days of the lapsing or withdrawal of the Offer), give instructions to Euroclear to transfer all Offer Shares held in escrow balances and in relation to which it is the Escrow Agent for the purposes of the Offer to the original available balances of WorkPlace Shareholders concerned.
- 7.16 All powers of attorney, appointments of agents and authorities conferred by this Appendix I or in the Form of Acceptance are given by way of security for the performance of the obligations of the WorkPlace Shareholder concerned and are irrevocable (in respect of powers of attorney in accordance with section 4 of the Powers of Attorney Act 1971) except in the circumstances where the donor of such power of attorney or authority or appointment is entitled to withdraw his acceptance in accordance with paragraph 4 of this Part B and duly does so.
- 7.17 In relation to any acceptance of the Offer in respect of a holding of Offer Shares which is in uncertificated form, NewCo reserves the right to make such alterations, additions or modifications to the terms of the Offer as may be necessary or desirable to give effect to any purported acceptance of the Offer, whether in order to comply with the facilities or requirements of CREST or otherwise, provided any such alterations, additions or modifications are consistent with the requirements of the Code or are otherwise made with the consent of the Panel.
- 7.18 Neither NewCo nor any agent or director of NewCo nor any person acting on behalf of any of them shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of acceptances of the Offer on any of the bases set out above or otherwise in connection therewith.
- 7.19 For the purposes of this Offer Document, the time of receipt of a TTE Instruction, an ESA Instruction or an Electronic Acceptance shall be the time that the relevant instruction settles in CREST.
- 7.20 If NewCo is required by the Panel to make an offer for the Offer Shares under Rule 9 of the Code, NewCo may make any such alterations to the conditions of the Offer, including the acceptance condition, as are necessary to comply with that Rule.
- 7.21 NewCo reserves the right to nominate, as the person entitled to acquire any Offer Shares pursuant to the Offer, such subsidiary of NewCo as it shall in its absolute discretion elect for such purpose and following any such nomination references in this document to NewCo shall be construed accordingly.
- 7.22 The Offer, all acceptances made thereof, this Offer Document, all Electronic Acceptances, the Form of Acceptance and all contracts made pursuant thereto and action taken or made or deemed to be taken or made under any of the foregoing, and the relationship between any WorkPlace Shareholder and NewCo or the Receiving Agent in respect thereof will be governed by and construed in accordance with English law. Execution of a Form of Acceptance or the making of an Electronic Acceptance by

or on behalf of a WorkPlace Shareholder will constitute his submission, in relation to all matters arising out of or in connection with the Offer and the Form of Acceptance or the Electronic Acceptance (as appropriate), to the jurisdiction of the Courts of England and his agreement that nothing shall limit the right of NewCo, the Receiving Agent or their respective agents to bring any action, suit or proceeding arising out of or in connection with the Offer and the Form of Acceptance or the Electronic Acceptance (as appropriate) in any other manner permitted by law or in any court of competent jurisdiction.

- 7.23 The Offer Shares are to be acquired by NewCo fully paid with full title guarantee and free from all liens, charges, encumbrances, equitable interests, pre-emption rights and other third party interests and rights of any nature whatsoever and together with all rights now or hereafter attaching thereto, including, without limitation, the right to receive and retain in full all dividends and other distributions, if any, declared, paid or made after the Announcement Date.
- 7.24 The provisions of the Contracts (Rights of Third Parties) Act 1999 shall not apply to this Offer Document, the Form of Acceptance or any contract made pursuant to the Offer.
- 7.25 All references in this Appendix I to any statute or statutory provision shall include a statute or statutory provision which amends, consolidates or replaces the same (whether before or after the date hereof).

Part C: Form of Acceptance

References in this Part C to a WorkPlace Shareholder shall include reference to the person or persons executing a Form of Acceptance and, in the event of more than one person executing a Form of Acceptance, the provisions of this Part C shall apply to them jointly and severally.

Each WorkPlace Shareholder by whom, or on whose behalf, any Form of Acceptance is executed irrevocably undertakes, represents, warrants and agrees to and with NewCo and the Receiving Agent (so as to bind him and his personal representatives, heirs, successors and assigns) to the following effect that:

1. the execution of the Form of Acceptance shall constitute:
 - 1.1 an acceptance of the Offer in respect of the number of Offer Shares in certificated form inserted or deemed to be inserted in Box 3A or Box 3B of the Form of Acceptance; and
 - 1.2 an undertaking to execute any further documents, take any further action and give any further assurances which may be required to enable NewCo to obtain the full benefit of this Part C and/or to perfect any authorities expressed to be given hereunder, in each case on and subject to the terms and the conditions set out or referred to in this Offer Document and the Form of Acceptance and that, subject only to the rights of withdrawal set out in paragraph 4 of Part B of this Appendix I, each such acceptance, election and undertaking shall be irrevocable. If Box 3A is left blank and no number is inserted in Box 3B, or if a number greater than such WorkPlace Shareholder's registered holding appears in Box 3A or Box 3B or if the Form of Acceptance is otherwise completed incorrectly, but the Form of Acceptance is signed, it will be deemed to be an acceptance by such WorkPlace Shareholder of the terms of the Offer in respect of the total number of Offer Shares registered in his name;
2. Offer Shares in certificated form in respect of which the Offer is accepted, or deemed to be accepted, are sold fully paid with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption and other third party interests and rights of any nature whatsoever and together with all rights now or hereafter attaching thereto, including, without limitation, the right to receive and retain in full all dividends and other distributions, if any, declared, paid or made after the Announcement Date;
3. unless "NO" is inserted in Box 5 of the Form of Acceptance, such WorkPlace Shareholder:
 - 3.1 has not received or sent copies or originals of this document, the Form of Acceptance or any related documents in, into or from, a Restricted Jurisdiction;
 - 3.2 has not otherwise utilised in connection with the Offer, directly or indirectly, the use of the mails of, or any means or instrumentality (including, without limitation, facsimile transmission, e-mail, telex, telephone and the internet) of interstate or foreign commerce, or any facilities of a national securities exchange, of a Restricted Jurisdiction;
 - 3.3 was outside a Restricted Jurisdiction when the Form of Acceptance was delivered and at the time of accepting the Offer and, in respect of Offer Shares to which the Form of Acceptance relates, is not an agent or fiduciary acting on a non-discretionary basis for a principal who has given any instructions with respect to the Offer from within a Restricted Jurisdiction or is a resident of any Restricted Jurisdiction; and
 - 3.4 the Form of Acceptance and the Offer Document have not been mailed or otherwise sent in, into or from a Restricted Jurisdiction and such shareholder is accepting the Offer from outside such Restricted Jurisdictions;
4. the execution of the Form of Acceptance and its delivery to the Receiving Agent constitutes, subject to the Offer becoming unconditional in accordance with its terms and to the accepting WorkPlace Shareholder not having validly withdrawn his acceptance, the irrevocable separate appointment of NewCo and/or any director of NewCo, and/or any person authorised by NewCo as such WorkPlace Shareholder's attorney and/or agent ("**attorney**"), with an irrevocable instruction and authorisation to the attorney to:

- 4.1 complete and execute all or any form(s) of transfer and/or renunciation and/or other documents in the attorney's discretion in relation to Offer Shares referred to in paragraph 1.1 of this Part C in favour of NewCo or such other person or persons as NewCo or its agents may direct;
 - 4.2 deliver such form(s) of transfer and/or renunciation and/or other documents at the attorney's discretion together with any certificate(s) and/or other document(s) of title relating to such Offer Shares for registration within six months of the Offer becoming unconditional; and
 - 4.3 execute all such other documents and do all such other acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the acceptance or deemed acceptance of the Offer and to vest in NewCo or its nominee(s) the Offer Shares as aforesaid;
5. the execution of the Form of Acceptance and its delivery to the Receiving Agent constitutes, subject to the Offer becoming unconditional in accordance with its terms and to the accepting WorkPlace Shareholder not having validly withdrawn his acceptance, a separate and irrevocable authority and request:
 - 5.1 to WorkPlace or its agents to procure the registration of the transfer of those Offer Shares pursuant to the Offer and the delivery of the share certificate(s) and/or other document(s) of title in respect thereof to NewCo or as it may direct; and
 - 5.2 to NewCo or its agents to procure the despatch by post (or such other method as may be approved by the Panel) of a cheque in respect of any cash consideration to which an accepting WorkPlace Shareholder is entitled under the Offer, at the risk of such WorkPlace Shareholder, to the person or agent whose name and address (outside any Restricted Jurisdiction unless otherwise permitted by NewCo) is set out in Box 1 or Box 6 of the Form of Acceptance or, if none is set out, to the first-named holder at his registered address (outside any Restricted Jurisdiction unless otherwise permitted by NewCo);
6. subject to the Offer becoming unconditional (or if the Panel otherwise gives its consent), and pending registration, that:
 - 6.1 NewCo or its agents be entitled to direct the exercise of any votes and any and all other rights and privileges (including the right to requisition the convening of a general meeting or separate class meeting of WorkPlace) attaching to any certificated Offer Shares in respect of which the Offer has been accepted, or is deemed to have been accepted, and such acceptance has not been validly withdrawn; and
 - 6.2 the execution of a Form of Acceptance by a WorkPlace Shareholder constitutes, in respect of certificated Offer Shares comprised in such acceptance and in respect of which such acceptance has not been validly withdrawn:
 - 6.2.1 an irrevocable authority to WorkPlace and/or its agents from such WorkPlace Shareholder to send any notice, circular, warrant, document or other communication which may be required to be sent to him as a member of WorkPlace (including any share certificate(s) or other document(s) of title issued as a result of a conversion of such Offer Shares into certificated form) to NewCo at Precedent Drive, Rooksley, Milton Keynes, Buckinghamshire MK13 8PP or to such address as NewCo or its agents may direct;
 - 6.2.2 an irrevocable authority to NewCo and/or any of its directors and/or its agents to sign on such WorkPlace Shareholder's behalf such documents and do such things as may in the opinion of such person seem necessary or desirable in connection with the exercise of any votes or other rights or privileges attaching to such Offer Shares (including, without limitation, an authority to sign any consent to short notice on his behalf and/or attend and/or execute a form of proxy in respect of such Offer Shares appointing any person nominated by NewCo to attend general meetings and separate class meetings of WorkPlace or its members (or any of them) (and any adjournments thereof) and to

exercise, or refrain from exercising the votes attaching to such shares on such WorkPlace Shareholder's behalf; and

6.2.3 the agreement of such WorkPlace Shareholder not to exercise any of such rights without the consent of NewCo and the irrevocable undertaking of such WorkPlace Shareholder not to appoint a proxy or representative for or to attend any such general meeting or separate class meeting;

7. they shall deliver (or procure the delivery) to the Receiving Agent at the address referred to in paragraph 4.1 of Part B of this Appendix I his share certificate(s) or other document(s) of title in respect of all Offer Shares held by him in certificated form in respect of which the Offer has been accepted or is deemed to have been accepted and not validly withdrawn, or an indemnity acceptable to NewCo in lieu thereof, as soon as possible and in any event within six months of the Offer becoming unconditional;
8. if, for any reason, any Offer Shares in respect of which a TTE Instruction has been effected in accordance with paragraph 17.2 of the letter from NewCo set out in Part 2 to this document are converted to certificated form, he will (without prejudice to paragraph 6.2.1 of this Part C) immediately deliver or procure the immediate delivery of the share certificate(s) or other document(s) of title in respect of all such Offer Shares as so converted to the Receiving Agent at the address referred to in paragraph 4.1 of Part B of this Appendix I or to NewCo at the address specified in paragraph 6.2.1 of this Part C or to such address as NewCo or its agents may direct and he shall be deemed on conversion to undertake, represent, warrant and agree in the terms set out in this Part C in relation to such Offer Shares without prejudice to the application of Part D of this Appendix I so far as NewCo deems appropriate;
9. if he accepts the Offer and does not validly withdraw such acceptance, he shall do all such acts and things (subject to the Code) as shall, in the opinion of NewCo and/or the Receiving Agent, be necessary or expedient to vest in NewCo or its nominee(s) or such other person as NewCo may decide, title to the number of Offer Shares inserted or deemed to be inserted in Box 3A or Box 3B of the Form of Acceptance;
10. the terms and conditions of the Offer contained in this Offer Document will be deemed to be incorporated in, and form part of, the Form of Acceptance, which will be construed accordingly;
11. he will ratify each and every act or thing which may be lawfully done or effected by NewCo or the Receiving Agent or their respective directors, agents or attorneys or WorkPlace or its agents (as the case may be) in the proper exercise of any of his or its powers and/or authorities hereunder (and to indemnify each such person against any losses arising therefrom other than losses arising as a result of the negligence or wilful default of such person);
12. if any provision of Part B or this Part C of this Appendix I shall be unenforceable or invalid or shall not operate so as to afford NewCo or the Receiving Agent or their respective directors, agents or attorneys (as the case may be) the full benefit of authorities or powers of attorney expressed to be given therein, he shall with all practicable speed do all such acts or things and execute all such documents as may be required to enable those persons to secure the full benefits of Part B and this Part C of this Appendix I;
13. the execution of the Form of Acceptance constitutes his submission, in relation to all matters arising out of the Offer and the Form of Acceptance, to the jurisdiction of the Courts of England and his agreement that nothing shall limit the right of NewCo and/or the Receiving Agent and/or any of their respective directors or agents to bring any action, suit or proceeding arising out of or in connection with the Offer and the Form of Acceptance in any other manner permitted by law or in any court of competent jurisdiction; and
14. on execution, the Form of Acceptance will take effect as a deed.

Part D: Electronic Acceptance

References in this Part D to a WorkPlace Shareholder shall include reference to the person or persons making an Electronic Acceptance and, in the event of more than one person making an Electronic Acceptance, the provisions of this Part D shall apply to them jointly and severally.

Each WorkPlace Shareholder who holds Offer Shares in uncertificated form by whom, or on whose behalf, an Electronic Acceptance is made irrevocably undertakes, represents, warrants and agrees to and with NewCo and the Receiving Agent (so as to bind him and his personal representatives, heirs, successors and assigns) to the following effect that:

1. the Electronic Acceptance shall constitute in respect of the number of Offer Shares in uncertificated form to which a TTE Instruction relates:
 - 1.1 an acceptance of the Offer;
 - 1.2 an undertaking to execute any further documents, take any further action and give any further assurances (subject in each case to the Code) which may be required to enable NewCo to obtain the full benefit of this Part D and/or to perfect any authorities expressed to be given hereunder, in each case on and subject to the terms and the conditions set out or referred to in this Offer Document and that, subject only to the rights of withdrawal set out in paragraph 4 of Part B of this Appendix I, such acceptance, election and undertaking shall be irrevocable.
2. Offer Shares in uncertificated form in respect of which the Offer is accepted, or deemed to be accepted, are sold fully paid with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption and other third party interests and rights of any nature whatsoever and together with all rights now or hereafter attaching thereto including, without limitation, the right to receive and retain in full all dividends and other distributions, if any, declared, paid or made after the Announcement Date.
3. such WorkPlace Shareholder:
 - 3.1 has not received or sent copies or originals of this document, the Form of Acceptance or any related documents in, into or from, a Restricted Jurisdiction and has not otherwise utilised in connection with the Offer, directly or indirectly, the use of the mails of, or any means or instrumentality (including, without limitation, facsimile transmission, e-mail, telex, telephone and the internet) of interstate or foreign commerce, or any facilities of a national securities exchange, of a Restricted Jurisdiction at the time of the input and settlement of the relevant TTE Instruction(s), and in respect of Offer Shares in uncertificated form to which an Electronic Acceptance relates he is not an agent or fiduciary acting on a non-discretionary basis for a principal who has given any instructions with respect to the Offer from within a Restricted Jurisdiction or is a resident of any Restricted Jurisdiction; and
 - 3.2 if not a citizen, resident or national of the UK, he has observed the laws of all relevant territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due from him, in connection with such acceptance in any territory, and that he has not taken or omitted to take any action which will or may result in NewCo or any other person acting in breach of any legal or regulatory requirements of any territory in connection with the Offer or his acceptance thereof, provided that the warranties and representations above shall be deemed not to be given if such WorkPlace Shareholder purports to accept the Offer by sending (or, if a CREST sponsored member, procuring that his CREST sponsor sends) a Restricted Escrow Transfer and a Restricted ESA Instruction pursuant to paragraph 6.6 of Part B of this Appendix I;
4. the Electronic Acceptance constitutes, subject to the Offer becoming unconditional in accordance with its terms and to the accepting WorkPlace Shareholder not having validly withdrawn his acceptance, the irrevocable separate appointment of each of NewCo and/or any director of NewCo, and/or any person authorised by NewCo as such WorkPlace Shareholder's attorney and/or agent ("**attorney**") with an irrevocable instruction and authorisation to the attorney to do all such acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with,

the acceptance of the Offer and to vest in NewCo or its nominee(s) the Offer Shares in uncertificated form referred to in paragraph 1 above in respect of which such accepting WorkPlace Shareholder has not validly withdrawn his acceptance (the “**Electronic Acceptance Shares**”);

5. the Electronic Acceptance constitutes the irrevocable appointment of the Receiving Agent as such WorkPlace Shareholder’s attorney and/or agent with an irrevocable instruction and authority to the attorney and/or agent, subject to the Offer becoming unconditional in accordance with its terms and to such accepting WorkPlace Shareholder not having validly withdrawn his acceptance, to transfer to NewCo (or to such other person or persons as NewCo or its agents may direct) by means of CREST all or any of the Electronic Acceptance Shares and, if the Offer does not become unconditional, immediately after the lapsing of the Offer (or within such longer period as the Panel may permit, not exceeding 14 calendar days from the lapsing of the Offer), to transfer all the Electronic Acceptance Shares to the original available balance of the accepting WorkPlace Shareholder;
6. the Electronic Acceptance constitutes, subject to the Offer becoming unconditional in accordance with its terms and to an accepting WorkPlace Shareholder not having validly withdrawn his acceptance, an irrevocable authority and request, subject to the provisions of paragraph 5 of Part B of this Appendix I, to NewCo or its agents to procure the making of a CREST payment obligation in favour of the accepting WorkPlace Shareholder’s payment bank in accordance with the CREST payment arrangements in respect of any cash consideration to which such accepting WorkPlace Shareholder is entitled under the Offer, provided that:
 - 6.1 NewCo may (if for any reason it wishes to do so) determine that all or any part of such cash consideration shall be paid by cheque, despatched by post; and
 - 6.2 if the accepting WorkPlace Shareholder is a CREST member whose registered address is in a Restricted Jurisdiction, any cash consideration to which he is entitled shall in any case be paid by cheque despatched by post, and in either case all such cheques shall be despatched at the risk of such WorkPlace Shareholder to the first-named holder at an address outside a Restricted Jurisdiction stipulated by such holder or as otherwise determined by NewCo;
7. the Electronic Acceptance constitutes the same undertakings, acceptances, acknowledgements and authorities as set out in paragraph 4 of Part C of this Appendix I as if the same had been restated in this Part D *mutatis mutandis*;
8. subject to the Offer becoming unconditional (or if the Panel otherwise gives its consent), and pending registration that:
 - 8.1 NewCo or its agents be entitled to direct the exercise of any votes and any and all other rights and privileges (including the right to requisition the convening of a general meeting or separate class meeting of WorkPlace) attaching to any uncertificated Offer Share in respect of which the Offer has been accepted, or is deemed to have been accepted, and such acceptance has not been validly withdrawn; and
 - 8.2 an Electronic Acceptance by a WorkPlace Shareholder constitutes, in respect of uncertificated Offer Shares comprised in such acceptance and in respect of which such acceptance has not been validly withdrawn:
 - 8.2.1 an irrevocable authority to WorkPlace and/or its agents from such WorkPlace Shareholder to send any notice, circular, warrant, document or other communication which may be required to be sent to him as a member of WorkPlace (including any share certificate(s) or other document(s) of title issued as a result of a conversion of such Offer Shares into certificated form) to NewCo at Precedent Drive, Rooksley, Milton Keynes, Buckinghamshire MK13 8PP or to such address as NewCo or its agents may direct;
 - 8.2.2 an irrevocable authority to NewCo and/or any of its directors and/or its agents to sign on such WorkPlace Shareholder’s behalf such documents and do such things as may in the opinion of such person seem necessary or desirable in connection with the exercise of any votes or other rights or privileges attaching to such Offer Shares (including, without

limitation, an authority to sign any consent to short notice on his behalf and/or attend and/or execute a form of proxy in respect of such Offer Shares appointing any person nominated by NewCo to attend general meetings and separate class meetings of WorkPlace or its members (or any of them) (and any adjournments thereof) and to exercise or refrain from exercising the votes attaching to such shares on such WorkPlace Shareholder's behalf; and

- 8.2.3 the agreement of such WorkPlace Shareholder not to exercise any of such rights without the consent of NewCo and the irrevocable undertaking of such WorkPlace Shareholder not to appoint a proxy or representative for or to attend any such general meeting or separate class meeting;
9. if, for any reason, any Offer Shares in respect of which a TTE Instruction has been effected in accordance with paragraph 17.2 of the letter from NewCo set out in Part 2 of this document are converted to certificated form, he will (without prejudice to paragraph 8.2.1 of this Part D) immediately deliver or procure the immediate delivery of the share certificate(s) or other document(s) of title in respect of all such Offer Shares as so converted to the Receiving Agent at the address referred to in paragraph 4.1 of Part B of this Appendix I or to NewCo at the address specified in paragraph 8.2.1 of this Part C or to such address as NewCo or its agents may direct and he shall be deemed on conversion to undertake, represent, warrant and agree in the terms set out in Part C of this Appendix I in relation to such Offer Shares without prejudice to the application of this Part D so far as NewCo deems appropriate;
 10. the creation of a CREST payment obligation in favour of his payment bank in accordance with the CREST payment arrangements referred to in paragraph 6 of this Part D above shall, to the extent of the obligations so created, discharge in full any obligation of NewCo to pay him the cash consideration to which he is entitled pursuant to the Offer;
 11. if he accepts the Offer and does not validly withdraw such acceptance, he shall do all such acts and things as shall, in the opinion of NewCo and/or the Receiving Agent, be necessary or expedient to enable the Receiving Agent to perform its functions as Escrow Agent for the purposes of the Offer;
 12. he will ratify each and every act or thing which may be lawfully done or effected by NewCo or the Receiving Agent or their respective directors, agents or attorneys, or WorkPlace or its agents, as the case may be, in the proper exercise of any of his or its powers and/or authorities hereunder (and to indemnify each such person against any losses arising therefrom other than losses arising as a result of the negligence or wilful default of such person);
 13. if any provision of Part B or this Part D of this Appendix I shall be unenforceable or invalid or shall not operate so as to afford NewCo or the Receiving Agent or their respective directors, agents or attorneys, as the case may be, the full benefit of authorities or powers of attorney expressed to be given therein, he shall with all practicable speed do all such acts or things and execute all such documents as may be required to enable those persons to secure the full benefits of Part B and this Part D of this Appendix I;
 14. the making of an Electronic Acceptance constitutes his submission, in relation to all matters arising out of the Offer and the Electronic Acceptance, to the jurisdiction of the Courts of England and his agreement that nothing shall limit the right of NewCo and/or the Receiving Agent and/or any of their respective directors or agents to bring any action, suit or proceeding arising out of or in connection with the Offer and the Electronic Acceptance in any other manner permitted by law or in any court of competent jurisdiction; and
 15. by virtue of the Regulations the making of an Electronic Acceptance constitutes an irrevocable power of attorney by the relevant holder of Offer Shares in the terms of the powers and authorities expressed to be given by Part B, this Part D and (where applicable by virtue of paragraph 7 above) Part C of this Appendix I to NewCo and the Receiving Agent and their respective directors or agents.

Appendix II

Financial Information relating to NewCo, LDC and Lloyds Banking Group

Part A – NewCo

As NewCo was incorporated on 18 August 2011 for the purpose of making the Offer, no financial information is available or has been published in respect of NewCo.

NewCo is a limited liability company incorporated in England and Wales for the purposes of making the Offer and is backed by LDC and the Management Team.

Following the Offer becoming unconditional, the material asset of NewCo is expected to be a cash balance of approximately £44 million which will be used to settle the Offer Price and the fees and expenses incurred by NewCo in connection with the Offer, which are summarised in paragraph 13 of Appendix IV.

Accordingly, the assets and liabilities of the consolidated NewCo Group and WorkPlace Group following the Offer becoming unconditional would be comprised of the assets and liabilities of the WorkPlace Group.

As NewCo was incorporated on 18 August 2011 for the purposes of the Offer, there are no current ratings or outlooks publicly accorded to NewCo by ratings agencies.

Part B – LDC

The audited consolidated financial statements of LDC for the period from 1 January 2009 to 31 December 2009 as well as for the period from 1 January 2010 to 31 December 2010 have been published on www.waspidco.co.uk, from where they can be downloaded and printed, and are incorporated into this document by reference to such website in accordance with Rule 24.15 of the Code.

There has been no known significant change in the financial and trading position of LDC since the end of the last financial period ended 31 December 2010.

The effect of implementation of the Offer in full would not be material in the context of LDC.

There are no current ratings or outlooks publicly accorded to LDC by ratings agencies.

Please see paragraph 14 of Appendix IV for details of obtaining hard copies of documents incorporated by reference into this document.

Part C – Lloyds Banking Group

Incorporation of relevant information by reference

The audited consolidated financial statements of Lloyds Banking Group for the period from 1 January 2009 to 31 December 2009 as well as for the period from 1 January 2010 to 31 December 2010 as well as the Q3 interim management statement of Lloyds Banking Group for the period from 1 January 2011 to 30 September 2011 have been published on www.lloydsbankinggroup.com, from where they can be downloaded and printed, and are incorporated into this document by reference to such website in accordance with Rule 24.15 of the Code.

Please see paragraph 14 of Appendix IV for details of obtaining hard copies of documents incorporated by reference into this document.

Appendix III

Financial Information relating to the WorkPlace Group

Incorporation of relevant information by reference

The audited consolidated financial statements of WorkPlace for the period from 1 April 2009 to 31 March 2010 as well as for the period from 1 April 2010 to 31 March 2011 and the interim consolidated financial statements of WorkPlace for the period from 1 April 2011 to 30 September 2011 have been published on www.workplacesystems.com, from where they can be downloaded and printed, and are incorporated into this document by reference to such website in accordance with Rule 24.15 of the Code.

There has been no known significant change in the financial and trading position of WorkPlace since the end of the last financial period ended 30 September 2011.

Please see paragraph 14 of Appendix IV for details of obtaining hard copies of documents incorporated by reference into this document.

Appendix IV

Additional Information

1. Responsibility

- 1.1 The WorkPlace Directors, whose names and business addresses are set out at paragraph 2.1 of this Appendix IV, each accept responsibility for the information contained in this document in relation to the WorkPlace Group, the WorkPlace Directors and their immediate families, persons connected with the WorkPlace Directors and their related trusts and controlled companies. To the best of the knowledge and belief of the WorkPlace Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information. Neither the Management Team nor the Continuing Directors are responsible for the views of the Independent Directors and their recommendation in respect of the Offer and their recommendation that the Independent WorkPlace Shareholders vote in favour of the Ordinary Resolution as set out in Part 1 of this document due to their conflicts of interest as members of the Management Team and their status as Continuing Directors respectively.
- 1.2 The Independent Directors of WorkPlace, whose names are set out at paragraph 2.2 of this Appendix IV, each accept responsibility for their recommendation of the Offer and their recommendation that the Independent WorkPlace Shareholders vote in favour of the Ordinary Resolution and for any opinion of the Independent Directors of WorkPlace relating to those recommendations. To the best of the knowledge and belief of the Independent Directors of WorkPlace (who have taken all reasonable care to ensure that such is the case), the information contained herein for which they are respectively responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.3 The NewCo Directors, whose names are set out at paragraph 2.3 of this Appendix IV, each accept responsibility for the information contained in this document (other than that relating to the WorkPlace Group, the WorkPlace Directors (and members of their immediate families, persons connected with the WorkPlace Directors and their related trusts and controlled companies), the recommendation of the Independent Directors of both the Offer and to vote in favour of the Ordinary Resolution and for any opinion of the Independent Directors relating to those recommendations). To the best of the knowledge and belief of the NewCo Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.4 The members of the LDC Investment Committee, whose names are set out at paragraph 2.4 of this Appendix IV, each accept responsibility for the information contained in this document (other than that relating to the WorkPlace Group, the WorkPlace Directors (and members of their immediate families, persons connected with the WorkPlace Directors and their related trusts and controlled companies), the recommendation of the Independent Directors of both the Offer and to vote in favour of the Ordinary Resolution and for any opinion of the Independent Directors relating to those recommendations). To the best of the knowledge and belief of the members of the LDC Investment Committee (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors

2.1 The WorkPlace Directors and their respective positions are set out below:

<i>Name</i>	<i>Position held</i>
Ian Lenagan	<i>Chairman</i>
Bernard Quinn	<i>Chief Executive</i>
Paul Wright	<i>Chief Finance Officer</i>
Alex Davis	<i>Chief Technology Officer</i>
Anthony Knight	<i>Client Services Director</i>
Ian Mills	<i>Design Director</i>
Nigel Garrett	<i>Sales Director</i>
John Herring	<i>Non-Executive Director</i>

The registered office of WorkPlace and the principal business address of each of the WorkPlace Directors is Precedent Drive, Rooksley, Milton Keynes Buckinghamshire MK13 8PP.

2.2 The Independent Directors and their respective positions are set out below:

<i>Name</i>	<i>Position held</i>
Ian Lenagan	<i>Chairman</i>
John Herring	<i>Non-Executive Director</i>

2.3 The NewCo Directors and their respective positions are set out below:

<i>Name</i>	<i>Position</i>
Bernard Quinn	<i>Chief Executive</i>
Paul Wright	<i>Chief Finance Officer</i>
Alex Davis	<i>Chief Technology Officer</i>
Anthony Knight	<i>Client Services Director</i>
Daniel Sasaki	<i>Director</i>
Kunal Dasgupta	<i>Director</i>

The registered office of NewCo is Precedent Drive, Rooksley, Milton Keynes, Buckinghamshire MK13 8PP.

2.4 The members of the LDC Investment Committee and their respective positions are set out below:

<i>Name</i>	<i>Position</i>
Darryl Eales	<i>Investment Committee Member</i>
Patrick Sellers	<i>Investment Committee Member</i>
Christopher Hurley	<i>Investment Committee Member</i>
Karen Bothwell	<i>Investment Committee Member</i>
Keith Macdonald	<i>Investment Committee Member</i>
Peter Woodbury	<i>Investment Committee Member</i>
Candida Morley	<i>Investment Committee Member</i>

The registered office of LDC is One Vine Street, London W1J 0AH.

3. WorkPlace Shares and WorkPlace Share Option Schemes

3.1 At the close of business on 8 December 2011 (being the last practicable date prior to the publication of this document), 148,225,909 WorkPlace Shares were in issue and 15,923,538 WorkPlace Options were outstanding.

4. Market quotations

4.1 The following table shows the Closing Price for WorkPlace Shares in each case on:

4.1.1 the first dealing day of each month for the six months immediately prior to the date of this document;

4.1.2 8 December 2011, being the last dealing day prior to the commencement of the Offer Period; and

4.1.3 8 December 2011, being the last practicable dealing day prior to the posting of this document:

<i>Date</i>	<i>Closing Price (pence)</i>
01/07/2011	13.25
01/08/2011	14.50
01/09/2011	14.50
03/10/2011	14.12
01/11/2011	14.75
01/12/2011	13.38
08/12/2011	13.75

5. Disclosure of interests and dealings

5.1 *Definitions and references*

For the purposes of this paragraph 5:

5.1.1 **“acting in concert”** with WorkPlace or NewCo, as the case may be, means any such person acting or deemed to be acting in concert with WorkPlace or NewCo, as the case may be, for the purposes of the Code;

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

5.1.3 **“associate”** of any company means, unless otherwise stated:

- (a) its parent, subsidiaries and fellow subsidiaries, and their associated companies, and companies of which such companies are associated companies (for this purpose ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status);
- (b) connected advisers and persons controlling, controlled by or under the same control as such connected advisers;
- (c) the directors (together with their close relatives and related trusts) of the company or any company covered in sub-paragraph (a); and
- (d) the pension fund of the company or any company covered in sub-paragraph (a).

5.1.4 **“connected adviser”** includes an organisation which is:

- (a) advising NewCo or (as the case may be) WorkPlace in relation to the Offer;
- (b) a corporate broker to NewCo or (as the case may be) WorkPlace;
- (c) advising a person acting in concert with NewCo or (as the case may be) WorkPlace in relation to the Offer or in relation to the matter which is the reason for that person being a member of the concert party, in each case above excluding any exempt principal traders and any exempt fund managers;

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

5.1.6 **“dealing”** or **“dealt”** means:

- (a) acquiring or disposing of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities or of general control of relevant securities;
- (b) taking, granting, acquiring, disposing of, entering into, closing out, terminating, exercising (by either party) or varying an option (including a traded option contract) in respect of any relevant securities;
- (c) subscribing or agreeing to subscribe for relevant securities;
- (d) exercising or converting, whether in respect of any new or existing securities, or any relevant securities carrying conversion or subscription rights;
- (e) acquiring, disposing of, entering into, closing out, exercising (by either party) of any rights under, or varying, a derivative referenced, directly or indirectly, to relevant securities;
- (f) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and
- (g) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;

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

5.1.8 **“disclosure period”** means the period which began on 9 December 2010 (the date 12 months prior to the commencement of the Offer Period) and ended on 8 December 2011 (being the last practicable date prior to the publication of this document);

5.1.9 a person has an **“interest”** or is **“interested”** in relevant securities if he has a long economic exposure, whether absolute or conditional, to changes in the price of those securities (but not if he only has a short position in such securities) and in particular if:

- (a) he owns them;
- (b) he has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
- (c) by virtue of any agreement to purchase, option or derivative he:
 - (i) has the right or option to acquire them or call for their delivery; or
 - (ii) is under an obligation to take delivery of them

whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or

- (d) he is party to any derivative:
 - (i) whose value is determined by reference to their price; and
 - (ii) which results, or may result, in his having a long position in them.

5.1.10 “**relevant securities**” means:

- (a) WorkPlace Shares and any other securities of WorkPlace conferring voting rights;
- (b) equity share capital of WorkPlace or, as the context requires, the NewCo Group;
- (c) securities of any member of the NewCo Group; and
- (d) securities of WorkPlace and any member of the NewCo Group carrying conversion or subscription rights into any of the foregoing;

5.1.11 “**securities**” has the meaning given to it by the Code; and

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

5.2 *Interests in WorkPlace Shares and relevant securities*

5.2.1 From and including the Announcement Date all members of the Wider Lloyds Banking Group are deemed to be acting in concert with NewCo. Prior to the Announcement Date, save for LDC, and the LDC Investment Committee, the members of the Wider Lloyds Banking Group were not deemed to be acting in concert with NewCo. For reasons of confidentiality, NewCo was not able to approach such concert parties until the Announcement Date. As a result, it is not possible to disclose the interests in WorkPlace Shares held by such concert parties in this document. Details of any interests in WorkPlace Shares held by any member of the Wider Lloyds Banking Group may be disclosed in a subsequent announcement if required by the Panel.

5.2.2 As at 8 December 2011, being the last practicable date prior to the publication of this document, the interests, rights to subscribe and short positions (excluding WorkPlace Options as set out in paragraph 5.2.3 below) in respect of relevant securities of WorkPlace held by NewCo and any persons deemed to be acting in concert with NewCo (including the NewCo Directors, the Management Team and members of their immediate families, related trusts and connected persons) were as follows:

<i>Name</i>	<i>Registered holder</i>	<i>Beneficial owner (if different from registered holder)</i>	<i>Number of WorkPlace Shares</i>
Alex Davis	Alex Davis		653,300
Anthony Knight	Anthony Knight		252,834
Bernard Quinn	Barney Quinn		1,350,000
	Barclayshare Nominees	Michael Quinn	303,000
Paul Wright	Paul Wright		350,000
	LR Nominees	Paul Wright	281,412
	Jennifer Wright		310,000
	HSBC Nominees	Mark Wright	8,000

5.2.3 As at 8 December 2011, the last practicable date prior to the publication of this document, the following WorkPlace Options had been granted to the Management Team:

<i>Name</i>	<i>Details</i>	<i>Grant date</i>	<i>Number of WorkPlace Shares</i>	<i>Expiry date</i>	<i>Exercise price</i>
Alex Davis	WorkPlace Enterprise Management Incentive Scheme	04/03/2009	500,000	04/03/2019	5p
	WorkPlace Enterprise Management Incentive Scheme	08/07/2010	500,000	08/07/2020	7.25p

<i>Name</i>	<i>Details</i>	<i>Grant date</i>	<i>Number of WorkPlace Shares</i>	<i>Expiry date</i>	<i>Exercise price</i>
Anthony Knight	WorkPlace Enterprise Management Incentive Scheme	21/06/2007	150,000	21/06/2017	7.25p
Bernard Quinn	WorkPlace Enterprise Management Incentive Scheme ⁽¹⁾	21/06/2007	5,000,000	21/06/2017	7.25p
	WorkPlace Enterprise Management Incentive Scheme ⁽¹⁾	19/06/2007	3,666,667	19/06/2017	7.5p
	WorkPlace Enterprise Management Incentive Scheme	19/06/2007	1,333,333	19/06/2017	7.5p
Paul Wright	WorkPlace Enterprise Management Incentive Scheme	10/10/2008	1,000,000	10/10/2018	5.25p

(1) Issued as unapproved options.

5.2.4 As at 8 December 2011, being the last practicable date prior to the publication of this document, the interests, rights to subscribe and short positions in respect of relevant securities of WorkPlace held by the Independent Directors (including members of their immediate families, related trusts and connected persons) were as follows:

<i>Name</i>	<i>Registered holder</i>	<i>Beneficial owner (if different from registered holder)</i>	<i>Number of WorkPlace Shares</i>
Ian Lenagan	Ian Lenagan		56,607,060
	Frank Nominees	Ian Lenagan	2,156,380
	Adrian Peter Lenagan		4,782,963
	Simon Francis Lenagan		4,782,400
John Herring	BBHISL Nominees Limited	John Herring	588,956

5.2.5 As at 8 December 2011, being the last practicable date prior to the publication of this document, the interests, rights to subscribe and short positions (excluding WorkPlace Options as set out in paragraph 5.2.6 below) in respect of relevant securities of WorkPlace held by the Continuing Directors (including members of their immediate families, related trusts and connected persons) were as follows:

<i>Name</i>	<i>Registered holder</i>	<i>Beneficial owner (if different from registered holder)</i>	<i>Number of WorkPlace Shares</i>
Nigel Garrett	Nigel Garrett		1,647,785
	Hargreaves Lansdown Nominees	Nigel Garrett	561,605
Ian Mills	Ian Mills		528,780

5.2.6 As at 8 December 2011, the last practicable date prior to the publication of this document, the following WorkPlace Options had been granted to the Continuing Directors:

<i>Name</i>	<i>Details</i>	<i>Grant date</i>	<i>Number of WorkPlace Shares</i>	<i>Expiry date</i>	<i>Exercise price</i>
Nigel Garrett	WorkPlace Approved Share Option Scheme	25/07/2002	100,000	24/07/2012	5p
	WorkPlace Enterprise Management Incentive Scheme	21/06/2007	350,000	21/06/2017	7.25p
	WorkPlace Approved Share Option Scheme	02/07/2003	100,000	01/07/2013	9.75p
	WorkPlace Approved Share Option Scheme	22/06/2004	100,000	01/07/2014	11.5p
Ian Mills	WorkPlace Approved Share Option Scheme	25/07/2002	100,000	24/07/2012	5p
	WorkPlace Enterprise Management Incentive Scheme	21/06/2007	300,000	21/06/2017	7.25p
	WorkPlace Approved Share Option Scheme	02/07/2003	100,000	01/07/2013	9.75p
	WorkPlace Approved Share Option Scheme	22/06/2004	100,000	01/07/2014	11.5p
	WorkPlace Savings-related Share Option Scheme	03/08/2007	11,837	01/03/2013	8.3p
	WorkPlace Savings-related Share Option Scheme	06/08/2008	11,625	01/03/2014	8.4p

5.2.7 As at 8 December 2011, being the last practicable date prior to the publication of this document, the interests, rights to subscribe and short positions in respect of relevant securities of NewCo held by WorkPlace or the WorkPlace Directors were as follows:

<i>Name</i>	<i>Number of NewCo Shares</i>
Bernard Quinn	1

5.3 *Dealings in WorkPlace Shares and relevant securities*

5.3.1 From and including the Announcement Date all members of the Wider Lloyds Banking Group are deemed to be acting in concert with NewCo. Prior to the Announcement Date, save for LDC, and the LDC Investment Committee, the members of the Wider Lloyds Banking Group were not deemed to be acting in concert with NewCo. For reasons of confidentiality, NewCo was not able to approach such concert parties until the Announcement Date. As a result, it is not possible to disclose the dealings in WorkPlace Shares by such concert parties in this document. Details of any dealing in WorkPlace Shares by any member of the wider Lloyds banking Group will be disclosed in a subsequent announcement if required.

5.3.2 The following dealings for value in the relevant securities of WorkPlace by NewCo or persons acting in concert with NewCo (including the NewCo Directors, the Management Team and members of their immediate families, related trusts and connected persons) have taken place during the disclosure period:

<i>Registered holder</i>	<i>Beneficial owner (if different from registered holder)</i>	<i>Date</i>	<i>Transaction</i>	<i>Number of securities</i>	<i>Price per unit</i>
Mark Wright		19/01/2011	Disposal	15,000	16p
LR Nominees	Paul Wright	28/03/2011	Acquisition	75,000	12.75p
HSBC Nominees	Mark Wright	04/04/2011	Acquisition	8,000	12.75p

5.3.3 The following dealings for value in the relevant securities of WorkPlace by associates of WorkPlace (including the Independent Directors, the Continuing Directors and their close relatives and related trusts) have taken place during the disclosure period:

<i>Registered holder</i>	<i>Beneficial owner (if different from registered holder)</i>	<i>Date</i>	<i>Transaction</i>	<i>Number of securities</i>	<i>Price per unit</i>
Nigel Garrett		07/09/2011	Acquisition	6,714	8.4p
Ian Mills		09/02/2011	Acquisition	9,096	10.9p

5.4 **General**

5.4.1 Save as disclosed in this paragraph 5, as at 8 December 2011, being the last practicable date prior to the publication of this document:

- (a) neither the NewCo Directors, nor NewCo, nor any other member of the NewCo Group, nor (in the case of the NewCo Directors) any member of their respective families or related trusts or companies or (so far as the NewCo Directors are aware having made due and careful enquiry) other connected persons, nor any person acting in concert with NewCo, nor any person with whom NewCo or any person acting in concert with NewCo had an arrangement, had any right to subscribe for, or had any short position in relation to, or was interested in, directly or indirectly, any relevant securities of WorkPlace nor had any such person dealt in any relevant securities of WorkPlace during the disclosure period;
- (b) neither WorkPlace, nor any of the WorkPlace Directors, nor (in the case of the WorkPlace Directors) any member of their respective families or related trusts or companies or (so far as the WorkPlace Directors are aware having made due and careful enquiry) other connected persons, nor any person acting in concert with WorkPlace, nor any person with whom WorkPlace or any person acting in concert with WorkPlace had an arrangement, was interested in, directly or indirectly, nor had any right to subscribe for, or any short position in relation to, any relevant securities of WorkPlace and nor had any such person dealt in any relevant securities of WorkPlace during the Offer Period;
- (c) neither WorkPlace, nor any of the WorkPlace Directors, nor (in the case of the WorkPlace Directors) any member of their respective families or related trusts or companies or (so far as the WorkPlace Directors are aware having made due and careful enquiry) other connected persons, was interested in, directly or indirectly, nor had any right to subscribe for, or any short position in relation to, any relevant securities of any member of the NewCo Group and nor had any such person dealt in any relevant securities of the NewCo Group during the Offer Period;
- (d) neither WorkPlace, NewCo, nor any person acting or presumed to be acting in concert with WorkPlace or NewCo had borrowed or lent (including for these purposes any financial collateral arrangements) any relevant securities in WorkPlace (save for any borrowed shares which have been either on-lent or sold);
- (e) save for the irrevocable undertakings given by the WorkPlace Directors as described in paragraph 8 of this Appendix IV, there is no arrangement relating to relevant securities in WorkPlace which exists between NewCo or any person acting in concert with NewCo and any other person, nor between WorkPlace or any person acting in concert with WorkPlace and any other person; and
- (f) in the disclosure period, WorkPlace has not redeemed or purchased any relevant securities of WorkPlace.

6. Service contracts and letters of appointment of the WorkPlace Directors

6.1 Each of the executive members of the WorkPlace Board has an existing service contract with WorkPlace as summarised below:

<i>Name</i>	<i>Date</i>	<i>Title</i>	<i>Salary (£ per annum)</i>	<i>Other Benefit</i>	<i>Leave (days)</i>	<i>Notice period (either party)</i>	<i>Retirement age</i>
Alex Davis	09/02/09	Chief Technology Officer	110,000	Senior management bonus scheme; WorkPlace Enterprise Management Incentive Scheme; stakeholder pension scheme; expenses; private medical insurance; life assurance; mobile phone; car allowance	25	6 months (executive) 12 months (WorkPlace)	65
Anthony Knight	01/04/08	Director of Client Services	100,000	Senior management bonus scheme; WorkPlace Enterprise Management Incentive Scheme and WorkPlace Savings-related Share Option Scheme; stakeholder pension scheme; expenses; private medical insurance; life assurance; mobile phone; car allowance	25	6 months	65
Bernard Quinn	01/04/08	Chief Executive Officer	150,000	Senior management bonus scheme; WorkPlace Enterprise Management Incentive Scheme; stakeholder pension scheme; expenses; private medical insurance; life assurance; mobile phone; car allowance	25	12 months	65
Nigel Garrett	01/04/08	Sales Director	91,875	Senior management bonus scheme; WorkPlace Enterprise Management Incentive Scheme and WorkPlace Savings-related Share Option Scheme; commission scheme; stakeholder pension scheme; expenses; private medical insurance; life assurance; mobile phone; car allowance	25	12 months	65
Ian Lenagan	11/07/00	Chairman and Chief Executive	201,760	Senior management bonus scheme; WorkPlace Enterprise Management Incentive Scheme; life insurance scheme; private medical insurance; critical illness insurance; expenses; company car allowance; pension contributions	25	12 months	65
Ian Mills	01/04/08	Design Director	93,750	Senior management bonus scheme; WorkPlace Enterprise Management Incentive Scheme and WorkPlace Savings-related Share Option Scheme; stakeholder pension scheme; expenses; private medical insurance; life assurance; mobile phone; car allowance	25	12 months	65
Paul Wright	27/08/08	Finance Director and Company Secretary	120,000	Senior management bonus scheme; WorkPlace Enterprise Management Incentive Scheme; stakeholder pension scheme; expenses; private medical insurance; life assurance; mobile phone; car allowance	25	6 months (executive) 12 months (WorkPlace)	65

6.2 Each of the executive members of the WorkPlace Directors' salaries is reviewed by the WorkPlace remuneration committee annually.

6.3 The following service contracts have been entered into between WorkPlace and the WorkPlace Directors:

6.3.1 On 9 February 2009, WorkPlace entered into a service contract with Alex Davis pursuant to which Mr. Davis was appointed Chief Technology Officer. The appointment commenced on 9 February 2009 and is terminable during the first 6 months of employment by either party and thereafter by WorkPlace giving Mr. Davis not less than 12 months' notice, or by Mr. Davis giving WorkPlace not less than 6 months' notice. Mr. Davis is engaged to work from 9.00 a.m. to 5.00 p.m. from Monday to Friday. His remuneration is £110,000 per annum. Additionally, Mr. Davis is entitled to:

- (i) participate in the senior management bonus scheme;
- (ii) participate in the WorkPlace Enterprise Management Incentive Scheme;
- (iii) participate in the stakeholder pension scheme;
- (iv) reimbursement of expenses exclusively and necessarily incurred in or about the proper performance of his duties;
- (v) private medical insurance for Mr. Davis and his spouse/partner;
- (vi) life assurance;
- (vii) a mobile telephone and all costs of line rental and call charges made solely in connection with WorkPlace's business;
- (viii) a car allowance; and
- (ix) 25 days' holiday in each holiday year in addition to statutory bank holidays.

The service contract contains restrictive covenants effective for a period of six months following termination of the agreement.

6.3.2 On 1 April 2008, WorkPlace entered into a service contract with Anthony Knight pursuant to which Mr. Knight was appointed Director of Client Services. The appointment commenced on 6 July 2006 and is terminable by either party giving not less than 6 months' notice to the other party. Mr. Knight is engaged to work from 9.00 a.m. to 5.30 p.m. from Monday to Friday. His remuneration is £100,000 per annum. Additionally, Mr. Knight is entitled to:

- (i) participate in the senior management bonus scheme;
- (ii) participate in the WorkPlace Enterprise Management Incentive Scheme and the SAYE scheme;
- (iii) participate in the stakeholder pension scheme;
- (iv) reimbursement of expenses exclusively and necessarily incurred in or about the proper performance of his duties;
- (v) private medical insurance for Mr. Knight and his spouse/partner;
- (vi) life assurance;
- (vii) a mobile telephone and all costs of line rental and call charges made solely in connection with WorkPlace's business;
- (viii) a car allowance; and
- (ix) 25 days' holiday in each holiday year in addition to statutory bank holidays.

The service contract contains restrictive covenants effective for a period of six months following termination of the agreement.

6.3.3 On 1 April 2008, WorkPlace entered into a service contract with Bernard Quinn pursuant to which Mr. Quinn was appointed Chief Executive Officer. The appointment commenced on 1 November 2006 and is terminable by either party giving not less than 12 months' notice to the other party. Mr. Quinn is engaged to work from 9.00 a.m. to 5.00 p.m. from Monday to Friday. His remuneration is £150,000 per annum. Additionally, Mr. Quinn is entitled to:

- (i) participate in the senior management bonus scheme;
- (ii) participate in the WorkPlace Enterprise Management Incentive Scheme;
- (iii) participate in the stakeholder pension scheme;
- (iv) reimbursement of expenses exclusively and necessarily incurred in or about the proper performance of his duties;
- (v) private medical insurance for Mr. Quinn and his spouse/partner;
- (vi) life assurance;
- (vii) a mobile telephone and all costs of line rental and call charges made solely in connection with WorkPlace's business;
- (viii) a car allowance; and
- (ix) 25 days' holiday in each holiday year in addition to statutory bank holidays.

The service contract contains restrictive covenants effective for a period of six months following termination of the agreement.

6.3.4 On 11 July 2000, WorkPlace (formerly Telework Group plc) entered into a service contract with Ian Lenagan pursuant to which Mr. Lenagan was appointed Chairman and Chief Executive. The appointment commenced on 11 July 2000 and is terminable by either party giving not less than one year's notice. Mr. Lenagan is engaged to work such hours as are reasonable in order to meet the requirements of the business and for the proper performance of his duties. His remuneration is £201,760 per annum. Additionally, Mr. Lenagan is entitled to:

- (i) participate in the senior management bonus scheme;
- (ii) participate in the WorkPlace Enterprise Management Incentive Scheme;
- (iii) participate in the life insurance scheme;
- (iv) participate in the private medical expenses insurance scheme for Mr. Lenagan, his wife and dependent children under the age of 21;
- (v) participate in the critical illness scheme to his benefit;
- (vi) reimbursement of expenses reasonably and properly incurred by him in the performance of his duties;
- (vii) car allowance and costs including private mileage;
- (viii) pension contributions, being 10 per cent. of salary or equivalent to the pension contributions that would be paid under Mr. Lenagan's pension arrangements; and
- (ix) 25 days' holiday in each holiday year in addition to statutory bank holidays.

Under the terms of the service contract, Mr. Lenagan may elect to receive cash in lieu of a number of the benefits set out above. The service contract also contains restrictive covenants effective for a period of twelve months following termination of the agreement.

6.3.5 On 1 April 2008, WorkPlace entered into a service contract with Ian Mills pursuant to which Mr. Mills was appointed Design Director. The appointment commenced on 3 October 1988 and is terminable by either party giving not less than 12 months' notice. Mr. Mills is engaged to work from 9.00 a.m. to 5.30 p.m. from Monday to Friday. His remuneration is £93,750 per annum. Additionally, Mr. Mills is entitled to:

- (i) participate in the senior management bonus scheme;
- (ii) participate in the WorkPlace Enterprise Management Incentive Scheme and the SAYE scheme;
- (iii) participate in the stakeholder pension scheme;
- (iv) reimbursement of expenses exclusively and necessarily incurred in or about the proper performance of his duties;
- (v) private medical insurance for Mr. Mills, his spouse/partner and his children under the age of 18;
- (vi) life assurance;
- (vii) a mobile telephone and all costs of line rental and call charges made solely in connection with WorkPlace's business;
- (viii) a car allowance; and
- (ix) 25 days' holiday in each holiday year in addition to statutory bank holidays.

The service contract contains restrictive covenants effective for a period of six months following termination of the agreement.

6.3.6 On 1 April 2008, WorkPlace entered into a service contract with Nigel Garrett pursuant to which Mr. Garrett was appointed Sales Director. The appointment commenced on 1 February 1993 and is terminable by either party giving not less than 12 months' notice. Mr. Garrett is engaged to work from 9.00 a.m. to 5.00 p.m. from Monday to Friday. His remuneration is £91,875 per annum (effective from 1 April 2005). Additionally, Mr. Garrett is entitled to:

- (i) participate in the senior management bonus scheme;
- (ii) participate in the WorkPlace Enterprise Management Incentive Scheme and the SAYE scheme;
- (iii) participate in the WorkPlace UK Commission Scheme;
- (iv) participate in the stakeholder pension scheme;
- (v) reimbursement of expenses exclusively and necessarily incurred in or about the proper performance of his duties;
- (vi) private medical insurance for Mr. Garrett and his spouse/partner;
- (vii) life assurance;
- (viii) a mobile telephone and all costs of line rental and call charges made solely in connection with WorkPlace's business;
- (ix) a car allowance; and
- (x) 25 days' holiday in each holiday year in addition to statutory bank holidays.

The service contract contains restrictive covenants effective for a period of six months following termination of the agreement.

Under the terms of the WorkPlace UK Commission Scheme, Mr. Garrett is eligible to be paid commission calculated on the profit margin contribution of orders generated by Mr. Garrett. Mr. Garrett is also eligible for a bi-annual bonus based on annual user licence maintenance fees and a target based annual bonus of £10,000.

6.3.7 On 27 August 2008, WorkPlace entered into a service contract with Paul Wright pursuant to which Mr. Wright was appointed Finance Director and Company Secretary. The appointment commenced on 27 August 2008 and is terminable by WorkPlace giving Mr. Wright not less than 12 months' notice or by Mr. Wright giving WorkPlace not less than six months' notice. Mr. Wright is engaged to work from 9.00 a.m. to 5.00 p.m. from Monday to Friday. His remuneration is £120,000 per annum. Additionally, Mr. Wright is entitled to:

- (i) participate in the senior management bonus scheme;
- (ii) participate in the WorkPlace Enterprise Management Incentive Scheme;
- (iii) participate in the stakeholder pension scheme;
- (iv) reimbursement of expenses exclusively and necessarily incurred in or about the proper performance of his duties;
- (v) private medical insurance for Mr. Wright and his spouse/partner;
- (vi) life assurance;
- (vii) a mobile telephone and all costs of line rental and call charges made solely in connection with WorkPlace's business;
- (viii) a car allowance; and
- (ix) 25 days' holiday in each holiday year in addition to statutory bank holidays.

The service contract contains restrictive covenants effective for a period of six months following termination of the agreement.

6.4 The non-executive WorkPlace Director receives annual fees from WorkPlace as follows:

<i>Name</i>	<i>Annual fee (£)</i>
John Herring	30,000

6.5 Mr. Herring has an appointment letter with the Company terminable by either party on 12 months' notice. He is paid an annual fee of £30,000.

6.6 Details of the WorkPlace Directors' participation in the WorkPlace Share Option Schemes are set out in paragraphs 5.2.3 and 5.2.6 of this Appendix IV.

6.7 Save as set out in this paragraph 6:

6.7.1 there are no service contracts in force between any director or proposed director of WorkPlace or any of its subsidiaries;

6.7.2 no WorkPlace Director is entitled to commission or profit sharing arrangements;

6.7.3 other than statutory compensation and payment in lieu of notice, no compensation is payable by WorkPlace to any WorkPlace Director upon early termination of their appointment;

6.7.4 no service contract or letter of appointment of any WorkPlace Director was entered into or amended in the 6 month period prior to the date of this document; and

6.7.5 the effect of the Offer on the interests of the WorkPlace Directors under the WorkPlace Share Option Schemes does not differ from its effect on the like interests of any other participant in the WorkPlace Share Option Schemes.

7. Material contracts

7.1 Save as set out below, there are no contracts, other than contracts entered into in the ordinary course of business, which have been entered into by NewCo, LDC or WorkPlace or any of their respective subsidiaries during the period beginning two years before the commencement of the Offer Period to the last practicable date prior to the publication of this document which are or may be material.

7.2 LDC

7.2.1 Confidentiality, Non-Solicitation and Inducement Fee Agreement (the “**Inducement Fee Agreement**”)

On 17 September 2011, LDC and WorkPlace entered into a Confidentiality, Non-Solicitation and Inducement Fee agreement in respect of the Offer, pursuant to which WorkPlace agreed, amongst other things, to grant exclusivity to LDC and that it would pay an inducement fee equal to one per cent. of the value of WorkPlace calculated by reference to the Offer Price in certain circumstances provided that an offer was announced on or before 14 November 2011. The exclusivity provisions and obligation to pay the inducement fee terminated as the Offer was not announced by 14 November 2011. The Agreement contains ongoing obligations of confidentiality in respect of the Offer.

Management Offers

7.2.2 *Subscription and Shareholders Agreement*

NewCo, LDC and the Management Team have entered into a Subscription and Shareholders’ Agreement dated 8 December 2011 which is conditional on the Offer becoming or being declared unconditional in all respects by the Long Stop Date (as defined therein). The Subscription and Shareholders’ Agreement contains the following key provisions:

- (a) the Management Team and NewCo give certain undertakings to LDC in relation to implementing the Offer;
- (b) LDC (and Lloyds TSB Ventures Nominees Limited as applicable) will subscribe for shares and/or loan notes in NewCo;
- (c) Anthony Knight will subscribe for NewCo Loan Notes;
- (d) the board of NewCo shall decide matters by majority vote. Certain reserved matters must be referred to LDC;
- (e) LDC has the right to:
 - (i) appoint two investor directors to the board and have certain rights with regards to the Company appointment and removal of the Chairman and a further non-executive director; and
 - (ii) appoint an observer who may attend all board meetings and any committee of the board;
- (f) in consideration of LDC entering into the Subscription and Shareholders’ Agreement:
 - (i) the Management Team and the Company have provided certain warranties to LDC; and
 - (ii) the Management Team has agreed to be bound by certain standard restrictive covenants.

7.2.3 *Share Exchange Deed*

A Share Exchange Deed was entered into between NewCo and the Management Team on 8 December 2011 pursuant to which each of the Management Team has agreed, conditional on the Offer becoming or being declared unconditional in all respects, to sell their Roll-over Shares to NewCo, in consideration for which NewCo will issue shares in the capital of NewCo and fixed rate secured loan notes to each of the Management Team upon the Offer becoming or being declared unconditional in all respects. The Management Team will accept the Offer in respect of their Management Offer Shares in accordance with the irrevocable undertakings given by the WorkPlace Directors as described in paragraph 8 of this Appendix IV.

7.2.4 *Service Contracts*

It is proposed that, upon the Offer becoming or being declared unconditional in all respects, each of the Management Team will enter into new service contracts with NewCo which are broadly on the same terms as their current service contracts with WorkPlace plc, save that the service contracts are being made consistent in relation to notice periods so that any member of the Management Team may terminate on six months' notice and NewCo may be terminated on 12 months' notice.

Arrangements with Chairman

7.2.5 *Warranty and Indemnity Deed*

A Warranty and Indemnity Deed was entered into between NewCo and Ian Lenagan on 8 December 2011 pursuant to which Ian Lenagan gives certain warranties and an indemnity to NewCo in relation to WorkPlace, subject to certain limitations.

7.2.6 *Consultancy Agreement*

NewCo, Mr. Lenagan and Wigan Rugby League Club Limited have agreed to enter into a consultancy agreement pursuant to which, from the date falling one month after the Offer has become or has been declared unconditional in all respects, Mr. Lenagan shall provide certain services to WorkPlace over no more than fifty days in a period of 18 months. The fee payable in respect of such consultancy services is £300,000. The consultancy agreement contains certain restrictive covenants binding on Mr. Lenagan for a period of 12 months from termination of his appointment as a consultant.

7.2.7 *Sale and Purchase Agreement*

On 8 December 2011 Ian Lenagan and WorkPlace Group Limited entered into a sale and purchase agreement, pursuant to which, conditional upon the Offer becoming or being declared unconditional in all respects, Mr. Lenagan has agreed to sell to WorkPlace Group Limited the 500 ordinary shares in WorkPlace Systems plc which he currently holds as a nominee. The consideration payable to Mr. Lenagan in respect of the sale is £1.

7.3 **WorkPlace**

7.3.1 *Common Stock Purchase Agreement*

On 30 April 2011, Workplace Systems, Inc. entered into and completed a common stock purchase agreement with EASE, Inc. and Michael F. Linos pursuant to which Workplace Systems, Inc. sold to Michael F. Linos its entire interest of 2,723 shares in EASE, Inc. (being approximately 25 per cent. of EASE, Inc.'s share capital as at 31 March 2011). The cash consideration payable to Workplace Systems, Inc. under the agreement was US\$300,000.

The agreement contains representations and warranties given by Workplace Systems, Inc. and EASE, Inc. in relation to the shares being sold. The agreement also contains representations and warranties given by Michael F. Linos in relation to, among other matters, the US Securities Act 1933 and his investment in the shares.

The agreement is governed by the laws of the State of California. The rights of the parties under the agreement are expressly conditioned on the sale being qualified with the Commissioner of Corporations of the State of California or an exemption from such qualification being available.

7.3.2 Agreement for the sale and purchase of The Quadrangle, Banbury Road, Woodstock OX20 1LH

On 15 August 2011, WorkPlace entered into a sale and purchase agreement pursuant to which WorkPlace sold to Lorena Limited the freehold property known as 4 The Quadrangle, Banbury Road, Woodstock OX20 1LH. The cash consideration payable to WorkPlace under the agreement was £248,000. The agreement incorporates the Standard Commercial Property Conditions of Sale, as altered by certain minor variations and additions set out in the agreement. The transaction completed on 7 September 2011.

7.3.3 Severance Agreement with Ian Lenagan

WorkPlace and Mr. Lenagan entered into a severance agreement on 8 December 2011, which is conditional on the Offer becoming or being declared unconditional in all respects by the Long Stop Date (as defined therein). Pursuant to the severance agreement, Mr. Lenagan has agreed to certain departure arrangements, and has agreed that the valuable consideration he will be receiving under the Offer, represent full and final settlement of any claims that he may have against WorkPlace and that he will not have any further claim in respect of any other amounts he may have been entitled to in relation to the termination of his employment without notice, including, without limitation, payment of salary for his 12 month notice period.

8. Irrevocable undertakings and letters of intent

8.1 Directors

8.1.1 Each Independent Director and Continuing Director has undertaken that he shall:

- (a) attend in person or by proxy the General Meeting and shall exercise or procure the exercise of voting rights attaching to its entire holdings of or interests in the Eligible Voting Shares (whether on a show of hands or on a poll) in favour of the Ordinary Resolution;
- (b) accept or procure the acceptance of the Offer in accordance with its terms in respect of all of the Offer Shares in which he is interested;
- (c) not (and will procure that the registered owner will not) except pursuant to the Offer or with the written consent of NewCo, or, in the case of Mr. Lenagan, Mr. Mills and Mr. Garrett pursuant to the terms of his undertaking, sell, transfer, dispose of, charge, pledge or otherwise encumber or grant any option or other right over or otherwise deal with any of the WorkPlace Shares or any interest in them (whether conditionally or unconditionally), nor enter into any agreement or arrangement with any person, whether conditionally or unconditionally, to do any such act;
- (d) not to withdraw any acceptance of the Offer and procure that acceptances in respect of Offer Shares in which he has an interest but of which he is not the registered owner shall not be withdrawn; and
- (e) from the date of the Offer becoming unconditional in all respects and to the extent that they are entitled to do so, exercise the votes attached to their entire holdings of or interests in the Offer Shares in accordance with NewCo's instructions in respect of any resolution which may be proposed at any general or class meeting of shareholders of WorkPlace held during the period until their entire holdings of or interests in the WorkPlace Shares are registered in the name of NewCo or its nominees following the Offer having become or been declared wholly unconditional.

8.1.2 The undertakings listed in paragraph 8.1.1 will remain binding in the event of a competing offer being made for WorkPlace and will cease to be binding only if the Offer lapses or is withdrawn without becoming wholly unconditional.

8.1.3 Each member of the Management Team has undertaken that it shall:

- (a) accept or procure the acceptance of the Offer in accordance with its terms in respect of the following Management Offer Shares, being, to the best of its knowledge and belief, its entire holdings of or interests in Management Offer Shares;
- (b) not except pursuant to the Offer, sell, transfer, dispose of, charge, pledge or otherwise encumber or grant any option or other right over or otherwise deal with any of its Management Offer Shares or any interest in them (whether conditionally or unconditionally), nor enter into any agreement or arrangement with any person, whether conditionally or unconditionally, to do any such act; and
- (c) not to withdraw any acceptance of the Offer; and
- (d) from the date of the Offer becoming unconditional in all respects and to the extent that such member of the Management Team is entitled to do so, exercise the votes attached to its entire holdings of or interests in Management Offer Shares in accordance with NewCo's instructions in respect of any resolution which may be proposed at any general or class meeting of shareholders of the Offeree held during the period until its entire holdings of or interests in Management Offer Shares are registered in the name of NewCo or its nominees following the Offer having become or been declared wholly unconditional.

8.1.4 The undertakings listed in paragraph 8.1.3 will remain binding in the event of a competing offer being made for WorkPlace and will cease to be binding only if the Offer lapses or is withdrawn.

8.2 *Independent WorkPlace Shareholders*

8.2.1 Each of Hargreave Hale Limited, Timothy Westaway and Michael Wailing have undertaken:

- (a) to attend in person or by proxy the General Meeting and shall exercise or procure, so far as they are able, the exercise of voting rights attaching to their entire holdings of or interests in the Eligible Voting Shares (whether on a show of hands or on a poll) in favour of the Ordinary Resolution;
- (b) accept or procure the acceptance of the Offer in accordance with its terms in respect of the Offer Shares held by it, being, to the best of the knowledge of the relevant Independent WorkPlace Shareholder, its entire holdings of or interests in Offer Shares as at the close of business on 8 December 2011 (being the latest practicable date prior to the publication of this document); and
- (c) not to withdraw any acceptance of the Offer.

8.2.2 The undertakings listed in this paragraph 8.2.1 cease to be binding if the Offer lapses or is withdrawn or where any competing offer is made which is declared wholly unconditional or otherwise becomes effective or a third party makes or announces a firm intention to make an offer for WorkPlace on terms which represent at least a 10 per cent. premium to the value of the Offer.

8.2.3 NewCo has also received letters of intent from other Independent WorkPlace Shareholders to accept the Offer and vote in favour of the Ordinary Resolution in respect of, in aggregate 28,392,243 Offer Shares representing approximately 17.8 per cent. of the Offer Shares and approximately 19.6 per cent. of the Eligible Voting Shares.

8.2.4 Liontrust Investment Partners LLP has expressed its intention to accept the Offer, or procure the acceptance of the Offer and to procure voting in favour of the Ordinary Resolution at the General Meeting providing the Offer Price is not less than 25p. Schroder Investment

Management Limited has expressed its intention to accept, or procure acceptance of (so far as reasonably practicable) the Offer by no later than the First Closing Date. Neither of the letters of intention create any legally binding obligations.

9. Financing of the Offer

- 9.1 Full acceptance of the Offer on its current terms will result in the payment by NewCo of a maximum amount of £39.9 million in cash.
- 9.2 Fairfax and Torch Partners are satisfied that NewCo has the necessary financial resources available to satisfy the consideration that would be payable to WorkPlace Shareholders on full acceptance of the Offer and to participants in the WorkPlace Share Option Schemes under the proposals made to such participants.
- 9.3 The aggregate cash consideration payable by NewCo will be provided from the subscription monies to be paid by LDC upon the Offer becoming or being declared unconditional in all respects which will constitute a total investment of £46 million in aggregate by LDC in NewCo by way of subscription pursuant to the Subscription and Shareholders' Agreement for:
 - 9.3.1 200,000 A ordinary shares of nominal value £0.20 each in the capital of NewCo for an aggregate subscription price (including premium) of £203,268; and
 - 9.3.2 approximately £45,831,632 of NewCo Loan Notes.

10. Bases and sources

- 10.1 The value of WorkPlace as implied by the Offer Price is based on the issued ordinary share capital as at 8 December 2011 (the last practicable date prior to the commencement of the Offer Period) being:
 - 10.1.1 existing issued ordinary share capital of 148,225,909 WorkPlace Shares as per the confirmation by WorkPlace pursuant to Rule 2.10 of the Code set out in the Announcement; and
 - 10.1.2 164,149,447 WorkPlace Shares being the maximum number of ordinary shares that can be in issue assuming the full exercise of all outstanding options granted under the WorkPlace Share Option Schemes.
- 10.2 As at 8 December 2011 being the last practicable date prior to commencement of the Offer Period:
 - 10.2.1 145,020,363 Eligible Voting Shares were in issue: and
 - 10.2.2 the maximum number of Eligible Voting Shares that can be in issue, assuming the full exercise of all outstanding options granted under the WorkPlace Share Option Schemes, is 148,793,901.
- 10.3 Unless otherwise stated, the sources of information regarding data reported in this document are as follows:
 - 10.3.1 the closing mid-market share prices are derived from the AIM Appendix to the Daily Official List; and
 - 10.3.2 the financial information relating to WorkPlace is extracted from the Financial Statements or from the interim results statement of WorkPlace for the six months ended 30 September 2011.
- 10.4 The financial information of WorkPlace set out in Appendix III has been incorporated by reference into this document from the published Annual Report and Accounts for the WorkPlace Group for each of the financial years ended 31 March 2011 and 31 March 2010 and the interim consolidated financial statements of WorkPlace for the period from 1 April 2011 to 31 March 2011. These documents are available free of charge in a read-only printable format on the NewCo website at: www.workplacesystems.com.
- 10.5 The financial information of LDC set out in Appendix II has been incorporated by reference into this document from the published Annual Report and Accounts for LDC for each of the financial years ended 31 December 2010 and 31 December 2009. These documents are available free of charge in a read-only printable format on the NewCo website at: www.waspbidco.com.

10.6 The financial information of Lloyds Banking Group set out in Appendix II has been incorporated by reference into this document from the published Annual Report and Accounts for Lloyds Banking Group for each of the financial years ended 31 December 2010 and 31 December 2009. These documents are available free of charge in a read-only printable format on the Lloyds Banking Group website at: www.lloydsbankinggroup.com.

11. Significant change in WorkPlace

11.1 Save as disclosed in this document, the WorkPlace Directors are not aware of any significant change in the financial or trading position of WorkPlace which has occurred since 30 September 2011, being the date of the end of the last financial period for which either audited financial information or interim financial information was published.

12. Persons acting in concert

12.1 The persons (other than LDC, the LDC Investment Committee and the NewCo Directors (and their close relatives and related trusts) and members of the Wider Lloyds Banking Group) who, for the purposes of the Code, are acting in concert with NewCo are:

<i>Name</i>	<i>Registered Office</i>	<i>Relationship</i>
Torch Partners Corporate Finance Limited	6-8 Underwood Street, London N1 7JQ	Financial adviser
Fairfax I.S. PLC	7 Queen Street, Mayfair, London W1J 5PB	Financial adviser

12.2 The persons (other than the WorkPlace Directors) who, for the purposes of the Code, are acting in concert with WorkPlace are:

<i>Name</i>	<i>Registered Office</i>	<i>Relationship</i>
Mazars Corporate Finance Limited	Tower Bridge House, St. Katharine's Way, London E1W 1DD	Financial adviser

13. Other Information

13.1 Fairfax has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.

13.2 Torch Partners has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.

13.3 Mazars has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name and its advice in the form and context in which it appears.

13.4 Save as disclosed in this document:

13.4.1 there is no agreement, arrangement or understanding (including any compensation arrangements) between NewCo or any person acting in concert with it and any of the directors, recent directors, shareholders or recent shareholders of WorkPlace or any person interested or recently interested in Offer Shares having any connection with or dependence on or which is conditional upon the outcome of the Offer;

13.4.2 there is no agreement, arrangement or understanding whereby the beneficial ownership of any of the Offer Shares to be acquired by NewCo will be transferred to any other person, save that NewCo reserves the right to transfer any such shares to any member of the Wider NewCo Group; and

13.4.3 no member of the Wider NewCo Group holds any interest in the relevant securities of WorkPlace.

- 13.5 The aggregate fees and expenses which are expected to be incurred by NewCo in connection with the Offer are estimated to amount to approximately £5,366,000 excluding applicable VAT. This aggregate number consists of the following categories:
- 13.5.1 financing arrangements: £1,841,000, excluding applicable VAT (satisfied by NewCo by the issue of NewCo Loan Notes of an equivalent amount);
 - 13.5.2 financial and corporate broking advice: £1,500,000 excluding applicable VAT;
 - 13.5.3 legal advice: £475,000 excluding applicable VAT;
 - 13.5.4 accounting advice: £395,000 excluding applicable VAT;
 - 13.5.5 public relations advice: £25,000 excluding applicable VAT;
 - 13.5.6 other professional services: £391,000 excluding applicable VAT; and
 - 13.5.7 other costs and expenses: £739,000, excluding applicable VAT.
- 13.6 The aggregate fees and expenses which are expected to be incurred by WorkPlace in connection with the Offer are estimated to amount to approximately £197,000 excluding applicable VAT. This aggregate number consists of the following categories:
- 13.6.1 financial and corporate broking advice: £95,000, excluding applicable VAT; and
 - 13.6.2 legal advice: £102,000, excluding applicable VAT.

14. Documents on display

- 14.1 Copies of the following documents will be available, free of charge, on WorkPlace's website at www.workplacesystems.com and NewCo's website at www.waspidco.com during the course of the Offer:
- 14.1.1 the Articles of Association of each of WorkPlace, NewCo and LDC;
 - 14.1.2 the financial statements referred to in Appendices II and III;
 - 14.1.3 WorkPlace's unaudited interim results for the six months ended 30 September 2011;
 - 14.1.4 the material contracts referred to in paragraph 7 of this Appendix IV, save for the agreement at paragraphs 7.3.1 and 7.3.2, which were not entered into in connection with the Offer;
 - 14.1.5 the irrevocable undertakings referred to in paragraph 8 of this Appendix IV;
 - 14.1.6 the letters of consent referred to in paragraphs 13.1, 13.2 and 13.3 of this Appendix IV; and
 - 14.1.7 a copy of this document, the Announcement, the Form of Acceptance and the Form of Proxy.
- 14.2 WorkPlace and NewCo will provide, without charge, to each person to whom a copy of this document has been delivered, upon their written request, a copy of any documents or information incorporated by reference in this document. Copies of any documents or information incorporated by reference into this document will not be provided unless such a request is made. You may also request that all future documents, announcements and information to be sent to you in relation to the Offer should be in hard copy form. Requests for copies of any such documents or information should be directed to Paul Wright, the Chief Finance Officer of WorkPlace, on +44(0) 1908 251 300, or Jenny Stephenson of CMS Cameron McKenna LLP on +44(0) 207 367 3000.

15. Date of despatch and publication

- 15.1 This document was despatched and published on 9 December 2011.

NOTICE OF GENERAL MEETING

WorkPlace plc (the “Company”)

NOTICE IS HEREBY GIVEN that a general meeting of the Company will be held on 28 December 2011 at One Fleet Place, London EC4M 7WS at 11.00 a.m. for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as an ordinary resolution. Voting on the resolution will be by way of a poll (rather than on a show of hands) by the Independent WorkPlace Shareholders for the purposes of Rule 16 of the City Code on Takeovers and Mergers.

ORDINARY RESOLUTION

1. **THAT** the Management Offers between NewCo and the Management Team, summarised in Part 2 of the offer document to shareholders dated 9 December 2011, of which this notice forms part (“**Offer Document**”) are hereby approved in or substantially in such form for the purposes of Rule 16 of the Code, notwithstanding that such arrangements are not extended to all shareholders of the Company (capitalised terms are as defined in the Offer Document).

By Order of the Board

Paul Wright
Company Secretary and Chief Finance Officer

Registered Office:

Precedent Drive
Rooksley
Milton Keynes
Buckinghamshire
MK13 8PP

9 December 2011

Registered No. 03966381

Notes:

1. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that in order to have the right to attend and vote at the General Meeting (and also for the purpose of determining how many votes a person entitled to attend and vote may cast), a person must be entered on the register of members of the Company at 6.00 p.m. on 22 December (or, in the event of any adjournment, 48 hours before the time of the adjourned meeting). Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
2. A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, to speak and to vote at the General Meeting. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. A proxy need not be a member of the Company. A form of proxy for the General Meeting is enclosed.
3. To be valid any proxy form or other instrument appointing a proxy must be received by post or by hand (during normal business hours only) by our registrar, Capita Registrars Limited at Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU no later than 11.00 a.m. on 22 December. If you are a CREST member, see note 5 below.
4. The return of a completed form of proxy, or other instrument appointing a proxy or any CREST Proxy Instruction will not preclude a member attending and voting in person at the meeting if he/she wishes to do so.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Offer General Meeting and any adjournment(s) thereof by using the procedures, and to the address, described in the CREST Manual (available via www.euroclear.com/CREST) subject to the provisions of the Company’s articles of association. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
6. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear UK and Ireland Limited’s (“**Euroclear**”) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer’s agent (ID RA10) by 11.00 a.m. on 22 December. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

7. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
8. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
9. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
10. Any member attending the General Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the company or the good order of the meeting that the question be answered.
11. A copy of this notice and the offer document dated 9 December 2011, can be found at www.workplacesystems.com. and www.waspidco.com
12. As at 8 December 2011 (being the last practicable date prior to the publication of this notice) the WorkPlace Issued Share Capital consists of 148,225,909, carrying one vote each. Therefore, the total voting rights in the Company as at that date are 148,225,909.
13. You may not use any electronic address (within the meaning of section 333(4) of the Companies Act 2006) provided in this Notice of Meeting (or in any related documents including the proxy form) to communicate with the Company for any purposes other than those expressly stated.

DEFINITIONS

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

AIM	the AIM market of the London Stock Exchange
Announcement	the announcement of NewCo's firm intention to make the Offer pursuant to Rule 2.7 of the Code published on the Announcement Date
Announcement Date	9 December 2011
associated undertaking	has the meaning given to the term "associated bodies corporate" by section 256 of the Companies Act 2006
business day	any day not being a public holiday, Saturday or Sunday, on which banks are normally open for business in the City of London
Cancellation	the cancellation of admission of the WorkPlace Shares to trading on AIM
certified or in certificated form	a share or other security which is not in uncertificated form (that is, not in CREST)
Closing Price	the closing middle market quotation of a WorkPlace Share as derived from the Daily Official List published by the London Stock Exchange
Code	the City Code on Takeovers and Mergers
Companies Act 2006	the Companies Act 2006 (as amended)
Competing Offer	<ul style="list-style-type: none">(a) a proposed offer, merger, acquisition, scheme of arrangement, recapitalisation or other business combination which, if accepted in full, would result in the offeror holding shares carrying over 50 per cent. of the voting rights of WorkPlace and which is made by or on behalf of a party which is not acting in concert with NewCo;(b) an offer, proposal or approach from any party to acquire all or a substantial part or value of the assets of WorkPlace; or(c) an offer, proposal or approach from any party with a view to undertaking a transaction which would be conditional on NewCo no longer proceeding with the Offer
conditions	the conditions and further terms to the Offer set out in Part A and Part B of Appendix I to this document
Continuing Directors	Ian Mills (Design Director) and Nigel Garrett (Sales Director)
CREST	the relevant system (as defined in the Regulations) in respect of which Euroclear is the Operator (as defined in the Regulations)
CREST Manual	the manual issued by Euroclear from time to time
CREST member	a person who has been admitted by Euroclear as a system-member (as defined in the Regulations)
CREST participant	a person who is, in relation to CREST, a system-participant (as defined in the Regulations)

CREST payment	has the meaning given to it in the CREST Manual
CREST sponsor	a CREST participant admitted to CREST as a CREST sponsor
CREST sponsored member	a CREST member admitted to CREST as a sponsored member
Daily Official List	the AIM Appendix of the Daily Official List of the London Stock Exchange
dealing day	any day on which the London Stock Exchange is open for business in the trading of securities admitted to AIM
Electronic Acceptance	the input and settlement of a TTE Instruction in respect of Offer Shares held in uncertificated form which constitutes or is deemed to constitute acceptance of the Offer on the terms set out in this document
Eligible Voting Shares	those WorkPlace Shares that are in issue on the Announcement Date and are eligible to vote on the Ordinary Resolution at the General Meeting
ESA Instruction	an escrow account adjustment input (AESN) transaction type “ESA” (as described in the CREST Manual)
Escrow Agent	Equiniti Limited (in its capacity as Escrow Agent) as described in the CREST Manual
Euroclear	Euroclear UK & Ireland Limited
Fairfax	Fairfax I.S. PLC
Financial Statements	the audited annual consolidated financial statements of WorkPlace in respect of the financial year ended 31 March 2011
First Closing Date	30 December 2011
Form of Acceptance	the form of acceptance and authority relating to the Offer which accompanies this document
FSA	the Financial Services Authority
General Meeting	the general meeting of WorkPlace (or any adjournment thereof) to be convened pursuant to Rule 16 of the Code at which the Ordinary Resolution will be proposed
HMRC	HM Revenue and Customs
Independent Directors	the independent directors of WorkPlace, being Ian Lenagan (Chairman) and John Herring (Non-executive director)
Independent Participants in the WorkPlace Share Option Schemes	the option holders under the WorkPlace Share Option Schemes, save for the Management Team
Independent WorkPlace Shareholders	the holders of WorkPlace Shares, other than Management Shares
LDC	Lloyds TSB Development Capital Limited, a private limited company registered in England and Wales under number 01107542
LDC Investment Committee	the investment committee of LDC, details of which are set out in Appendix IV

Lloyds Banking Group	Lloyds Banking Group plc, a public limited company registered in Scotland under number SC095000
Lloyds TSB Bank plc	Lloyds TSB Bank plc, a public limited company registered in England under number 00002065
London Stock Exchange	London Stock Exchange plc, together with any successors thereto
Management Offers	the offers being made to the Management Team to sell their Roll-over Shares in consideration for a mixture of NewCo B Ordinary Shares and NewCo Loan Notes pursuant to the terms of the Share Exchange Deed
Management Offer Shares	the Management Shares as at the close of business on 8 December 2011 (being the latest practicable date prior to the publication of this document), save for the Roll-over Shares which are to be sold to NewCo pursuant to the terms of the Share Exchange Deed
Management Shares	all WorkPlace Shares held by the Management Team, being the 15,355,546 WorkPlace Shares currently held in the WorkPlace Issued Share Capital or intended to be held by the Management Team (or their connected persons) as a result of issues made to them pursuant to the WorkPlace Share Option Schemes
Management Team	Bernard Quinn (Chief Executive), Paul Wright (Chief Financial Officer), Alex Davis (Chief Technology Officer) and Anthony Knight (Client Services Director)
Mazars	Mazars Corporate Finance Limited, the financial and Rule 3 adviser to WorkPlace
member account ID	the identification code or number attached to any member account in CREST
NewCo	Wasp Management Software Limited, a private limited company registered in England and Wales under number 7745721
NewCo ‘A’ Loan Notes	a series of ‘A’ secured loan notes 2017 in the loan capital of NewCo
NewCo ‘B’ Loan Notes	a series of ‘B’ secured loan notes 2017 in the loan capital of NewCo
NewCo Directors	the directors of NewCo referred to in paragraph 2.3 of Appendix IV and “NewCo Director” means any one of them
NewCo Group	NewCo and its subsidiary undertakings and parent undertakings, and any other subsidiary of its parent undertakings, in each case from time to time
NewCo Loan Notes	the NewCo ‘A’ Loan Notes and the NewCo ‘B’ Loan Notes
NewCo A Ordinary Shares	the A1 and A2 ordinary shares in the capital of NewCo
NewCo A1 Ordinary Shares	the ordinary shares of £0.20 each in the capital of NewCo
NewCo A2 Ordinary Shares	the ordinary shares of £0.20 each in the capital of NewCo
NewCo B Ordinary Shares	the ordinary shares of £1.00 each in the capital of NewCo
NewCo C Ordinary Shares	the unissued ordinary shares of £1.00 each in the capital of NewCo
NewCo Ordinary Shares	the A1, A2, B and C ordinary shares in the capital of NewCo

Offer	the recommended cash offer, to acquire at the Offer Price all of the Offer Shares, made by NewCo on the terms and conditions set out in this document and the Form of Acceptance and including, where the context admits, any subsequent revision, variation, extension or renewal of such offer
Offer Document	this document and any subsequent document containing the Offer
Offer Period	the period beginning on and including 9 December 2011 and ending on the latest of (i) 1.00 p.m. (London time) on 30 December 2011; and (ii) the time and date on which the Offer becomes unconditional as to acceptances or lapses or is withdrawn
Offer Price	25 pence per Offer Share
Offer Shares	all of the WorkPlace Shares, but excluding the Roll-over Shares
Ordinary Resolution	the ordinary resolution to be proposed to the Independent WorkPlace Shareholders at the General Meeting (or any adjournment thereof) in accordance with the requirements of the Code to approve on a poll the arrangements between NewCo and the Management Team
Overseas Shareholders	WorkPlace Shareholders who are resident in, or nationals or citizens of, jurisdictions outside the UK or who are nominees of, or custodians, or trustees for, WorkPlace Shareholders who are citizens, residents or nationals of countries other than the UK
Panel	the Panel on Takeovers and Mergers
parent undertaking	has the meaning given to it by section 1162 of the Companies Act 2006
participant ID	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
Public Announcement	any public announcement by WorkPlace to any Regulatory Information Service
Receiving Agent	Equiniti Limited, NewCo's receiving agent in relation to the Offer
Registrar of Companies	the Registrar of Companies for England and Wales, within the meaning of Part 35 of the Companies Act 2006
Registrars	Capita Registrars Limited, WorkPlace's registrar
Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended)
Regulatory Information Service	any of the services set out in Appendix 3 to the Listing Rules published by the United Kingdom Listing Authority
Restricted Jurisdiction	the United States, Canada, Australia, and Japan and any other jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure for NewCo or WorkPlace if information or documentation concerning the Offer is sent or made available to Shareholders in that jurisdiction
Roll-over Shares	the Management Shares which are to be sold to NewCo pursuant to the terms of the Share Exchange Deed

Share Exchange Deed	the Share Exchange Deed dated 8 December 2011, pursuant to which NewCo has agreed, conditional on the Offer being declared unconditional, to acquire the Roll-over Shares
Shareholders or WorkPlace Shareholders	the registered holders of WorkPlace Shares from time to time
significant interest	in relation to an undertaking, an interest, direct or indirect, in 10 per cent. or more of the equity share capital (as defined in section 548 of the Companies Act 2006) of such undertaking
SNR Denton	SNR Denton UK LLP
Subscription and Shareholders Agreement	a subscription and shareholders agreement in respect of NewCo, dated 8 December 2011, pursuant to which LDC will, conditional on the Offer being declared unconditional, subscribe for shares and/or loan notes in NewCo and Anthony Knight will subscribe for certain NewCo Loan Notes
subsidiary, subsidiary undertaking and undertaking	have the meanings given by sections 1159, 1161 and 1162 of the Companies Act 2006
Torch Partners	Torch Partners Corporate Finance Limited
TFE Instruction	a Transfer from Escrow instruction (as described in the CREST Manual)
TTE Instruction	a Transfer to Escrow instruction (as described in the CREST Manual) in relation to Offer Shares in uncertificated form meeting the requirements set out in paragraph 14.2(b) of the letter from NewCo contained in Part 2 of this document
uncertificated or in uncertificated form	recorded on the relevant register of the share or security concerned as being held in uncertificated form and title to which, by virtue of the Regulations may be transferred by means of CREST
United Kingdom or UK	the United Kingdom of Great Britain and Northern Ireland
United States or US	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all areas subject to its jurisdiction or any political sub-division thereof
US Holder	holders of WorkPlace Shares ordinarily resident in the US or with a registered address in the US, and any custodian, nominee or trustee holding WorkPlace Shares for persons in the US or with a registered address in the US
Wider Lloyds Banking Group	Lloyds Banking Group and its subsidiaries and subsidiary undertakings
Wider WorkPlace Group	WorkPlace and its subsidiaries and subsidiary undertakings, associated undertakings (including any joint venture, partnership, firm or company in which any member of the WorkPlace Group is interested) or any other undertaking in which WorkPlace and/or such undertakings (aggregating their interests) have a significant interest
WorkPlace or the Company	WorkPlace, a public limited company registered in England and Wales under number 3966381

WorkPlace Board	the board of directors of WorkPlace
WorkPlace Directors	the directors of WorkPlace and each a “ WorkPlace Director ”
WorkPlace Group	WorkPlace and its subsidiary undertakings and parent undertakings, and any other subsidiary of its parent undertakings, in each case from time to time
WorkPlace Issued Share Capital	the 148,225,909 WorkPlace Shares in issue at the date of this Offer Document
WorkPlace Options	the options granted under or pursuant to the WorkPlace Share Option Schemes
WorkPlace Share Option Schemes	the WorkPlace Approved Share Option Scheme, the WorkPlace Unapproved Share Option Scheme, the WorkPlace Enterprise Management Incentive Scheme and the WorkPlace Savings-Related Share Option Scheme
WorkPlace Shares	the existing unconditionally allotted or issued and fully paid (or credited as fully paid) ordinary shares of 5 pence each in WorkPlace and any further such shares which are unconditionally allotted or issued fully paid (or credited as fully paid) in each case prior to the time at which the Offer ceases to be open for acceptance (or such earlier time, as NewCo may, with the Panel’s consent or in accordance with the Code, decide), including shares unconditionally allotted or issued pursuant to the exercise of options under the WorkPlace Share Option Schemes or otherwise

In this document:

- all references to “pounds”, “£”, “p”, “pence” or “penny” are to the lawful currency of the United Kingdom;
- the singular shall include the plural and *vice versa*, and words importing the masculine gender shall include the feminine or neutral gender;
- all references to legislation are to English legislation, unless the contrary is indicated, and any reference to any provision of any legislation includes any amendment, modification, re-enactment or extension thereof; and
- references to time are to London time.

