

8 February 2018

Our Ref: SE167MVL/GPS/KJP/RJG/A  
XS/DXW/LMMc/MVL1910P

Your Ref:  
Contact: Daniel Webster  
DD: 020 7516 1547

## NOTICE OF GENERAL MEETING AND SECOND INTERIM DISTRIBUTION IN THE LIQUIDATION

Dear Sir/Madam

### **SRG Realisations (2017) Plc (Formerly Security Research Group Plc) (In Members' Voluntary Liquidation) (the "Company")**

I write further to my letter of 1 December 2017 (the "**December Letter**") wherein we advised shareholders of our intention to make a distribution in specie of the whole of the shares that the Company holds in Rochdale Development Company Limited (the "**Rochdale Shares**") to the Tier I shareholders, and pay a compensatory cash dividend of equivalent value of the Investment to the Tier II shareholders (the "**Second Distribution**").

Except where the context otherwise requires, words defined in the December Letter shall have the same meaning in this letter.

By way of update, I confirm that the following ordinary resolutions were passed by the requisite majority of shareholders at the general meeting of the Company held on 28 December 2017:

#### **Ordinary Resolutions**

**(i) THAT**, in accordance of the Companies Act 2006:

*(a) each existing ordinary share of £0.20 each in the issued share capital of the Company, held by shareholders holding 100,000 ordinary shares of £0.20 each or more, be converted into 1 new A ordinary share of £0.20 each; and*

*(b) each existing ordinary share of £0.20 each in the issued share capital of the Company, held by shareholders holding fewer than 100,000 ordinary shares of £0.20 each, be converted into 1 new B ordinary share of £0.20 each.*

**(ii) THAT**, the joint liquidators' remuneration be fixed by reference to the time properly given by them (as liquidators) and the various grades of their staff calculated at the prevailing hourly charge out rates of Begbies Traynor (London) LLP for attending to matters arising in the winding up.

Following a similar reorganisation exercise in respect of the share capital of Rochdale, we are now able to move to the next stage. In order to complete this, the Company needs to adopt new articles of association to (i) give effect to the ordinary resolution passed at the general meeting held on 28 December 2017 relating to a conversion of shares; and (ii) effect the distribution in specie.

**31st Floor, 40 Bank Street, London, E14 5NR**

**T: 020 7516 1500 F: 020 7516 1501 (Fax) E: [london@begbies-traynor.com](mailto:london@begbies-traynor.com) W: [www.begbies-traynor.com](http://www.begbies-traynor.com)**

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Gary Paul Shankland and Kirstie Jane Provan are licensed in the United Kingdom to act as Insolvency Practitioners by the Insolvency Practitioners Association.

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Partners, Directors, and Consultants acting as administrators or administrative receivers contract as agents and without personal liability.

Accordingly, we attach a Notice of General Meeting of the Company (the shareholders) to consider and vote on the following Special Resolution:

### Special Resolution

**THAT**, *the articles of association produced to the meeting and initialled by the chair of the meeting for the purposes of identification be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company's existing articles of association.*

A summary of the principal amendments proposed to be made to the Company's current articles of association is set out in the Schedule to this letter.

The time, date and place of the General Meeting for the approval of the aforementioned Special Resolution is 10:15am on **Monday 26th February 2018** at our offices at **31<sup>st</sup> Floor, 40 Bank Street, London E14 5NR**. Assuming that the requisite majority of shareholders approve the resolution, thereupon, we will swiftly effect the Second Distribution as follows:

- (a) in respect of the Tier I shareholders, we will issue each (SRG) Tier I shareholder with a share certificate setting out their holding in Rochdale; and
- (b) in respect of the Tier II shareholders, we will issue a cheque remittance for the compensatory cash dividend.

Shareholders can expect to receive a share certificate or cheque by no later than Monday 5 March 2018.

We attach Notes to the Notice of General Meeting together with a Form of Proxy to be completed by any shareholder who cannot attend the General Meeting and wishes to appoint a proxy to attend and vote in his/her/its place. **Please note there is no necessity to attend the meeting, which can be dealt with by completing the Voting and Proxy Form attached and returning it to Daniel Webster of my office, in the first instance by email to [daniel.webster@begbies-traynor.com](mailto:daniel.webster@begbies-traynor.com), (tel 0207 516 1547) or by post to Beggies Traynor (London) LLP at 31<sup>st</sup> Floor, 40 Bank Street, London E14 5NR.**


**If you do intend to attend the General Meeting, please notify Daniel Webster by email or telephone on 020 7516 1547 by no later than 12 noon on Monday 19 February 2018, in order for us to make the necessary arrangements to accommodate numbers.**

**Forms of Proxy must be received at 31<sup>st</sup> Floor, 40 Bank Street, London E14 5NR by no later than 10:15am on Saturday 24 February 2017.**

**We would kindly ask shareholders to refrain from contacting us other than in relation to any specific queries you may have in respect of the Second Distribution. This is to ensure that we minimise our costs of dealing with this matter which may otherwise dilute any subsequent distributions to shareholders. If you do need to contact us, please contact either Richard Goddard or Daniel Webster of my office; in the first instance by email to [daniel.webster@begbies-traynor.com](mailto:daniel.webster@begbies-traynor.com).**

Finally, as previously advised, the distribution of Rochdale in specie will be a capital disposal for tax purposes at the value attributed to the Investment. I have sought clarification from the Company's tax advisors and they consider there should be no corporation tax liability. However, we will be obliged to prepare and submit tax computations in the liquidation to deal with this and all the other capital disposals. We will be obliged to retain sufficient cash reserves for this purpose and to obtain tax clearance before making any further and the final distribution in the liquidation to shareholders.

Yours faithfully  
for and on behalf of  
SRG Realisations (2017) plc (formerly Security Research Group plc)



**G P Shankland**  
Joint Liquidator

Encs.

## SCHEDULE

### 1. Memorandum of association

At the time that the Company was incorporated, there was a requirement for the Company to set out, amongst other things, its objects (i.e. basic components of its personality) in a separate document to the Company's articles of association – this document is called the Memorandum of Association.

The law has changed and now requires all of this to be set out in a single document. Therefore, the Company must file an amended set of articles.

Following a review of the Memorandum of Association, we and our solicitors are of the view that the provisions of the Memorandum of Association are no longer relevant and do not need to be set out in the amended articles of association of the Company, making the process of amending the articles simpler and eliminating unnecessary costs. The Memorandum of Association in its current form will simply be deleted by not being included in the amended articles of association.

The Company's name change from PSG Solutions plc to SRG REALISTIONS (2017) PLC will be reflected in the amended articles of association.

### 2. Share capital rights

The following definitions are to be added to Article 2.1 to reflect the share conversions:

**"A ordinary shares"** the A ordinary shares of £0.20 each in the capital of the Company, having the rights set out in these Articles,  
**"B ordinary shares"** the B ordinary shares of £0.20 each in the capital of the Company, having the rights set out in these Articles,".

Article 5 is to be deleted and replaced with:

"5.1 Save where expressly provided otherwise in these Articles, the A ordinary shares and the B ordinary shares shall rank *pari passu* in all respects.

5.2 *The A ordinary shares and the B ordinary shares do not rank rateably in respect of dividends and a dividend may be declared on any single class as deemed fit."*

Article 8 is to be amended to read:

*"Subject to the provisions of the Statutes and to any special rights for the time being attached to any existing shares, any shares may be allotted or issued with, or have attached to them, any preferred, deferred or other special rights or restrictions, whether in regard to dividend, voting, transfer, return of capital or otherwise, as may from time to time be determined."*

### 3. Dividend in specie

Article 175 is to be amended to read:

*"On any winding up of the Company, the liquidator(s) may with the sanction of a special resolution of the Company and any other sanction required by the Statutes, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members."*

### 4. Minor typos/amendments

In our review of the Company's articles of association we have noticed and corrected a number of grammatical errors and spelling mistakes.

If you would like to see a "mark-up/redline" of the proposed articles of association, please contact Daniel Webster at [daniel.webster@begbies-traynor.com](mailto:daniel.webster@begbies-traynor.com). Copies will also be available at the General Meeting to be held on 26 February 2018.

**SRG REALISATIONS (2017) PLC  
(in members' voluntary liquidation)**

(the "Company")

**Notice of General Meeting**

Notice is hereby given that a General Meeting ("**Meeting**") of the Company will be held at **10:15 a.m. on 26<sup>th</sup> February 2018 at Begbies Traynor (London) LLP 31st Floor, 40 Bank Street, London E14 5NR.**

You will be asked to consider and vote on the proposed special resolution below.

**Special resolution – new articles of association**

*THAT, the articles of association produced to the meeting and initialled by the Chair of the meeting for the purposes of identification be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company's existing articles of association.*

By order of the Joint Liquidators

8 February 2018

Registered office: **c/o Begbies Traynor (London) LLP 31st Floor, 40 Bank Street, London E14 5NR**

Registered number: **03170812**