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If you have sold or transferred all of your Ordinary Shares in Helios Underwriting plc ("the Company"), please forward this document together with the accompanying form of election at once to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold part of your holding, please consult the stockbroker, bank or other agent through whom the sale was effected. However, such documents should not be forwarded or transmitted in or into or from any other jurisdiction where such act would constitute a violation of the relevant laws of such jurisdiction, including but not limited to the United States of America, Canada, Japan, Australia or the Republic of Ireland or their respective territories or possessions.



HELIOS UNDERWRITING

## **Helios Underwriting plc**

*(Registered in England and Wales with registered no: 05892671)*

### NOTICE OF ANNUAL GENERAL MEETING AND SCRIP DIVIDEND SCHEME

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*Notice of the Annual General Meeting to be held at the  
Boardroom, Bishopsgate Institute,  
230 Bishopsgate, London EC2M 4QH  
on 25 June 2015 at 3.30 pm  
together with explanation of the business to be considered at the  
Annual General Meeting and the Scrip Dividend Scheme*

## Letter from the Chairman

### Helios Underwriting plc

(Registered in England and Wales with registered no: 05892671)

(The "Company")

**Registered Office:**  
85 Gracechurch Street  
London  
EC3V 0AA

#### Directors (the "Board"):

Sir James Michael Yorrick Oliver	(Non-executive Chairman)
Andrew Hildred Christie	(Non-executive Director)
Harold Michael Clunie Cunningham	(Non-executive Director)
Jeremy Richard Holt Evans	(Non-executive Director)
Nigel John Hanbury	(Executive Director)

1 June 2015

Dear Shareholder

#### Annual General Meeting 25 June 2015 (the "Meeting")

I enclose details of our forthcoming Annual General Meeting ("AGM"). I hope you will be able to join us at 3.30 pm on Thursday 25 June 2015.

The Notice of the Meeting and the proposed resolutions (the "Proposed Resolutions") are set out in Appendix 1 to this document.

There are six items of ordinary business and two items of special business which will be put to the shareholders at the Meeting. These are:

#### Ordinary business

##### Annual accounts and the reports of the Directors and auditors ("Resolution 1")

You will be asked to receive and adopt the enclosed annual accounts for the year ended 31 December 2014 (the "Accounts"), which include the reports of the Directors and auditors.

##### Dividend payments ("Resolution 2" and "Resolution 3")

The Board is pleased to recommend to shareholders a final dividend for 2014 of 1.5p per share together with a special dividend of 3.6p per share to shareholders of record on 5 June 2015. These dividends amount to an aggregate payment of £457,000. Shareholders are being offered the option to receive New Shares as an alternative to cash in respect of this dividend, subject to approval of the Scrip Dividend Scheme in Resolution 7.

##### Reappointment of Directors ("Resolution 4")

Pursuant to Article 68 of the Company's Articles of Association, at each AGM one third of the Directors (or, if their number is not three or a multiple of three, the nearest number to but not exceeding one third) will step down and can offer themselves for re-election. This year Jeremy Evans is seeking re-election at the Meeting. Following a performance evaluation of the Board and its individual Directors, the Board is pleased to recommend the reappointment of Jeremy Evans to shareholders.

##### Reappointment of auditors ("Resolution 5")

You will be asked to reappoint PKF Littlejohn LLP ("PKF Littlejohn") as auditors of the Company until the next AGM.

##### Authority to determine remuneration of auditors ("Resolution 6")

You will be asked to authorise the Directors to determine PKF Littlejohn's remuneration until the next AGM.

## Letter from the Chairman *continued*

### Special business

#### Scrip Dividend Scheme (“Resolution 7”)

You will be asked to authorise the Directors to offer shareholders the right to elect to receive New Shares, credited as fully paid, instead of the whole (or some part as determined by the Board) of any dividend declared being paid in cash. This is explained in more detail in the Scrip Dividend Scheme section below.

#### Company authority for market purchase of own shares (“Resolution 8”)

You will be asked to authorise the Company to purchase its own shares up to a limit of 447,840 Ordinary Shares, representing approximately 5% of the Company’s issued share capital. The amount and duration of the authority proposed in Resolution 8 are in accordance with voting guidelines.

#### Form of proxy

You will find enclosed a form of proxy for the Meeting. It covers each of the Proposed Resolutions. If you do not intend to be present at the Meeting, please complete, sign and return the form of proxy as soon as possible in accordance with the instructions thereon.

#### Recommendation

The Board considers that all the Proposed Resolutions to be considered at the Meeting are in the best interests of the Company and its members as a whole and are most likely to promote the success of the Company for the benefit of its members as a whole. The Board unanimously recommends that you vote in favour of all the Proposed Resolutions, as those Directors who hold shares intend to do in respect of their own beneficial holdings.

#### Scrip dividend scheme

Pursuant to the Company’s articles of association the Directors may, with the authority of the Company in general meeting, offer holders of Ordinary Shares the opportunity to elect to receive dividends in the form of New Shares instead of cash (‘Scrip Dividend Scheme’). The Directors are seeking this authority from Shareholders in Resolution 7 of the Notice of the AGM being held on 25 June 2015 so that they can offer Shareholders the right to elect to receive New Shares in the Company, credited as fully paid, in lieu of any interim, final or special dividends declared in respect of each financial year from and including the year ended 31 December 2014 up to and including the financial year ending 31 December 2019. The Terms and Conditions of the proposed Scrip Dividend Scheme are detailed in Appendix 2.

Subject to approval of the Scrip Dividend Scheme in Resolution 7 and you being a Shareholder at the Record Date, you are hereby being offered the opportunity to elect to receive the final dividend for 2014 of 1.5p per share together with a special dividend of 3.6p per share in the form of New Shares. The New Shares will be Ordinary Shares in the Company and have the same rights as the Company’s Ordinary Shares in issue at the Record Date save that, for the avoidance of doubt, there is no entitlement to receive any dividend declared before the New Shares are issued.

The Directors believe that the offer of the Scrip Dividend Scheme is advantageous to Shareholders as it enables you to increase your shareholding in the Company in a simple manner without paying dealing costs or stamp duty. However, your decision will depend upon your own individual circumstances and Appendix 2 details the Terms and Conditions of the Scrip Dividend Scheme which you need to consider. The Scrip Dividend Scheme is also advantageous to the Company, and therefore to its Shareholders in general, since cash that would otherwise be paid out in dividends is retained within the business.

The full Terms and Conditions of the Scrip Dividend Scheme are set out in Appendix 2 and are available on the Company’s website ‘[www.huwplc.com](http://www.huwplc.com)’. Key information about Entitlement, the Scrip Dividend Timetable and how to make a Scrip Dividend election is summarised below.

**Nothing contained in this document constitutes legal or tax advice by the Company and, if you are in any doubt as to what action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.**

#### Entitlement

Subject to you electing to join the Scrip Dividend Scheme for the final and special dividends being declared for the year ended 31 December 2014 and your instruction being received by 26 June 2015 (detailed in the Timetable below) your entitlement to New Shares will be calculated by multiplying the number of Ordinary Shares you hold at the Record Date, in this case being 5 June 2015, by the amount of dividend declared per share and dividing it by the ‘Relevant Value’ per share. The Relevant Value is the average of the closing middle market quotations for the Company’s Ordinary Shares on the London Stock Exchange as derived from the London Stock Exchange Daily Official List, for the day on which the Ordinary Shares are first quoted ‘ex-dividend’, in this case 4 June 2015, and the four subsequent dealing days.

No fraction of a New Share will be allotted and calculation of entitlement to New Shares will always be rounded down to the nearest whole share. Any residual cash balance remaining when your entitlement to the Scrip Dividend is calculated, which will be less than the Relevant Value needed to issue another New Share, will be retained for use by the Company.

## Letter from the Chairman *continued*

### **Scrip dividend scheme continued**

#### **Timetable**

The timetable for offering the Scrip Dividend for the final and special dividends for the year ended 31 December 2014 is as follows:

26 May 2015	Announcing Results and the Scrip Dividend offer
4 June 2015	Ordinary Shares quoted ex-dividend
5 June 2015	Record Date
12 June 2015	Relevant Price for the Scrip Dividend New Shares announced
26 June 2015	Final date for receipt of Scrip Dividend Mandate Election Forms and CREST Dividend Election Input Messages
3 July 2015	Payment of cash dividend and posting of tax vouchers
3 July 2015	Allotment of New Shares to Certificated and CREST Shareholders and admission for trading.

#### **Election and Mandate**

Shareholders who hold their Ordinary Shares in the Company in certificated form ('Certificated Shareholders') can join the Scrip Dividend Scheme now by completing the enclosed Scrip Dividend Mandate form and sending it to Neville Registrars at Neville House, 18 Laurel Lane, Halesowen, B63 3DA. A Scrip Dividend Mandate form may be submitted in relation to all or part of a Shareholder's shareholding and will apply for all future dividends for which a Scrip Dividend is offered, unless the instruction is cancelled as set out in the Terms and Conditions in Appendix 2.

Shareholders who hold their Ordinary Shares in uncertificated form within CREST ('CREST Shareholders') can only elect to receive dividends in the form of New Shares by use of the prescribed CREST Dividend Election Input Message procedure (the 'CREST procedure'). If you are a CREST Shareholder, you should consult your CREST sponsor who will be able to take appropriate action on your behalf and make the election using the prescribed CREST procedure. No other method of election will be permitted for CREST Shareholders, other than in special circumstances, and any Scrip Dividend Mandate Election Forms or other forms of instruction received from CREST holders will not be accepted.

CREST Shareholders may elect to be paid pursuant to the Scrip Dividend Scheme for a specific dividend or for all future dividends for which a Scrip Dividend is offered. Where the CREST Shareholder's election is for a specific dividend, a separate CREST Dividend Election Input Message is required for every subsequent dividend declared, otherwise the subsequent dividend(s) will be paid in cash.

*If you intend to elect to join the Scrip Dividend Scheme for the final and special dividends being declared in respect of the year ended 31 December 2014, your Scrip Dividend Mandate form or CREST Dividend Election Input Message must be received by Neville Registrars on or before 4.30pm on 26 June 2015.*

If you wish to receive your dividends in cash you need take no action and your dividend will be paid in cash on 3 July 2015.

Shareholders who are considering making a Scrip Dividend election should bear in mind that the price of the Company's Ordinary Shares fluctuates and can therefore go up as well as down.

#### **Sir Michael Oliver**

Non-executive Chairman

1 June 2015

**Appendix 1****Notice of Annual General Meeting****Helios Underwriting plc**

*(Registered in England and Wales with registered no: 05892671)*

Notice is hereby given that the Annual General Meeting ("AGM") of Helios Underwriting plc (the "Company") will be held at the Boardroom, Bishopsgate Institute, 230 Bishopsgate, London EC2M 4QH on Thursday 25 June 2015 at 3.30pm (the "Meeting") for the purposes of considering and, if thought fit, passing the following resolutions, Resolutions 1 to 7 (inclusive), as ordinary resolutions and Resolution 8 as a special resolution:

**Ordinary resolutions**

1. THAT the annual accounts for the year ended 31 December 2014, which include the reports of the Directors and auditors, be received and adopted.
2. THAT payment of a final dividend of 1.5p per Ordinary Share be approved in respect of the year ended 31 December 2014, such dividend to be paid on 3 July 2015 to holders of Ordinary Shares registered at close of business on 5 June 2015.
3. THAT payment of a special dividend of 3.6p per Ordinary Share be approved in respect of the year ended 31 December 2014, such dividend to be paid on 3 July 2015 to holders of Ordinary Shares registered at close of business on 5 June 2015.
4. THAT Jeremy Evans, who retires pursuant to Article 68 of the Company's articles of association and who, being eligible, offers himself for re-election as a Director, be reappointed.
5. THAT PKF Littlejohn LLP ("PKF Littlejohn") be reappointed as auditors of the Company until the date of the next AGM of the Company.
6. THAT the Directors be authorised to determine PKF Littlejohn's remuneration.
7. THAT the Directors be and are hereby generally and unconditionally authorised, subject to the provisions set out in Article 124 of the Company's articles of association, to offer shareholders at their discretion, the right to elect to receive Ordinary Shares in the Company, credited as fully paid, instead of cash in respect of any interim, final or special dividends declared in respect of each financial year from and including the year ended 31 December 2014 up to and including the financial year ending 31 December 2019, provided that such resolutions of the directors are made in accordance with, and subject to, the provisions of Article 124 of the Company's articles of association and are prior to the beginning of the Annual General Meeting convened in 2020.

**Special resolution**

8. THAT in substitution for all existing powers the Directors be generally and unconditionally authorised pursuant to Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of Ordinary Shares of the Company provided that:
  - (a) the maximum aggregate number of Ordinary Shares that may be purchased is 447,840;
  - (b) the minimum price (excluding expenses) which may be paid for each Ordinary Share is £0.10 (being the nominal value);
  - (c) the maximum price (excluding expenses) which may be paid for each Ordinary Share is the higher of:
    - (i) 105% of the average market value of an Ordinary Share in the Company for the five business days prior to the day the purchase is made; and
    - (ii) the value of an Ordinary Share calculated on the basis of the higher of the price quoted for:
      - (A) the last independent trade of; and
      - (B) the highest current independent bid for,any number of the Company's Ordinary Shares on the trading venue where the purchase is carried out; and
  - (d) the authority conferred by this resolution shall expire on conclusion of the next Annual General Meeting of the Company or 30 June 2016 (whichever is sooner) save that the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase Ordinary Shares which will or may be executed wholly or partly after the expiry of such authority.

By Order of the Board

**Martha Bruce**  
Company Secretary  
Helios Underwriting plc  
1 June 2015

**Registered Office:**  
85 Gracechurch Street  
London  
EC3V 0AA

## Appendix 1 *continued* • Notice of Annual General Meeting

### Explanatory Notes

#### Entitlement to attend and vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at:
  - » 6.00pm on 23 June 2015; or
  - » if this Meeting is adjourned, at 6.00pm on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the Meeting.

Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.

#### Appointment of proxies

2. If you are a member of the Company at the time set out in Note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a form of proxy with this Notice of Annual General Meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the form of proxy are set out in the notes to the form of proxy. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them. Appointing a proxy does not preclude you from attending and voting at the Meeting should you subsequently decide to do so.
4. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
5. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. In the event of a conflict between a blank form of proxy and a form of proxy which states the number of shares to which it applies, the specific form of proxy shall be counted first, regardless of whether it was sent or received before or after the blank form of proxy, and any remaining shares in respect of which you are the registered holder will be apportioned to the blank form of proxy. You may not appoint more than one proxy to exercise rights attached to any one share.
6. To appoint more than one proxy you may photocopy the proxy form. Please indicate the proxy's name and the number of shares in relation to which they are authorised to act as your proxy (which in aggregate should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given by ticking the box where indicated. To be valid, all proxy forms should be signed and returned to Neville Registrars together in the same envelope.
7. In the case of a member which is a company, your form of proxy must be executed under its common seal or be signed on its behalf by a duly authorised officer of the company or an attorney for the company.
8. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
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.

#### Statement of capital and voting rights

10. As at 29 May 2015 (being the last business day prior to the publication of this notice), the Company's issued share capital consists of 8,956,787 Ordinary Shares, carrying one vote each. Therefore, the total voting rights in the Company as at 29 May 2015 are 8,956,787.

#### Appointment of proxy using hard copy form of proxy

11. The notes to the form of proxy explain how to direct your proxy to vote on each resolution or withhold their vote.

To appoint a proxy using the form of proxy, the form must be:

- » completed and signed;
- » sent or delivered to Neville Registrars at Neville House, 18 Laurel Lane, Halesowen, B63 3DA; and
- » received by Neville Registrars no later than 48 hours before the time of this Meeting.

In the case of a member which is a company, the form of proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the form of proxy is signed (or a duly certified copy of such power or authority) must be included with the form of proxy.

**Appendix 1 continued** • Notice of Annual General Meeting**Appointment of proxies through CREST**

12. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. 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.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (Neville Registrars, CREST ID 7RA11) by no later than 48 hours before the time of this Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp 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.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI 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 providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

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.

**Documents on display**

13. Copies of the following documents will be available for inspection during normal business hours at the registered office of the Company on any weekday (Saturday and public holidays excluded) from 1 June 2015 until the time of the Meeting and for at least 15 minutes prior to the Meeting and during the Meeting:

- » copies of the letters of appointment for the Non-executive Directors of the Company;
- » a copy of Nigel Hanbury's service contract;
- » the Company's articles of association; and
- » the terms and conditions of the Scrip Dividend Scheme.

**Communication**

14. You may not use any electronic address provided either:

- » in this Notice of Annual General Meeting; or
- » any related documents (including the Chairman's letter and form of proxy),

to communicate with the Company for any purposes other than those expressly stated.

## Appendix 2

# Helios Underwriting Plc Terms and Conditions of the Scrip Dividend Scheme

**This document is important and sets out the terms and conditions of the Scrip Dividend Scheme. If you are in any doubt as to the action you should take, you should seek your own advice from an independent professional adviser.**

### Definitions of terms:

“the Company”	Helios Underwriting plc;
“Directors”	the Directors of the Company;
“Dividend”	a dividend declared in respect of Ordinary Shares in the Company;
“Ex-Dividend Date”	the date on which the Ordinary Shares are first quoted ‘ex’ the relevant Dividend;
“London Stock Exchange”	London Stock Exchange PLC;
“New Shares”	newly issued Ordinary Shares credited as fully paid and allotted subject to these terms and conditions;
“Ordinary Shares”	Ordinary Shares of 10p each in the capital of the Company;
“Record Date”	the record date for entitlement to participation in a Dividend, as notified to shareholders from time to time;
“Registrars”	the Company’s Registrars, Neville Registrars, Neville House, 18 Laurel Lane, Halesowen, B63 3DA;
“Relevant Value”	the average of the closing middle market quotations for the Company’s Ordinary Shares on the London Stock Exchange as derived from the London Stock Exchange Daily Official List for the day on which the Ordinary Shares are first quoted ‘ex-dividend’ and the four subsequent dealing days.
“Return Date”	the date by which (i) a completed Scrip Dividend Mandate must be returned to the Registrars in order to participate in the Scrip Dividend Scheme; or (ii) a written notice of withdrawal must be returned to the Registrars in order to withdraw from the Scrip Dividend Scheme, in either case in respect of the Dividend next following;
“Scrip Dividend Scheme”	the Helios Underwriting Plc Scrip Dividend Scheme comprising these terms and conditions (as amended or modified from time to time);
“Scrip Dividend Mandate”	a mandate in the form provided by the Company or the Registrars, validly completed by a shareholder, comprising an application to participate in the Scheme as operated by the Company from time to time until varied or revoked;
“Shareholders”	shareholders of the Company;
“terms and conditions”	the terms and conditions of the Scrip Dividend Scheme set out in this Appendix 2 as amended or modified from time to time.

### 1. Introduction to the Scrip Dividend Scheme

The Scrip Dividend Scheme is designed to enable the Shareholders to receive New Shares instead of cash dividends, thereby increasing their shareholdings without incurring dealing costs or stamp duty. This also benefits the Company as cash that would otherwise be paid out in dividends is retained within the business for reinvestment. The New Shares carry the same voting and other rights as the Company’s existing Ordinary Shares save that, for the avoidance of doubt, there is no entitlement to receive any dividend declared before the New Shares are issued.

Shareholders on the register of members at the Record Date may, in respect of Dividends for which the Scrip Dividend Scheme operates, receive New Shares in lieu of a cash dividend in respect of holdings of Ordinary Shares recorded in the register of members of the Company on the relevant Record Date. The right to receive such New Shares is subject to the approval of the Shareholders and the Directors and to each Shareholder having submitted a CREST Dividend Election Input Message or completed and returned a Scrip Dividend Mandate (as appropriate – see instructions below) and such election or mandate not having been revoked.

Shareholder approval for the Company to implement the Scrip Dividend Scheme will be sought at the Annual General Meeting on 25 June 2015 and, subject to approval being obtained, will remain in force for a period of 5 years.

If the Scrip Dividend Scheme is to be operated, Shareholders will be notified by means of a statement in either the Company’s annual report and accounts, the interim results or a separate letter. Notification will include details of the basis of entitlement to New Shares.

The allotment and issue of New Shares pursuant to the Scrip Dividend Scheme will at all times be conditional upon the Company having the necessary authority and approval from Shareholders to allot shares and the New Shares being admitted to trading on the Alternative Investment Market of the London Stock Exchange (‘AIM Market’). If, for any reason, these conditions are not satisfied and the Company is not able to allot and issue the New Shares pursuant to the Scrip Dividend Scheme, participants will receive payment of the dividend declared in cash.



**Appendix 2 continued** • Helios Underwriting Plc • Terms and Conditions of the Scrip Dividend Scheme**2. Eligibility to join**

All UK Shareholders can join the Scrip Dividend Scheme.

The right to participate in the Scrip Dividend Scheme is not available to any person in the United States of America, Canada, Australia, South Africa, the Republic of Ireland or Japan or their respective territories or possessions (subject to applicable exemptions) or in any jurisdiction outside the United Kingdom where the offer requires compliance by the Company with any governmental or regulatory procedures or any similar formalities.

Other overseas Shareholders may also be eligible to participate. If you are a shareholder and you are resident outside the UK you may treat the enclosed Scrip Dividend Mandate form as an invitation to receive New Shares unless such an invitation could not lawfully be made to you without any further obligation on the part of the Company or in compliance with any registration or other legal requirements.

It is the responsibility of any Shareholder resident outside the UK wishing to elect to receive New Shares to be satisfied as to full observance of the laws of the relevant territory, including obtaining any government or other consents which may be required and observing any other formalities in such territories. Such Shareholders shall also be responsible for ensuring that they pay any issue, transfer or other taxes that might be required in the applicable jurisdiction.

**3. Election to participate****3.1 Certificated Shareholders:**

Shareholders who hold their shares in the Company in certificated form and have a printed share certificate for their shares at the dividend Record Date ('Certificated Shareholders') can join the Scrip Dividend Scheme by completing a Scrip Dividend Mandate form, as amended from time to time, and sending it to the Company's Registrars. No acknowledgement of receipt of Scrip Dividend Mandate forms will be issued by the Registrars.

A Scrip Dividend Mandate form may be obtained from the Company's website 'www.huwplc.com' or upon request from the Registrars. Scrip Dividend Mandate forms must be received by the Registrars by the Return Date to be eligible to receive New Shares instead of cash for that, and subsequent, dividends. Forms received after that time will be applied in time for the next dividend.

The Scrip Dividend Scheme will apply to shareholding accounts in joint names, provided all joint holders sign the Scrip Dividend Mandate form.

Scrip Dividend Mandate forms will be accepted in relation to all or part of a Shareholder's shareholding. Where a Shareholder holds shares in separate accounts, these are treated individually and a Scrip Dividend Mandate form is required for each account, failing which the Shareholder will receive payment of the dividend in cash in respect of the account(s).

Certificated Shareholders do not have to apply again for the Scrip Dividend Scheme for the next dividend as their completed Scrip Dividend Mandate forms will apply for all future dividends for which a Scrip Dividend is offered (unless the instruction is cancelled as set out below).

**3.2 CREST Shareholders:**

Shareholders who hold their Ordinary Shares in uncertificated form within CREST at the dividend record date ('CREST Shareholders') can only elect to receive dividends in the form of New Shares by use of the prescribed CREST Dividend Election Input Message procedure (the 'CREST procedure'). Other than in special circumstances, no other method of election will be permitted for CREST Shareholders and any Scrip Dividend Mandate forms (suitable only for Certificated Shareholders) or other forms of instruction received from CREST holders will be rejected.

By effecting elections by means of the CREST procedure, CREST Shareholders will be deemed to have confirmed their election to participate in the Scrip Dividend Scheme and to have confirmed their acceptance of the terms set out herein, as amended from time to time.

If you are a CREST Shareholder, you should consult your CREST sponsor who will be able to take appropriate action on your behalf and make the election using the prescribed CREST procedure. When submitted the CREST Dividend Election Input Message must state the number of shares on which the election is being made. If the relevant field is left blank or completed with zero, the election will be rejected. If the number of shares stated is greater than the holding in CREST on the relevant dividend record date, the election will be applied to your total holding as at the dividend record date. The CREST Dividend Election Input Message should be received by CREST by the Return Date to be eligible to receive New Shares instead of cash for that dividend.

CREST Shareholders may elect to be paid pursuant to the Scrip Dividend Scheme for a specific dividend or for all future dividends for which a Scrip Dividend is offered. Where the CREST Shareholder's election is for a specific dividend, a separate CREST Dividend Election Input Message is required for every subsequent dividend declared, otherwise the subsequent dividend will be paid in cash.

**4. Calculating entitlement to new shares**

The entitlement of a Shareholder who has elected to participate in the Scrip Dividend Scheme to New Shares will be calculated according to the number of Ordinary Shares held by the Shareholder for which a Scrip Dividend election has been made at the Record Date. This number is multiplied by the amount of dividend declared per share and then divided by the Relevant Value. Details of the Relevant Value for the Scrip Dividend will be confirmed in writing by the Company's Auditors, announced on the London Stock Exchange and posted on the Company's website 'www.huwplc.com'.

No fraction of a New Share will be allotted and calculation of entitlement to New Shares will always be rounded down to the nearest whole share. Any residual cash balance remaining when your entitlement to the Scrip Dividend is calculated, which will be less than the Relevant Value needed to issue another New Share, will be retained for use by the Company.

## Appendix 2 *continued* • Helios Underwriting Plc • Terms and Conditions of the Scrip Dividend Scheme

### 5. Share certificates and notification of new shares received

Subject to the New Shares being admitted to trading on AIM, Certificated Shareholders will receive a statement, along with a share certificate for the New Shares, showing the number of New Shares allotted, the Relevant Value per share and the total cash equivalent of the New Shares for tax purposes. Share certificates will be posted to Shareholders within 5–10 business days of the date that the cash dividend is paid, or as soon as practicable thereafter.

CREST holders will have their CREST member accounts credited directly with the New Shares on the dividend payment date, or as soon as practicable thereafter, and will separately receive a statement showing the number of New Shares allotted, the Relevant Value and the total cash equivalent of the New Shares for tax purposes.

### 6. New shares and future scrip dividend entitlement

Provided you continue to hold them at the relevant Record Date, all New Shares will automatically increase your shareholding and be included when your entitlement to further dividends are calculated under the Scrip Dividend Scheme.

### 7. The effect of buying or selling shares after electing to receive scrip dividends

If you sell some of your Ordinary Shares before the Record Date for a dividend, the Scrip Dividend Scheme will apply to your remaining shareholding, and your reduced entitlement will be calculated accordingly.

If you buy additional Ordinary Shares and they are merely added to your existing shareholding, they will be included in your election under the Scrip Dividend Scheme without need for you to complete a new Scrip Dividend Mandate form.

However, if the newly acquired Ordinary Shares are not registered in the same way you may either request that the Registrars amalgamate your shareholding accounts if desired, or you may complete a new Scrip Dividend Mandate form in respect of the separate shareholding.

### 8. Cancelling a scrip dividend election

An election under the Scrip Dividend Scheme may be cancelled at any time.

For Certificated Shareholders cancellation is effected by providing notice in writing to the Registrars. For CREST Shareholders cancellation is effected by notifying via the CREST system, which will be carried out by the shareholder's CREST sponsor.

Notice of cancellation will take effect when it is received and processed by the Registrars in respect of all dividends payable after the date of receipt of such notice. Cancellation cannot be back dated and if such notice of cancellation is received after the Return Date for a particular dividend, that dividend will be paid by the issue of New Shares and the cancellation will take effect for all dividend payments thereafter.

Your election will terminate immediately on receipt of notice of your death, notice of your insolvency or your inability to maintain your financial affairs due to mental incapacity. If a joint shareholder dies, the mandate will continue in favour of the surviving joint shareholder(s) unless and until cancelled by the surviving joint shareholder(s).

### 9. Changes or cancellation

The Scrip Dividend Scheme may be modified, changed, suspended, terminated or cancelled at any time at the discretion of the Directors without notice to Shareholders individually. In the case of any modification, existing elections (unless otherwise specified by the Directors) will be deemed to remain valid under the modified arrangements unless and until the Registrars receive notice of cancellation from the Shareholder. The operation of the Scrip Dividend Scheme is always subject to the Directors' decision to make an offer of New Shares in respect of any particular dividend.

The Directors also have the power, after such an offer is made, to revoke the offer generally at any time prior to the allotment of the New Shares under the Scrip Dividend Scheme. This may, in particular, be exercised if on the Return Date the price of an Ordinary Share of the Company has fallen 15% or more below the Relevant Price used to calculate Shareholders' entitlements. It may also be exercised if for some reason the New Shares cannot be admitted to trading on the AIM Market.

If the Directors revoke an offer, Shareholders will receive their dividends in cash on or as soon as possible after the dividend payment date. An announcement of any cancellation or modification to the terms and conditions of participation in the Scrip Dividend Scheme will be made on the Company's website 'www.huwplc.com'.

### 10. Questions

If you have any questions about the procedure for election, how to complete the Scrip Dividend Mandate form, or you require additional Scrip Dividend Mandate forms please contact the Registrars between 9.00am and 5.00pm (UK time) Monday to Friday (except UK public holidays) on 0121 585 1131 or by email at [info@nevilleregistrars.co.uk](mailto:info@nevilleregistrars.co.uk). The Registrars cannot provide advice on the merits of the Scrip Dividend Scheme nor give any personal financial, legal or tax advice.

**The tax consequences of electing to receive New Shares in place of a cash dividend will depend on your individual circumstances. If you are not sure how you will be affected from a tax perspective, you should seek your own personal financial advice from your tax advisor, stockbroker, bank manager, solicitor, accountant or other independent financial adviser.**

**If you wish to continue to receive dividends in cash in the usual way you need take no further action and should not complete or return a Scrip Dividend Mandate form.**

## Registered officers and advisers

### Directors

Sir James Michael Yorrick Oliver (Non-executive Chairman)  
Nigel John Hanbury (Chief Executive)  
Jeremy Richard Holt Evans (Non-executive Director)  
Harold Michael Clunie Cunningham (Non-executive Director)  
Andrew Hildred Christie (Non-executive Director)

### Company secretary

Martha Bruce  
Bruce Wallace Associates Limited  
120 Pall Mall  
London SW1Y 5EA

### Company number

05892671

### Registered office

85 Gracechurch Street  
London, EC3V 0AA

### Statutory auditor

**PKF Littlejohn LLP**  
1 Westferry Circus  
Canary Wharf  
London E14 4HD

### Solicitors

**Jones Day**  
21 Tudor Street  
London EC4Y 0DJ

### Bankers

**Coutts & Co**  
440 Strand  
London WC2R 0QS

### Nominated adviser

**Smith & Williamson Corporate Finance Limited**  
25 Moorgate  
London EC2R 6AY

### Lloyd's members' agent

**Hampden Agencies Limited**  
85 Gracechurch Street  
London EC3V 0AA

### Registrars

#### **Neville Registrars Limited**

Neville House  
18 Laurel Lane  
Halesowen  
B63 3DA

### Broker

#### **Westhouse Securities Limited**

Heron Tower  
110 Bishopsgate  
London EC2N 4AY



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**Helios Underwriting plc**  
85 Gracechurch Street  
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United Kingdom

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