

## IRREVOCABLE UNDERTAKING

From: MVN Asset Management Limited, for and on behalf of its underlying fund clients

To: Blue (BC) Bidco Limited (“Bidder”)

01 October 2018

Dear Sir/Madam

### Acquisition of esure Group plc (“esure”)

We understand that Bidder intends to acquire all of the issued and to be issued ordinary share capital of esure pursuant to the Scheme or the Offer (as defined in paragraph 6 below) and related arrangements.

#### 1 SHAREHOLDINGS

We have agreed to acquire (the “Share Acquisition”) 1,500,000 ordinary shares of 1/12 penny each in the capital of esure (the “esure Shares”), and settlement of the Share Acquisition (“Settlement”) is expected to take place within five Business Days of the date of this undertaking. Upon Settlement:

- (a) we will have investment management discretion and control over the esure Shares; and
- (b) we will be entitled to cause the voting rights attaching to the esure Shares to be exercised by the registered holder of the esure Shares in such manner as we may direct, to procure acceptance of the Offer (as defined in paragraph 6 below) in relation to the esure Shares and otherwise to cause the registered holder of the esure Shares to comply with the obligations in relation to the esure Shares set out in this undertaking.

The undertakings contained in paragraphs 2 and 3 below are conditional upon Settlement.

#### 2 DEALINGS AND UNDERTAKINGS

2.1 We undertake to Bidder that until this undertaking lapses in accordance with paragraph 10 below, we shall not:

- (a) sell, transfer, charge, encumber, grant any option or lien over or otherwise dispose of any interest in any esure Shares other than pursuant to the Scheme or our acceptance of the Offer (if relevant) or as may be required by the Panel (as defined below);
- (b) accept, in respect of the esure Shares any offer or other transaction made in competition with or which might otherwise frustrate the Acquisition (as defined in paragraph 6 of this undertaking); and
- (c) vote in favour of any resolution to approve any scheme of arrangement of esure, or any other transaction or other corporate action which is proposed, in competition with or which might otherwise frustrate, impede or delay the Acquisition.

2.2 We further undertake not to, and to procure that none of our group undertakings shall, until the earlier of:

- (a) this undertaking lapsing in accordance with paragraph 10 below; and
- (b) either the Offer becoming or being declared wholly unconditional as to acceptances or the Scheme being approved by the Court,

acquire any interests (as defined in the City Code on Takeovers and Mergers (the "Code")) in any relevant securities (as defined in the Code) of esure unless the Panel on Takeovers and Mergers (the "Panel") determines, and confirms to us and to you, that, in respect of such acquisition, we are not acting in concert with you pursuant to Note 9 on the definition of "Acting in concert" set out in the Code.

- 2.3 We undertake to cause the registered holder of esure Shares to comply with the undertakings in paragraphs 2.1 above in respect of such esure Shares as if such undertakings had been given by the relevant registered holder in respect of such esure Shares.

### 3 UNDERTAKING TO VOTE IN FAVOUR OF THE SCHEME AND/OR TO ACCEPT THE OFFER

We undertake that, until this undertaking lapses in accordance with paragraph 10 below:

- (a) if Bidder elects to implement the Acquisition by way of the Scheme and the Scheme document is sent to esure shareholders, we shall exercise or procure the exercise of all voting rights attaching to the esure Shares to vote in favour of all resolutions to approve the Scheme and/or the Acquisition and any related matters (including, without limitation, the resolutions proposed in relation to Rule 16 of the Code as described in the Press Announcement) proposed at any general or class meeting ("General Meeting") and Court convened meeting ("Court Meeting") of esure to be convened and held in connection with the Scheme and/or the Acquisition, or at any adjournment of any such meeting;
- (b) if Bidder elects to implement the Acquisition by way of the Offer and the Offer is made:
- (i) we shall accept, or procure the acceptance of, the Offer in respect of the esure Shares in accordance with the procedure for acceptance set out in the formal document containing such Offer (the "Offer Document") by no later than the first closing date and time for the Offer;
- (ii) we shall not withdraw any acceptances of the Offer (unless we have become entitled to effect such withdrawal by virtue of the Code (or of any provision of the Offer Document giving effect thereto)) and will instruct the registered holder not to do so; and
- (iii) we shall exercise or procure the exercise of all voting rights attaching to the esure Shares to vote in favour of the resolutions proposed in relation to Rule 16 of the Code, as described in the Press Announcement, proposed at any General Meeting to be convened and held in connection with the Offer and/or the Acquisition,

provided that this paragraph 3(b) shall not be binding on us unless the financial terms of the Offer in our opinion (acting reasonably) are at least as favourable as the terms of the Scheme initially proposed.

### 4 HIGHER COMPETING OFFER

- 4.1 If, prior to the Scheme becoming effective or the Offer becoming unconditional as to acceptances (as applicable), any person other than Bidder or any person acting in concert with Bidder announces (a "Relevant Announcement") a firm intention (in accordance with Rule 2.7 of the Code) to make an offer (within the meaning of the Code) to acquire all the equity share capital of esure (other than that already owned by the person making such offer) (a "Competing Offer") then, notwithstanding any terms of this undertaking, we may accept or exercise the voting rights attaching to the esure Shares, or undertake to accept or exercise the voting rights attaching to the esure Shares in favour of that Competing Offer provided that:

- (a) the Competing Offer is at a price, or is in exchange for such number of shares (or other securities) that in the reasonable opinion of the board of directors of esure having taken

advice from its financial advisers implies a value for each esure share, of at least 325 pence per esure share; and

- (b) Bidder has not announced a firm intention to make a revised offer for all of the ordinary shares in esure not already owned by it (or by persons acting in concert with it) which is not subject to any pre-conditions for an equivalent or improved consideration (in the reasonable opinion of Bidder's financial adviser) to that available under such Competing Offer by 5pm on the tenth Business Day after the date of the Relevant Announcement,

unless the Competing Offer lapses or is withdrawn by 5pm on such date.

## 5 DOCUMENTATION

### 5.1 We consent to:

- (a) a copy of this undertaking being disclosed to the Panel;
- (b) the inclusion of references to us and particulars of this undertaking and our holdings of, interests in, rights to subscribe for and short positions in relevant securities of esure being included in any offer document or scheme document published in connection with the Acquisition, and any other announcement made, or document issued, by or on behalf of Bidder in connection with the Acquisition; and
- (c) this undertaking being published on a website as required by Rule 26.2 of the Code.

### 5.2 We undertake to supply on reasonable notice all information as you may reasonably require to comply with the rules and requirements of the Panel and any other applicable legal or regulatory requirement insofar as they relate to the offer document or scheme document published in connection with the Acquisition.

## 6 INTERPRETATION

In this undertaking:

- (a) references to Business Days means a day, other than a Saturday, Sunday or public holiday, when banks are open for business in London;
- (b) references to the "Press Announcement" are to the joint announcement by Bidder and the independent directors of esure dated 14 August 2018 of the terms of a recommended cash offer to be made by Bidder to acquire the entire issued and to be issued share capital of esure, entitling each holder of Scheme Shares (as defined in the Press Announcement) to receive 280 pence in cash for each Scheme Share they hold;
- (c) references to the "Offer" means any offer to be made by or on behalf of Bidder to acquire the issued ordinary share capital of esure other than that already owned by, or contracted to be acquired by, Bidder and its associates (as defined in section 988 Companies Act 2006) for the consideration, and otherwise substantially on the terms and subject to the conditions, contemplated by the Press Announcement, subject to such amendments or additions to such terms and conditions as may be required by the Code, the Panel or any applicable law or regulation, and a reference to the Offer also includes any new, increased, renewed or revised offer made by Bidder to acquire shares in esure provided that the consideration to be paid to the holders of ordinary shares of 1/12 penny in the capital of esure is 280 pence or more in cash and provided it is materially on the same terms and subject to the same conditions contemplated by the Press Announcement;
- (d) references to the "Scheme" means any scheme of arrangement of esure under section 895 Companies Act 2006 (including any new, increased, renewed or revised scheme of

arrangement) for the acquisition by Bidder of the issued share capital of esure other than that already owned by, or contracted to be acquired by, Bidder or any member of Bidder's group for the consideration, and otherwise substantially on the terms and subject to the conditions, set out in the Press Announcement, subject to such amendments or additions to such terms and conditions as may be required by the Code, the Panel or any applicable law or regulation, and a reference to the Scheme also includes any new, increased, renewed or revised scheme of arrangement proposed by esure for the acquisition by Bidder of shares in esure provided that the consideration to be paid to the holders of ordinary shares of 1/12 penny in the capital of esure is 280 pence or more in cash and provided it is materially on the same terms and subject to the same conditions contemplated by the Press Announcement; and

- (e) references to the "Acquisition" means the proposed acquisition by Bidder of all the issued and to be issued ordinary shares of 1/12 penny each in the capital of esure pursuant to the Offer or the Scheme and related arrangements.

## **7 TIME OF THE ESSENCE**

Any time, date or period mentioned in this undertaking may be extended by mutual agreement but as regards any time, date or period originally fixed or as extended, time shall be of the essence.

## **8 LAPSE OF UNDERTAKING**

**8.1** This undertaking shall lapse and our obligations under this undertaking will cease to have effect:

- (a) in the case where the Acquisition is implemented by way of a Scheme, if the Scheme does not become effective on or before the Long Stop Date (as defined in the Press Announcement), provided that the reason is not because the Bidder has elected to proceed by way of an Offer rather than by way of a Scheme;
- (b) in the case where the Acquisition is implemented by way of an Offer, the Offer Document is not despatched to esure shareholders on or before 28 days after the date of the Press Announcement or such later time as may be agreed by the Panel;
- (c) if Bidder announces that it does not intend to make or proceed with the Acquisition;
- (d) if the Offer or the Scheme lapses or is withdrawn and the Bidder announces that it does not intend to proceed with the Acquisition;
- (e) if the Offer or the Scheme lapses or is withdrawn (which, for the avoidance of doubt, shall not include any suspension of the timetable applicable to any Scheme) and no new, revised or replacement Scheme or Offer has been announced by Bidder, in accordance with the Code, in its place or is announced by Bidder, in accordance with the Code, within 10 Business Days of such lapsing or withdrawal;
- (f) if we accept (or instruct the acceptance of) a Competing Offer or exercise (or instruct the exercise of) the voting rights attaching to the esure Shares in favour of a Competing Offer; or
- (g) if (i) any other scheme of arrangement under 895 of the Companies Act 2006 in respect of esure becomes effective in accordance with its terms; or (ii) any other offer made for the entire ordinary share capital of esure is declared wholly unconditional.

**8.2** This undertaking shall not oblige Bidder to proceed with the Acquisition.

**9 CONFIRMATION**

We confirm and accept that Goldman Sachs International, Dean Street Advisers Limited and Cenkos Securities plc (being Bidder's financial advisers) are not acting for us in relation to the Acquisition and are not responsible to us for providing protections afforded to their clients or advising us on any matters relating to the Acquisition.

**10 SPECIFIC PERFORMANCE**

We agree that, if we fail to comply with any of our obligations under this undertaking, damages may not be an adequate remedy and accordingly Bidder shall be entitled to seek the remedies of specific performance, injunction or other equitable relief.

**11 NO THIRD PARTY RIGHTS**

No term of this undertaking is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not party to it.

**12 GOVERNING LAW AND JURISDICTION**

This undertaking and any non-contractual obligations arising out of or in connection with this undertaking shall be governed by, and interpreted in accordance with, English law. The English courts shall have exclusive jurisdiction in relation to all disputes (including claims for set-off and counterclaims) arising out of or in connection with this undertaking including, without limitation disputes arising out of or in connection with: (i) the creation, validity, effect, interpretation, performance or non-performance of, or the legal relationships established by, this undertaking; and (ii) any non-contractual obligations arising out of or in connection with this undertaking. For such purposes each party irrevocably submits to the jurisdiction of the English courts and waives any objection to the exercise of such jurisdiction.

**EXECUTED and DELIVERED** )  
as a **DEED** by )  
**MVN Asset Management Limited for and** )  
**on behalf of its underlying fund clients**



Director

in the presence of:



Witness signature



Witness name



Witness occupation