

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other independent professional adviser authorised under the Financial Services and Markets Act 2000.**

If you have sold or otherwise transferred all your shares in International Personal Finance plc (the '**Company**'), please pass this document, together with the accompanying documents, to the purchaser or transferee, or to the person who arranged the sale or transfer, so they can pass these documents to the person who now holds the shares.

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**NOTICE OF ANNUAL GENERAL MEETING 2014**  
**and**  
**EXPLANATORY CIRCULAR TO SHAREHOLDERS**

**International Personal Finance plc**

(incorporated and registered in England and Wales under number 6018973)

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Notice of the annual general meeting ('**AGM**') of the Company to be held at 10.30 am on Wednesday 30 April 2014 at Number Three, Leeds City Office Park, Meadow Lane, Leeds, West Yorkshire, LS11 5BD is set out on pages 3 to 6.

Whether or not you propose to attend the AGM, please complete and submit a proxy form in accordance with the instructions printed on the form. The proxy form must be received not less than 48 hours before the time of the commencement of the AGM.

Your attention is drawn to the letter from the Chairman of the Company which is set out on page 1 of this document and which recommends that you vote in favour of the Resolutions to be proposed at the AGM.

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# International Personal Finance plc

(incorporated and registered in England and Wales under number 6018973)

## Registered Office

Number Three  
Leeds City Office Park  
Meadow Lane  
Leeds  
West Yorkshire  
LS11 5BD

19 March 2014

Dear shareholder

## Notice of Annual General Meeting

I am pleased to be writing to you with details of our seventh annual general meeting ('**AGM**') which will be held at 10.30 am on Wednesday, 30 April 2014 at the Company's registered office in Leeds. The formal Notice of AGM is set out on pages 3 to 6 of this document.

If you would like to vote on the resolutions but cannot come to the AGM, please fill in a proxy form and return it to our registrars as soon as possible. They must receive it by 10.30 am on Monday, 28 April 2014.

## Business to be considered

The AGM will cover the following matters:

- receipt of the Annual Report and audited Financial Statements;
- approval of the Directors' Annual Remuneration Report;
- approval of the Directors' Remuneration Policy as required by the recent update to the legislation in this area;
- declaration of a final dividend;
- election and re-election of directors;
- reappointment and remuneration of the auditor;
- enabling the directors to allot shares in the Company for cash in certain circumstances;
- enabling the directors to allot shares on a non pre-emptive basis in certain circumstances;
- conferring authority on the Company to purchase its own shares;
- conferring authority on the Company to call general meetings other than AGMs on 14 clear days' notice; and
- a proposed amendment to the Articles of Association of the Company.

Resolution 21 deals with an additional matter. Resolution 21 seeks shareholder approval of a proposed new international all-employee share plan. Details of the proposed new share plan are set out in Appendix 2 on pages 16 to 19 of this document.

Explanatory notes on all the business to be considered at this year's AGM, together with details of the documents which may be inspected, appear on pages 9 to 12 of this document.

# **International Personal Finance plc**

## **Recommendation**

The Board considers that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole. Your Board will be voting in favour of them and unanimously recommends that you do so as well.

Yours sincerely

Christopher Rodrigues CBE  
Chairman

## **NOTICE OF ANNUAL GENERAL MEETING**

The seventh annual general meeting of International Personal Finance plc will be held at 10.30 am on Wednesday, 30 April 2014 at Number Three, Leeds City Office Park, Meadow Lane, Leeds, West Yorkshire, LS11 5BD. You will be asked to consider and, if thought fit, to pass the resolutions below. Resolutions 17, 18, 19 and 20 will be proposed as special resolutions. All other resolutions will be proposed as ordinary resolutions.

### **ORDINARY RESOLUTION**

#### **Annual Report and Financial Statements**

1. To receive the Company's Annual Report and audited Financial Statements for the financial year ended 31 December 2013.

### **ORDINARY RESOLUTIONS**

#### **Directors' Remuneration Report**

2. To approve the Directors' Annual Remuneration Report for the year ended 31 December 2013 set out on pages 70 to 78 of the Annual Report.
3. To approve the Directors' Remuneration Policy set out on pages 62 to 69 (inclusive) of the Annual Report.

### **ORDINARY RESOLUTION**

#### **Dividend**

4. To declare a final dividend of 5.50p per share on the ordinary shares of 10p each in respect of the year ended 31 December 2013, payable on 9 May 2014 to the holders of such ordinary shares on the register of members of the Company at the close of business on 11 April 2014.

### **ORDINARY RESOLUTIONS**

#### **Election and re-election of directors**

5. To elect Adrian Gardner as a director of the Company.
6. To elect Cathryn Riley as a director of the Company.
7. To re-elect Christopher Rodrigues as a director of the Company.
8. To re-elect Gerard Ryan as a director of the Company.
9. To re-elect David Broadbent as a director of the Company.
10. To re-elect Tony Hales as a director of the Company.
11. To re-elect Edyta Kurek as a director of the Company.
12. To re-elect Richard Moat as a director of the Company.
13. To re-elect Nicholas Page as a director of the Company.

### **ORDINARY RESOLUTIONS**

#### **Reappointment and remuneration of auditor**

14. THAT Deloitte LLP be reappointed auditor of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
15. THAT the directors be authorised to determine the auditor's remuneration.

## **ORDINARY RESOLUTION**

### **Power to allot relevant securities**

16. THAT the directors be and are hereby authorised generally and unconditionally pursuant to and in accordance with section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for or convert any security into shares in the Company:

- (A) up to a nominal amount of £7,990,000 (such amount to be reduced by the nominal amount allotted or granted under paragraph (B) below in excess of such sum); and
- (B) comprising equity securities (as defined in section 560(1) of the Companies Act 2006) up to a nominal amount of £15,980,000 (after deducting from such limit any shares issued under paragraph (A) above) in connection with an offer by way of a rights issue:
  - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
  - (ii) to holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,

and so that the directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, regulatory or practical problems in, or laws of, any territory or any other matter,

such authorities to apply until the conclusion of the next annual general meeting or, if earlier, until the close of business on 30 July 2015 (unless previously revoked or varied by the Company in a general meeting) but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the directors may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

## **SPECIAL RESOLUTION**

### **Disapplication of pre-emption rights in certain circumstances**

17. THAT, if Resolution 16 is passed, the directors be and are hereby authorised pursuant to section 570 of the Companies Act 2006 to allot equity securities (as defined in section 560(1) of the Companies Act 2006) for cash pursuant to the general authority conferred by Resolution 16 and/or to sell ordinary shares held by the Company as treasury shares for cash, as if section 561(1) of the Companies Act 2006 did not apply to such allotment or sale, provided that this power shall be limited:

- (A) to the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (B) of Resolution 16, by way of a rights issue only):
  - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
  - (ii) to holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,

and so that the directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, regulatory or practical problems in, or laws of, any territory or any other matter; and

- (B) in the case of the authority granted under paragraph (A) of Resolution 16 and/or in the case of any sale of treasury shares for cash, to the allotment (otherwise than under paragraph (A) above) of equity securities up to a nominal amount of £1,198,000,

such power to apply until the conclusion of the next annual general meeting or, if earlier, until the close of business on 30 July 2015 (unless previously revoked or varied by the Company in a general meeting) but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power ends and the directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the power had not ended.

## **SPECIAL RESOLUTION**

### **Authority for the Company to purchase its own shares**

18. THAT the Company be and is hereby authorised, generally and without conditions, for the purpose of section 701 of the Companies Act 2006 to make one or more market purchases (as defined in section 693(4) of the Companies Act 2006) of its own ordinary shares of 10p each, provided that:
- (A) the Company may not purchase more than 23,970,509 ordinary shares;
  - (B) the minimum price which the Company may pay for each ordinary share is the nominal value;
  - (C) the maximum price (excluding expenses) which the Company may pay for each ordinary share is the highest of:
    - (i) an amount equal to 5% over the average of the mid-market price of an ordinary share, based on the London Stock Exchange Daily Official List, for the five business days immediately before the day on which the Company agrees to purchase the ordinary shares; and
    - (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venues where the purchase is carried out;
  - (D) this authority will apply until the conclusion of the next annual general meeting or, if earlier, the close of business on 30 July 2015; and
  - (E) the Company may agree, before the authority ends, to purchase ordinary shares even though the purchase is, or may be, completed or executed wholly or partly after the authority ends, and the Company may purchase ordinary shares pursuant to any such contract as if the power had not ended.

## **SPECIAL RESOLUTION**

### **Notice of general meetings**

19. THAT a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

## **SPECIAL RESOLUTION**

### **Amendment to the Articles of Association**

20. That the Articles of Association of the Company be altered by replacing the current article 84 with the following new article 84:

#### **"84. Directors' Fees**

Each of the directors shall be paid a fee at such rate as may from time to time be determined by the board provided that the aggregate of all fees so paid to directors (excluding amounts

payable under any other provision in these articles) shall not exceed £650,000 per annum or such higher amount as may from time to time be decided by ordinary resolution of the company.”

## **ORDINARY RESOLUTION**

### **Approval of new international all-employee share plan**

21. THAT the directors be and are hereby authorised:

- (A) to establish The International Personal Finance plc Have Your Share Plan (the “**Plan**”), a copy of the draft rules of which has been produced to the meeting and a summary of the main provisions of which is set out in Appendix 2 on pages 16 to 19 of this document; and
- (B) to establish schedules to, or further share plans based on, the Plan but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under any such schedules or further plans are treated as counting against the limits on individual and overall participation in the Plan.

19 March 2014

By order of the Board  
Ben Murphy  
Company Secretary

Registered Office:  
Number Three  
Leeds City Office Park  
Meadow Lane  
Leeds  
West Yorkshire  
LS11 5BD

Registered in England and Wales No. 6018973



## Notes

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the annual general meeting ('AGM') provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this Notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please telephone 0871 664 0300. (Calls cost 10 pence per minute plus network extras. Lines are open 8.30 am – 5.30 pm Monday – Friday.) If you are calling from overseas, the number is +44 208 639 3399.
2. To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU or at the electronic address provided in the proxy form, namely [www.capitaassetservices.com](http://www.capitaassetservices.com), in each case no later than 10.30 am on 28 April 2014.
3. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 11 below) will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so.
4. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
5. To change proxy instructions submit a new proxy form using the methods set out above. 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.
6. Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a '**Nominated Person**') may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
7. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in those paragraphs can only be exercised by shareholders of the Company.
8. To be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 5 pm on 28 April 2014 (or, in the event of any adjournment, on the date which is two days before the time of the adjourned 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.
9. As at 18 March 2014 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 239,705,096 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 18 March 2014 are 239,705,096.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed (a) 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.
11. 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 & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). In order to be valid, the message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must be transmitted so as to be received by the issuer's agent (ID RA10) by 10.30 am on 28 April 2014. 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 Application 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.
12. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. 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, 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 system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
13. 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.

14. 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.
15. Under section 527 of the Companies Act 2006 members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
16. Any member attending the 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 (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (ii) the answer has already been given on a website in the form of an answer to a question, or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
17. A copy of this Notice, and other information required by section 311A of the Companies Act 2006, can be found on the Company's website at [www.ipfin.co.uk/investors/shareholder-centre/agm.aspx](http://www.ipfin.co.uk/investors/shareholder-centre/agm.aspx).
18. The electronic address given in this Notice for the appointment of proxies for the meeting is given for that purpose only and may not be used for any other purposes including general communication with the Company in relation to the meeting or otherwise.
19. Except as provided above, members who have general queries about the AGM should use the following means of communication:
- calling the shareholder helpline, details of which are set out in Note 1 above; or
  - by email to [investors@ipfin.co.uk](mailto:investors@ipfin.co.uk).

No other method of communication will be accepted.

## EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

The notes on the following pages give an explanation of the proposed resolutions.

Resolutions 1 to 16 and 21 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 17, 18, 19 and 20 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

### Resolution 1: Annual Report and Financial Statements

The directors' report, the auditor's report and the audited Financial Statements of the Company for the year ended 31 December 2013 (the '**Annual Report**') will be presented to shareholders at the AGM. The Annual Report may be accessed on the Company's website at [www.ipfin.co.uk/investors/shareholder-centre/agm.aspx](http://www.ipfin.co.uk/investors/shareholder-centre/agm.aspx).

### Resolution 2: Directors' Annual Remuneration Report

Section 439 of the Companies Act 2006 requires that a remuneration report is put to a vote of shareholders at the Annual General Meeting. This vote is advisory and the directors' entitlement to receive remuneration is not conditional on it.

Resolution 2 seeks shareholder approval for the Directors' Annual Remuneration Report which can be found on pages 70 to 78 (inclusive) of the Annual Report and which is available on the Company's website at [www.ipfin.co.uk/investors/shareholder-centre/agm.aspx](http://www.ipfin.co.uk/investors/shareholder-centre/agm.aspx). The Directors' Annual Remuneration Report gives details of the implementation of the Company's current remuneration policy including payments and share awards made to the directors during the year ended 31 December 2013.

### Resolution 3: Directors' Remuneration Policy

New regulations came into force on 1 October 2013 which require the Company to put its forward-looking remuneration policy in front of shareholders for approval at least once every three years.

Resolution 3 seeks to approve the Directors' Remuneration Policy which can be found on pages 62 to 69 (inclusive) of the Annual Report and which is available on the Company's website at [www.ipfin.co.uk/investors/shareholder-centre/agm.aspx](http://www.ipfin.co.uk/investors/shareholder-centre/agm.aspx). The Directors' Remuneration Policy sets out the Company's future policy on directors' remuneration, including the setting of the directors' pay and the granting of share awards. If Resolution 3 is approved, the effective date of the remuneration policy will be 30 April 2014.

Once the Directors' Remuneration Policy is approved, the Company will not be able to make a remuneration payment to a current or prospective director, or a payment to a former director, unless the payment is consistent with the Directors' Remuneration Policy or has been approved by a shareholder resolution.

### Resolution 4: Dividend

Shareholders must approve the final dividend for each ordinary share. However, the final dividend cannot be more than the amount which the directors recommend (which is 5.50p for each ordinary share). The final dividend proposed in this resolution is in addition to the interim dividend of 3.80p for each ordinary share which was paid on 4 October 2013.

### Resolutions 5 to 13: Election and re-election of directors

Adrian Gardner and Cathryn Riley, who were appointed to the Board since the last AGM, are standing for election. To take account of the UK Corporate Governance Code (the '**Code**') which applies to the Company, all other directors are standing for re-election. In accordance with the Code it is confirmed that performance evaluation has been carried out and that each director who is standing for election/re-election continues to be an effective member of the Board and to demonstrate commitment to the role. Biographical details of each of them are set out in Appendix 1 on pages 13 to 15 of this document.

## **Resolutions 14 and 15: Reappointment and remuneration of auditor**

The Company is obliged by law to appoint an external auditor annually. The Audit and Risk Committee considered the reappointment of Deloitte LLP at its meeting in February 2014. It recommended to the Board, and the Board now recommends to shareholders, the reappointment of Deloitte LLP as auditor of the Company.

## **Resolution 16: Power to allot relevant securities**

Paragraph (A) of this resolution would give the directors the authority to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares up to an aggregate nominal amount of £7,990,000 (representing 79,900,000 ordinary shares of 10p each). This amount represents approximately one-third of the issued ordinary share capital of the Company as at 18 March 2014, the latest practicable date prior to publication of this Notice.

In line with the guidance issued by the Association of British Insurers ('ABI'), paragraph (B) of this resolution would give the directors authority to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares in connection with a rights issue in favour of ordinary shareholders up to an aggregate nominal amount of £15,980,000 (representing 159,800,000 ordinary shares), as reduced by the nominal amount of any shares issued under paragraph (A) of this resolution. This amount (before any reduction) represents approximately two-thirds of the issued ordinary share capital of the Company as at 18 March 2014, the latest practicable date prior to publication of this Notice.

The authorities sought under paragraphs (A) and (B) of this resolution will expire at the earlier of 30 July 2015 and the conclusion of the AGM of the Company held in 2015.

As at the date of this Notice, no shares are held by the Company in treasury. Except for the possible issue of shares pursuant to the Company's employee share schemes, the directors do not have any present intention of exercising either of the authorities sought under this resolution. However, if they do exercise the authorities, the directors intend to follow ABI recommendations concerning their use (including as regards the directors standing for re-election in certain cases).

## **Resolution 17: Disapplication of pre-emption rights in certain circumstances**

This resolution would give the directors the authority to allot ordinary shares (or sell any ordinary shares which the Company holds in treasury) for cash without first offering them to existing shareholders in proportion to their existing shareholdings.

This authority would be similar to that in previous years. It would be limited to allotments or sales in connection with pre-emptive offers and offers to holders of other equity securities if required by the rights of those shares or as the directors otherwise consider necessary, or otherwise up to an aggregate nominal amount of £1,198,000 (representing 11,980,000 ordinary shares). This aggregate nominal amount represents approximately 5% of the issued ordinary share capital of the Company as at 18 March 2014, the latest practicable date prior to publication of this Notice.

In respect of this aggregate nominal amount, the directors confirm their intention to follow the provisions of the Pre-Emption Group's Statement of Principles regarding cumulative usage of authorities within a rolling three-year period where the Principles provide that usage in excess of 7.5% should not take place without prior consultation with shareholders.

The authority will expire at the earlier of 30 July 2015 and the conclusion of the AGM of the Company held in 2015.

## **Resolution 18: Authority for the Company to purchase its own shares**

The resolution gives the Company authority to purchase its own shares up to a maximum of approximately 10% of the issued ordinary share capital of the Company as at 18 March 2014, being the latest practicable date prior to publication of this Notice. The resolution renews the authority granted by the shareholders at previous AGMs. It sets out the highest and lowest prices which may be paid.

The authority given in this resolution will expire at the earlier of 30 July 2015 and the conclusion of the AGM of the Company held in 2015.

The directors have no present intention of exercising the authority to make market purchases; however, the authority provides the flexibility to allow them to do so in the future. The directors will exercise this authority only when to do so would be in the best interests of the Company, and of its shareholders generally, and where the decision could be expected to result in an increase in the earnings per share of the Company.

If any shares are purchased the directors intend that they will be either cancelled or held in treasury. If the directors decide to hold such shares as treasury shares, any subsequent resale of shares out of treasury to satisfy the requirements of the Company's employee share schemes would be made within the overall 10% and 5% equity dilution limits for such schemes for so long as this is required by the guidelines of the ABI.

#### **Resolution 19: Notice of general meetings**

This resolution renews the authority that was given at the Company's last AGM. The notice period required by the Companies Act 2006 for general meetings of the Company is 21 days, unless shareholders approve a shorter notice period which cannot be less than 14 clear days. AGMs must always be held on at least 21 clear days' notice.

At the last AGM, shareholders authorised the calling of general meetings other than an AGM on not less than 14 clear days' notice and it is proposed that this authority be renewed. The authority granted by Resolution 19, if passed, will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed.

The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole.

#### **Resolution 20: amendment to the Articles of Association**

The directors are seeking to increase the maximum aggregate remuneration the Company can pay its directors from £450,000 to £650,000. This increase will give some flexibility with regard to the recruitment of additional directors in future if required.

A copy of the proposed amended Articles of Association of the Company and the Articles of Association of the Company (marked to show the proposed changes) will be available for inspection at the offices of Slaughter and May, One Bunhill Row, London, EC1Y 8YY from the date of this Notice until the conclusion of the AGM, and at the AGM from 30 minutes before the start time until it ends.

#### **Resolution 21: New international all-employee share plan**

The proposed new share plan is The International Personal Finance plc Have Your Share Plan (the 'Plan'). The main terms of the Plan are summarised in Appendix 2 on pages 16 to 19 of this document.

The Company currently operates discretionary share based plans as part of the incentive arrangements for the executive and management teams. In addition, UK employees are invited to participate in the Company's Save As You Earn plan, normally annually. By contrast, the Company does not currently operate any share incentive arrangements for its international employees (below management level).

The Company's Remuneration Committee believes that it is desirable to introduce a new international all-employee plan to put its international employees on a similar footing to those in the UK, to assist particularly with retention of the international workforce and to align the interests of those employees with those of the Company's shareholders. The Plan will give all employees the opportunity to invest in the business in a straightforward way and to benefit personally from the future performance of the business.

**Inspection of documents**

The following documents will be available for inspection at Number Three, Leeds City Office Park, Meadow Lane, Leeds, West Yorkshire, LS11 5BD, being the Company's registered office and the location of the AGM, and at the offices of Slaughter and May, One Bunhill Row, London, EC1Y 8YY from the date of this Notice until the conclusion of the AGM, and at the AGM from 30 minutes before the start time until it ends:

- copies of the executive directors' service contracts;
- copies of letters of appointment of the Chairman and the non-executive directors;
- a copy of the proposed amended Articles of Association of the Company and the articles of association of the Company (marked to show the proposed changes); and
- a copy of the rules of The International Personal Finance plc Have Your Share Plan.

## **APPENDIX 1**

### **BIOGRAPHICAL DETAILS OF THE DIRECTORS STANDING FOR ELECTION AND RE-ELECTION**

#### **Christopher Rodrigues CBE Chairman, age 64**

Christopher joined the Board of International Personal Finance plc in 2007 at the time of the demerger from Provident Financial plc, serving as Executive Chairman until October 2008 when the chairmanship became a non-executive role.

Qualifications: Graduated in Economics and Economic History, has an MBA and was awarded an Honorary Degree of Doctor of the University of Surrey.

Other appointments: Chairman of VisitBritain, Almeida Theatre Company Limited, The Windsor Leadership Trust, the British Bobsleigh & Skeleton Association, and on 30 January 2014 he became Chairman of Openwork Holdings Limited. He is an advisor to Monitise plc and on the Council and a Trustee of the National Trust and is an executive committee member of the World Tourism and Travel Council.

Previous appointments: A non-executive director of Ladbrokes plc, Chief Executive of Thomas Cook, Chief Executive of Bradford and Bingley, board member of the Financial Services Authority, President and Chief Executive of Visa International and Joint Deputy Chairman of Provident Financial plc.

Committees: Chairman of the Nomination Committee.

Christopher's extensive experience in financial services makes him well placed to chair the Company which is a leading provider of simple financial products and services to people of modest means.

#### **Gerard Ryan Chief Executive Officer, age 49**

Gerard joined the Board of International Personal Finance plc in January 2012 as Chief Executive Officer (Designate) and became Chief Executive Officer at the beginning of April 2012.

Qualifications: Fellow of the Institute of Chartered Accountants Ireland.

Previous appointments: Chief Financial Officer of Garanti Bank, Turkey and Chief Executive Officer of GE Money Bank, Prague; Chief Executive Officer of Citi's consumer finance businesses in the Western Europe, Middle East and Africa region; director of Citi International plc, Egg plc and Morgan Stanley Smith Barney UK.

Committees: Chairman of the Executive Committee and of the Disclosure Committee and a member of the Nomination Committee.

Gerard's multi-country experience in consumer financial services makes him ideally suited to be Chief Executive Officer.

#### **Adrian Gardner Chief Financial Officer, age 51**

Adrian joined the Board of International Personal Finance plc on 2 January 2014 as Chief Financial Officer.

Qualifications: Graduated in Engineering Science and is a Fellow of the Institute of Chartered Accountants in England and Wales.

Other appointments: A non-executive director of Amdocs Limited and is a Member of the Advisory Council to Worcester College, Oxford University.

Previous appointments: Chief Financial Officer of RSM Tenon Group plc, PA Consulting Group Limited and ProStrakan Group plc and a Managing Director of Lazard LLC.



Committees: member of the Disclosure and Executive Committees.

Adrian is a Fellow of the Institute of Chartered Accountants in England and Wales and has more than a decade's experience as Chief Financial Officer across multiple sectors; given his wealth of experience and proven business acumen Adrian is well placed to perform the role of Chief Financial Officer.

**David Broadbent**  
**Chief Commercial Officer, age 45**

David joined the Board of International Personal Finance plc as Finance Director in 2007 and became Chief Commercial Officer on 2 January 2014.

Qualifications: Graduated in Classics, has an MBA and is a chartered accountant.

Previous appointments: Senior Manager with PricewaterhouseCoopers, Financial Controller and later Finance Director of the International Division of Provident Financial plc.

Committees: member of the Disclosure and Executive Committees.

David is a chartered accountant and has a very detailed knowledge of the business built up from working in it from its early days; he is ideally suited to be Chief Commercial Officer.

**Tony Hales CBE**  
**Senior independent non-executive director, age 65**

Tony joined the Board of International Personal Finance plc as a non-executive director in 2007.

Qualifications: Graduated in Chemistry.

Other appointments: Chairman of Canal & River Trust, a non-executive director of Capital & Regional plc and a board member of The Services Sound and Vision Corporation. He is also a director of Welsh National Opera Limited and Chairs Naafi Pension Fund Trustees.

Previous appointments: Chief Executive of Allied Domecq plc, Chairman of Workspace Group plc and NAAFI, and a non-executive director of Provident Financial plc, Welsh Water plc, Aston Villa plc, HSBC Bank plc and Reliance Security Group plc.

Committees: Chairman of the Remuneration Committee, member of the Audit and Risk, and Nomination Committees.

Tony has extensive business experience gained from a variety of roles in different businesses and organisations which makes him suited to carry out the role, particularly as senior independent director; he has a strong interest in marketing.

**Edyta Kurek**  
**Independent non-executive director, age 47**

Edyta joined the Board of International Personal Finance plc as a non-executive director in February 2010.

Qualifications: Has an MA in Nuclear Engineering.

Other appointments: Vice President Nordics, East Europe, Middle East and France of Herbalife.

Previous appointments: Positions in Oriflame Poland Sp. z o.o. and UPC Poland Sp. z o.o.

Committees: member of the Nomination Committee.

Edyta is Polish and works in Poland, where the largest subsidiary of the Group operates; she brings a wealth of relevant experience to the Board having worked at a senior level for other large agent-based organisations.



**Richard Moat**  
**Independent non-executive director, age 59**

Richard joined the Board of International Personal Finance plc as a non-executive director in July 2012.

Qualifications: Graduated in Law from St. Catharine's College Cambridge and is a Fellow of the Association of Chartered Certified Accountants.

Other appointments: Chief Financial Officer of Eircom Limited, an advisory board member of Tiaxa, Inc Chile, Trustee of the Peter Jones Foundation, and chair of the ACCA Accountants for Business Global Forum.

Previous appointments: Deputy Chief Executive Officer and Chief Finance Officer of Everything Everywhere Limited, Managing Director of T-Mobile UK Limited, Chief Executive Officer of Orange Romania SA, Orange Denmark A/S and Orange Thailand Limited.

Committees: member of the Audit and Risk, and Nomination Committees.

Richard brings financial and operational expertise and international experience.

**Nicholas Page**  
**Independent non-executive director, age 61**

Nicholas joined the Board of International Personal Finance plc as a non-executive director in 2007.

Qualifications: Graduated in Philosophy, Politics and Economics and is a Fellow of the Institute of Chartered Accountants in England and Wales.

Other appointments: During the year Chair of C.A.R.E. Europe 1 S.a.r.l. and C.A.R.E. Europe 2 S.a.r.l., and a director of RSM Tenon Group plc, adviser to Small World Financial Services.

Previous appointments: Chief Operating Officer of Travelex plc, Managing Director of Hambro Insurance Services plc, executive director of Hambros Bank and Joint Deputy Chairman of Hambro Group Investments, and a non-executive director of MoneyGram International Limited and Collins Stewart Hawkpoint plc.

Committees: Chairman of the Audit and Risk Committee, member of the Nomination and Remuneration Committees.

Nicholas's professional qualification and financial experience make him well placed to carry out his role, particularly as Chairman of the Audit and Risk Committee.

**Cathryn Riley**  
**Independent Non-executive Director, age 51**

Cathryn joined the Board of International Personal Finance plc as a non-executive director in February 2014.

Qualifications: Has an MA in Manpower Studies, completed CEDEP's General Management Programme and is a graduate of the Institute of Personnel/HR Management.

Other appointments: A non-executive director of The Equitable Life Assurance Society.

Previous appointments: Group Chief Operations Officer of Aviva plc, chair of Aviva Healthcare UK Ltd, Aviva Global Services and Hill House Hammond, General Manager, Transformation at BUPA and a Principal Consultant in the financial services division at Coopers & Lybrand.

Committees: member of the Remuneration Committee.

Cathryn has over 20 years' experience in insurance and financial services and brings extensive experience in major IT transformation programmes and implementing new distribution channels.

## APPENDIX 2

### SUMMARY OF THE INTERNATIONAL PERSONAL FINANCE plc HAVE YOUR SHARE PLAN (THE 'PLAN')

#### 1. General

The operation of the Plan will be supervised by the Remuneration Committee or (for participants other than executive directors, members of the UK leadership team and country managers) by an authorised committee of the board of directors of the Company (the '**Committee**').

If the Plan is approved by shareholders, the intention is for first purchases of initial shares and grants of matching awards pursuant to the Plan to take place shortly following approval (in May/June 2014). It is currently considered likely that employees will be invited to participate in the Plan on a rolling annual basis.

#### 2. Eligibility

Employees (including executive directors) of the Company or any subsidiary (the '**Group**') will be eligible to participate in the Plan, at the discretion of the Committee. It is currently anticipated that UK employees will not be invited to participate in the Plan, given their ability to participate in the Company's Save As You Earn plan.

#### 3. Initial Shares

Eligible employees will be invited to participate in the Plan and each employee who wishes to join will specify a chosen contribution level. In relation to the proposed launch of the Plan in 2014, the Remuneration Committee has specified that the maximum contribution level will be the local currency equivalent of £200 (although exact permitted contribution levels may vary below this upper limit by market).

The contribution level will normally be deducted (after tax, social security contributions and any other similar charges are deducted) from a single payment of an employee's salary, or split across more than one salary payment, and will be used to purchase shares in the Company ('**Initial Shares**') on behalf of the employee in the market. Alternatively, Initial Shares may be satisfied with new shares issued at par or shares transferred from treasury, although the employee would still be required to pay market value for them. If the contribution cannot buy an exact number of shares, as many shares as possible will be purchased/allocated without exceeding the contribution and any balance will be returned to the employee in cash. The Initial Shares will be held by a trustee on the individual's behalf.

In relation to the proposed launch of the Plan in 2014, it is intended that Initial Shares will be purchased in the market.

#### 4. Matching Award

At the same time as the Initial Shares are purchased/allocated, the Company may grant each participant an award ('**Matching Award**') over further shares in the Company. The number of shares in a participant's Matching Award will be calculated as a multiple of the number of Initial Shares purchased/allocated on his behalf at that time and the multiple will be determined by the Committee prior to each launch of the Plan, but will not exceed six. In relation to Matching Awards to be made in 2014, the Committee has specified that the multiplier shall be four times the number of Initial Shares.

Awards may be granted in the form of:-

- options to acquire shares in the Company for nil cost; or
- conditional awards of Company shares which will be received on vesting.

Matching Awards may be satisfied by shares purchased in the market or held in the Company's employee benefit trust, the transfer of treasury shares or new shares issued at par. It is currently intended that shares held in the Company's employee benefit trust will be used to satisfy Matching Awards granted in 2014.

Matching Awards are not transferable (except on death) and benefits under the Plan are not pensionable.

Employees will not pay anything to receive the shares subject to their Matching Award.

## **5. Timing of Initial Shares and Matching Awards**

Initial Shares may be purchased/allocated and Matching Awards may be granted:-

- within six weeks following the approval of the Plan by the shareholders of the Company;
- within six weeks following the announcement by the Company of its results for any period; or
- exceptionally, and subject to the Model Code, on any other day on which the Committee determines that exceptional circumstances exist.

If regulatory or statutory restrictions prevent Initial Shares from being purchased/allocated and Matching Awards from being granted in these periods, the Initial Shares may be purchased/allocated and Matching Awards may be made after the removal of all such restrictions.

No purchase/allocation of Initial Shares may be made and no Matching Awards may be granted after 30 April 2024.

## **6. Dilution Limits**

No Initial Shares may be allocated or Matching Awards granted under the Plan if it would cause the number of new shares issued or issuable pursuant to rights granted in the preceding 10 years under any of the Company's share plans to exceed 10 per cent of the Company's issued ordinary share capital at the proposed date of allocation or grant.

If rights are to be satisfied by a transfer of existing shares, the percentage limit stated above will not apply. The Company intends to comply with the guidance of the Association of British Insurers, as amended from time to time, regarding the inclusion of rights satisfied by the transfer of treasury shares when calculating these limits.

## **7. Individual Limits**

In relation to each employee who wishes to participate in the Plan, contributions to purchase Initial Shares will not exceed in aggregate during any financial year of the Company more than 10 per cent of the employee's gross salary during that or the previous financial year (whichever is greater).

In addition, maximum contribution levels (to purchase Initial Shares) will be set by the Company in relation to each launch of the Plan.

Matching Awards are capped at six times the number of Initial Shares purchased/allocated on a participant's behalf on each occasion.

## **8. Dividends**

Dividends will be payable in relation to a participant's Initial Shares from the date the Initial Shares are purchased/allocated on his behalf. These dividends may be paid to the participant in cash or rolled-up in the trust and used to buy further shares on behalf of the participant to be held in the trust.

Dividends will be payable in relation to any Matching Awards from the date the shares are allocated to the participant following vesting of the Matching Award. These dividends may be paid to the participant in cash or, whilst the shares are held in the trust, rolled-up in the trust and used to buy further shares on behalf of the participant to be held in the trust.

## **9. Vesting of Matching Awards**

Matching Awards will normally vest after three years, subject to continued employment within the Group and retention of a participant's Initial Shares within the trust. Shares allocated to participants following the vesting of Matching Awards will normally be held in the trust.

## **10. Cessation of Employment**

If, within three years from grant, a participant dies in service or leaves the Group due to injury, disability or sale of the business or company he works for or if the Committee decides that it is in the Company's best interests, the participant will usually have the right to receive a time-apportioned proportion of the Matching Award shares at the normal vesting date (i.e. three years after grant of the Matching Award).

If the Committee considers it appropriate, it may permit additional vesting in these circumstances, by varying the application of time apportionment.

Alternatively, the Committee may allow the participant to take the time-apportioned proportion of the Matching Award shares immediately following leaving.

If an employee leaves employment, he will still be entitled to his Initial Shares and any shares bought with rolled-up dividends (or the proceeds after selling them).

## **11. Takeover, Reconstruction etc**

In the event of a takeover or winding-up of the Company, Matching Awards will vest in full.

In the event of a scheme of reconstruction or amalgamation (not being an internal corporate reorganisation) of the Company or (at the discretion of the Committee) a demerger, Matching Awards may vest in full. On an internal re-organisation replacement awards would normally be offered in place of the Matching Awards.

## **12. Adjustment of Matching Awards**

If there is a rights or capitalisation issue, sub-division, consolidation, reduction or any other variation of the Company's share capital, or the implementation by the Company of a demerger or payment of a special dividend, the Committee may adjust the number of shares subject to Matching Awards.

## **13. Rights Attaching to Shares**

No shareholder rights, such as the right to vote, will be conferred in relation to shares subject to Matching Awards until a participant has received the shares.

Shares allocated or transferred under the Plan will rank alongside shares of the same class then in issue. The Company will apply to the UK Listing Authority for the listing of any newly issued shares.

## **14. Amendments**

The Committee may amend the Plan. However, the provisions governing eligibility requirements, equity dilution, individual limits, the basis for determining participants' rights to acquire shares and the adjustments that may be made following a rights issue or any other variation of the issued ordinary share capital cannot be altered to the advantage of participants

without the prior approval of the Company's shareholders in general meeting. There is an exception for minor amendments to benefit the administration of the Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants in the Plan or for any member of the Group. In addition, no alteration may be made that would materially prejudice any subsisting rights of any participants without their prior consent.

#### **15. Overseas Plans**

As is standard practice, the directors may at any time (and without further reference to shareholders) establish schedules to the Plan and further plans based on the Plan but modified to take account of local securities laws, exchange controls or tax laws, provided that any shares made available under such schedules or plans are treated as counting against the limits on individual participation and the overall dilution limits applicable under the Plan.





