

Notice of Annual General Meeting

Secure Trust Bank PLC

16 May 2018

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about its contents or the action you should take, you are recommended to seek your own personal financial advice from your stockbroker or other independent professional adviser authorised under the Financial Services and Markets Act 2000. If you have recently sold or transferred all of your shares in Secure Trust Bank PLC, please forward this document, together with the accompanying documents, as soon as possible 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.



Arbuthnot House
7 Wilson Street
London
EC2M 2SN

11 April 2018

Dear Shareholder

Annual General Meeting

I am writing to provide you with information about the 2018 Annual General Meeting ("**AGM**") of Secure Trust Bank PLC ("**STB**").

The AGM will be held on Wednesday 16 May 2018 at Arbuthnot House, 7 Wilson Street, London EC2M 2SN at 3.00 p.m. Shareholder registration will be available from 2.30 p.m.

I am enclosing a notice of AGM, which provides information about the resolutions to be proposed at the AGM ("**Resolutions**") and a form of proxy. All the Resolutions will be voted on by a poll.

The Report and Accounts in respect of the financial year ended 31 December 2017 ("**Report and Accounts**") are available on STB's website at <https://www.securetrustbank.co.uk> and a copy is also enclosed with this document.

The notice of AGM contains resolutions typical for a listed company on the premium segment of the main market of the London Stock Exchange ('**Main Market**') and two resolutions relating to Additional Tier 1 Securities that the Company may wish to issue.

What to do next

Information about attending and voting at the AGM and how to appoint a proxy on your behalf is on pages 8 to 9 of this document. Forms of Proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or other authority, must be lodged with Link Asset Services not later than 48 hours before the time for which the Annual General Meeting is convened. All Forms of Proxy must be signed and returned to Link Asset Services, PXS 1, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF. All Forms of Proxy from the same member must be returned together in the same envelope. Appointment of a proxy will not prevent you from attending the AGM and voting in person should you wish to do so. Further information about voting, including via CREST, is set out in the notes on pages 8 to 9 of this document.

Documents available for inspection

The following documents are available for inspection at the registered office of the Company at One Arleston Way, Solihull, B90 4LH during usual business hours on any weekday (public holidays excepted) and will also be available for inspection at the AGM venue from at least 15 minutes before the AGM until it ends:

- a copy of the Company's memorandum of association and articles of association;
- copies of the service contracts or letters of appointment of the Directors of the Company; and
- the Report and Accounts.

Explanatory Notes

Explanatory notes on each of the resolutions to be considered at the AGM are set out on pages 10 to 12 of this document. Appendix 1 to this circular contains biographical details of each Director seeking re-election. Appendix 2 to this document contains a letter from KPMG LLP.

Recommendation

The directors believe that all the proposed Resolutions to be considered at the AGM are in the best interests of the Company and shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolutions, as they intend to do in respect of their own beneficial shareholdings in the Company.

The AGM is an opportunity for shareholders to express their views directly to the Board and I hope that you will take the opportunity to do so.

Yours sincerely

Lord Forsyth
Chairman

Notice of Annual General Meeting

Your attention is drawn to the notes on pages 10 to 12 of this document explaining the resolutions.

NOTICE IS HEREBY GIVEN that the sixty-third Annual General Meeting of the Company will be held at Arbuthnot House, 7 Wilson Street, London EC2M 2SN on Wednesday, 16 May 2018 at 3pm for the following purposes:

ORDINARY BUSINESS

ORDINARY RESOLUTIONS

To consider and, if thought fit, pass the following resolutions which will be proposed as ordinary resolutions:

1. To receive and adopt the reports of the Directors and the financial statements for the year ended 31 December 2017 and the auditor's report on the financial statements.
2. To declare a final dividend in respect of the year ended 31 December 2017 which the Directors propose should be 61 pence per ordinary share, payable on 25 May 2018 to shareholders on the register of members at the close of business on 27 April 2018.
3. To re-elect Sir Henry Angest as a Director who retires in accordance with the provisions of the UK Corporate Governance Code and offers himself for re-election.
4. To re-elect Lord Forsyth as a Director who retires in accordance with Article 78 of the Articles of Association and offers himself for re-election.
5. To re-elect Mr Paul Marrow as a Director who retires in accordance with Article 78 of the Articles of Association and offers himself for re-election.
6. To re-elect Mr Andrew Salmon as a Director who retires in accordance with the provisions of the UK Corporate Governance Code and offers himself for re-election.
7. To appoint Deloitte LLP as the Company's auditor to hold office until the conclusion of the next Annual General Meeting of the Company.
8. To authorise the Directors to fix the remuneration of Deloitte LLP as auditor.

SPECIAL BUSINESS

ORDINARY RESOLUTIONS

To consider and, if thought fit, pass the following resolutions which will be proposed as ordinary resolutions:

9. To receive and approve the Directors' Remuneration Report for the year ended 31 December 2017.
10. THAT for the purposes of section 551 of the Companies Act 2006 (the "Act") the Directors are generally and unconditionally authorised to exercise all the powers of the Company to allot
 - a. shares in the Company or grant rights to subscribe for or convert any security into shares in the Company ("relevant securities") up to an aggregate nominal amount of £2,463,363,
 - b. relevant securities comprising equity securities (as defined in section 560 of the Act) up to an aggregate nominal amount of £4,926,727 (this amount to be reduced by the aggregate nominal amount of any relevant securities issued under paragraph (a) of this resolution) in connection with an offer by way of a rights issue
 - (1) to ordinary shareholders in proportion (as nearly as may be) to their existing holdings; and
 - (2) to holders of other equity securities as required by the rights of those securities or, subject to such rights, 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 or securities represented by depositary receipts, record dates, legal or practical problems in or arising under the laws of any territory or the requirements of any regulatory body or stock exchange or any other matter and the authority conferred by this resolution shall expire at the conclusion of the next Annual General Meeting or 15 months from the date this resolution is passed, if earlier, but may be previously revoked or varied from time to time by the Company in general meeting and so that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require relevant securities to be allotted after such expiry, revocation or variation and the directors may allot relevant securities in pursuance of such offer or agreement as if such authority had not expired or been revoked or varied.

11. THAT for the purposes of section 551 of the Companies Act 2006 (the "Act") in addition to any authority granted pursuant to resolution 10 (if passed) the Directors are generally and unconditionally authorised to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £2,463,363 in relation to any issue by the Company of Additional Tier 1 Securities ("AT1 Securities") that automatically convert into or are exchanged for ordinary shares in the Company when the Directors consider that such an issue of AT1 Securities would be desirable including in connection with, or for the purposes of, complying with or maintaining compliance with the regulatory capital requirements or targets applicable to the Company from time to time and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with record dates, legal or practical problems in or arising under the laws of any territory or requirements of any regulatory body or stock exchange or any other matter and the authority conferred by this resolution shall expire at the conclusion of the next Annual General Meeting or 15 months from the date this resolution is passed, if earlier, but may be previously revoked or varied from time to time by the Company in general meeting and so that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require shares in the Company to be allotted or rights to subscribe for or to convert any security into shares to be granted after such expiry, revocation or variation and the Directors may allot shares or grant such rights in pursuance of any such offer or agreement as if such authority had not expired or been revoked or varied.

Notice of Annual General Meeting

SPECIAL RESOLUTIONS

To consider and, if thought fit, pass the following resolutions which will be proposed as special resolutions:

12. Subject to and conditionally upon the passing of resolution 10 THAT the Directors are given the power pursuant to section 570 of the Companies Act 2006 (the "Act") to:
- allot equity securities (as defined in section 560(1)) of the Act) for cash under the authority given by resolution 10 as if section 561(1) of the Act did not apply to any such allotment; and
 - sell equity securities (as defined in section 560(1) of the Act) if, immediately before such sale, such shares are held as treasury shares (within the meaning of section 724(5) of the Act) as if section 561(1) of the Act did not apply to such sale;

provided that such powers shall be limited to:

- the allotment or sale of equity securities in connection with a rights issue, open offer or other pre-emptive offer (but in the case of an allotment pursuant to the authority conferred by paragraph (B) of resolution 10, such powers shall be limited to the allotment of equity securities in connection with a rights issue only) in favour of holders of ordinary shares and any other persons who are entitled to participate in such issue or offer or sale where the equity securities offered to each such holder and other person are proportionate (as nearly as may be) to the respective numbers of ordinary shares held or deemed to be held by them on the record date applicable to such issue or offer, but subject to such exclusions or other arrangements as the Directors may deem fit to deal with fractional entitlements, legal or practical problems arising under the laws of any overseas territory, the requirements of any regulatory body or stock exchange or by virtue of shares being represented by depository receipts or by virtue of any other matter whatever; and
- the allotment or sale of equity securities otherwise than pursuant to sub-paragraph (1) up to an aggregate maximum nominal amount of £369,504.

The power granted by this resolution shall expire 15 months from the date this resolution is passed or, if earlier, the conclusion of the Company's next Annual General Meeting but may be previously revoked or varied from time to time by special resolution but so that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted or relevant shares to be sold after such expiry, revocation or variation and the Directors may allot equity securities and sell relevant shares in pursuance of such offer or agreement as if such power had not expired or been revoked or varied.

13. Subject to and conditionally upon the passing of resolution 10 THAT the Directors are given the power pursuant to section 570 of the Companies Act 2006 (the "Act") in addition to any authority granted under resolution 12 to:
- allot equity securities (as defined in section 560(1)) of the Act) for cash under the authority given by resolution 10 as if section 561(1) of the Act did not apply to any such allotment; and
 - sell equity securities (as defined in section 560(1) of the Act) if, immediately before such sale, such shares are held as treasury shares (within the meaning of section 724(5) of the Act) as if section 561(1) of the Act did not apply to such sale;
- provided that such powers shall be limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £369,504; and
 - used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group before 6 April 2018.

The power granted by this resolution shall expire 15 months from the date this resolution is passed or, if earlier, the conclusion of the Company's next Annual General Meeting but may be previously revoked or varied from time to time by special resolution but so that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted or relevant shares to be sold after such expiry, revocation or variation and the Directors may allot equity securities and sell relevant shares in pursuance of such offer or agreement as if such power had not expired or been revoked or varied.

14. Subject to and conditional upon the passing of resolution 11 THAT the Directors are given the power pursuant to section 570 of the Companies Act 2006 (the "Act") to allot equity securities (as defined in section 560(1) of the Act) for cash under the authority granted by resolution 11 as if section 561(1) of the Act did not apply to any such allotment provided that such powers shall be limited to the allotment of equity securities up to an aggregate maximum nominal amount of £2,463,363.

The power granted by this resolution shall expire 15 months from the date this resolution is passed or, if earlier, at the conclusion of the Company's next Annual General Meeting but may be previously revoked or varied from time to time by the Company by special resolution but so that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted after such expiry, revocation or variation and the Directors may allot equity securities in pursuance of such offer or agreement as if such power had not expired or been revoked or varied.

15. THAT the Company is generally and unconditionally authorised to make market purchases (as defined in section 693(4) of the Companies Act 2006 (the "Act")) of ordinary shares of 40p each in the capital of the Company ('ordinary shares') provided that:
- a. the maximum number of ordinary shares authorised to be purchased shall be 1,847,523 (being approximately 10% of the issued share capital of the Company as at 6 April 2018);
 - b. the minimum price which may be paid for an ordinary share shall be 40p;
 - c. the maximum price (exclusive of expenses) which may be paid for each ordinary share is the higher of (1) an amount equal to 5 per cent above the average of the middle market quotations for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which the ordinary share is contracted to be purchased and (2) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venues where the purchase is carried out;
 - d. this authority shall expire on the earlier of 15 months from the date this resolution is passed and the conclusion of the Annual General Meeting of the Company to be held in 2019 unless such authority is renewed, varied or revoked prior to such time; and
 - e. the Company may enter into contracts to purchase ordinary shares under this authority prior to the expiry of such authority, which contracts will or may be executed wholly or partly after the expiry of such authority, and may make purchases of ordinary shares pursuant to any such contracts.
16. THAT the Directors are authorised to call a general meeting of the Company, other than an Annual General Meeting, on not less than 14 clear days' notice.

By order of the Board

A.J. Karter
Secretary
11 April 2018

Registered Office
One Arlestone Way
Solihull, B90 4LH

Notice of Annual General Meeting

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 Annual General Meeting. A shareholder may appoint more than one proxy in relation to the Annual General Meeting 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 document. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Company's registrars, Link Asset Services:
 - by post at Link Asset Services, PXS 1, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF;
 - by telephone UK – 0871 664 0300, from overseas call +44 (0) 371 664 0300 calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. Link Asset Services are open 9am to 5.30pm, Monday to Friday excluding public holidays in England and Wales; or
 - by email via enquiries@linkgroup.co.uk
2. To be valid any proxy form must be submitted:
 - by post or (during normal business hours only) by hand to Link Asset Services, PXS 1, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF; or
 - in the case of shareholders holding their shares through CREST, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in paragraphs 8 to 11 below, by no later than 3pm on 14 May 2018 (or, in the event of any adjournment, on the date which is 48 hours before the time of the adjourned Annual General Meeting).
3. 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).
4. 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.
5. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
6. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
7. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraphs 8 to 11 below) will not prevent a member attending the Annual General Meeting and voting in person if he/she wishes to do so.
8. 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.
9. 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 <https://www.euroclear.com/en/about/our-rules.html>). 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, in order to be valid, be transmitted so as to be received by the issuer's agent, Link Asset Services, (ID RA10) by 3pm on 14 May 2018. 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 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.

10. 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, to 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.

11. 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 such corporation does not do so in relation to the same shares.
12. Any person to whom this document is sent who is a person nominated under section 146 of the Companies Act 2006 (the "Act") 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 Annual General Meeting. 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.
13. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 to 6 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
14. To be entitled to attend and vote at the Annual General Meeting (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 by close of business on 14 May 2018 (or, in the event of any adjournment, on the date which is 48 hours before the time of the adjourned Annual General Meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the right to attend and vote at the Annual General Meeting.
15. Shareholders should note that it is possible that, pursuant to requests made by shareholders of the Company under section 527 of the Act, the Company may be required 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 meeting; 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 Act. 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 Act. Where the Company is required to place a statement on a website under section 527 of the Act, 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 meeting includes any statement that the Company has been required under section 527 of the Act to publish on a website.

As at 6 April 2018 the latest practicable date before publication of this notice, the Company's issued share capital comprised 18,475,229 ordinary shares of 40p each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6 April 2018 is 18,475,229.

16. A copy of this document and further information about the Annual General Meeting, including the information required by Section 311 of the Act, can be found at STB's website at <https://www.securetrustbank.co.uk>
17. Any member attending the Annual General Meeting has the right to ask questions. The Company has to answer any questions raised by members at the meeting which relate to the business being dealt with at the meeting unless:
- to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information
 - the answer has already been given on a website in the form of an answer to a question, or
 - it is undesirable in the interests of the company or the good order of the meeting to answer the question.

Notice of Annual General Meeting

EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING:

The Notice of the Annual General Meeting of the Company to be held on Wednesday, 16 May 2018 is set out on pages 4 to 9 of this document. The following notes provide an explanation of the resolutions to be put to shareholders.

Resolutions 1 to 11 are ordinary resolutions. These resolutions will be passed if more than 50% of the votes cast for or against are in favour.

Resolution 1 – Presenting the Accounts

1. The Directors are required by the Companies Act 2006 to present to the shareholders of the Company at a general meeting the reports of the Directors and auditor and the audited accounts of the Company for the year ended 31 December 2017. The reports of the Directors and the audited accounts have been approved by the Directors and the report of the auditor has been approved by the auditor and a copy of each of these documents may be found in the Report and Accounts.

Resolution 2 – Declaration of Dividend

2. In accordance with the Articles of Association of the Company and the Companies Act 2006 the Directors are proposing a final dividend in respect of the year ended 31 December 2017. The Directors propose that this should be 61 pence per ordinary share. The dividend, if approved by shareholders, would be payable on 25 May 2018 to shareholders on the register of members at the close of business on 27 April 2018.

Resolutions 3 to 6 – Re-election of Directors

- 3-6. Biographical information for the relevant Directors is shown on pages 59 to 60 of the Report and Accounts, and also in Appendix 1 to this document. Details of why the Board believe that the relevant Directors should be re-elected are included in the Governance Report in the Report and Accounts.

The Board recommends the re-election of all the Directors nominated in these resolutions because each director continues to demonstrate the skills, judgement and character which, in combination with extensive relevant commercial experience make each individual a valuable director of the Company.

Resolutions 7 and 8 – Appointment of auditor and authority for the directors to determine their remuneration

7. As reported in the 2016 Report and Accounts, the Board conducted an external tender process coinciding with the required rotation in audit partner at the end of 2017. The Audit Committee oversaw a formal and comprehensive tender process for the external audit process. On the recommendation of the Audit Committee, the Board is recommending to shareholders the appointment of Deloitte LLP as the Company's new auditor starting with the financial year ending 31 December 2018. Resolution 7, therefore, proposes that Deloitte LLP be appointed as auditor to the Company. Details of the tender process are provided in the Audit Committee Report on page 72 of the Report and Accounts. KPMG (the Company's auditor for the financial year ended 31 December 2017) will not seek reappointment and will therefore cease to hold office at the conclusion of the 2017 financial year audit. In accordance with section 519 of the Companies Act 2006, KPMG LLP have given a "statement of circumstances" in connection with their ceasing to hold office as auditor, which is set out in Appendix 2 on page 14 of this document.
8. Resolution 8 proposes that the Directors be authorised to determine the level of the auditor's remuneration.

Resolution 9

9. The Companies Act 2006 requires the Company to seek an advisory shareholder vote on the Annual Remuneration Report on an annual basis. Resolution 9 deals with this. The Directors' Remuneration Report consists of two elements; an annual statement, which is shown on pages 86 to 93 of the Report and Accounts, and an annual report on remuneration, which starts at page 85 of the Report and Accounts (together the "Annual Remuneration Report").

Resolution 10 - Authority to the Directors to allot shares

10. The Companies Act 2006 provides that the Directors may only allot shares if authorised by shareholders to do so. Resolution 10 will, if passed, authorise the Directors to allot shares and to grant rights to subscribe for or convert securities into shares. The Company sought and received this authority at the 2017 AGM but did not allot shares under this authority in the year ended 31 December 2017. The Directors are seeking to renew this authority with shareholders to retain the flexibility contemplated in this resolution in a manner consistent with other Main Market companies.

Paragraph (a) of the resolution will enable the Directors to allot and issue new shares in whatever manner (subject to pre-emption rights) they see fit, up to £2,463,363 (equal to one-third of the issued ordinary share capital of the Company as at 6 April 2018 (excluding treasury shares) the latest practicable date prior to the publication of this Notice).

Paragraph (b) will give the Directors additional authority to allot relevant securities in connection with a rights issue up to an aggregate nominal amount of £4,926,727 (less any ordinary 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 6 April 2018, the latest practicable date before the publication of this Notice and is considered routine by the Investment Association.

The authority will expire at the earlier of the date that is 15 months after the date of the passing of the resolution and the conclusion of the next Annual General Meeting of the Company.

Passing resolution 10 will ensure that the Directors continue to have the flexibility to act in the best interests of shareholders when opportunities arise by issuing new shares. There are no current plans to issue new shares except in connection with employee share schemes.

As at 6 April 2018, the latest practicable date prior to the publication of this document, the Company had 18,475,229 ordinary shares of 40 pence each in issue. The Company held no treasury shares as at that date.

Resolution 11 - Authority to the Directors to allot shares in relation to the issue of AT1 Securities

11. The effect of resolution 11 is to give the Directors the authority to allot Additional Tier 1 Securities ("AT1 Securities") or shares issued upon conversion or exchange of AT1 Securities in whatever manner they see fit up to an aggregate nominal amount of £2,463,363 (equal to approximately one third of the issued ordinary share capital of the Company as at 6 April 2018 (excluding treasury shares) the latest practicable date prior to the publication of this Notice).

This authority is in addition to the authority proposed in resolution 10, which is the usual authority sought on an annual basis in line with guidance issued by the Investment Association. The authority sought in resolution 11 will be utilised as considered desirable to comply with or maintain compliance with regulatory capital requirements or targets applicable to the Company.

The authority will remain in force until the end of the Annual General Meeting in 2019 or the close of business 15 months after the date the resolution is passed, whichever is earlier.

The Directors believe it is in the best interests of the Company to have the flexibility to issue AT1 Securities from time to time. Before deciding to use the authority sought in resolution 11, the Directors would take into account a number of factors including the specific regulatory requirements at the time, the efficiency of the Company's overall capital structure and the regulatory and market assessment of appropriate capital ratios as well as market conditions at the time and demand for the issue of AT1 Securities. However, the request for authority in resolution 11 should not be taken as an indication that the Company will or will not issue any or any given amount of AT1 Securities.

Resolutions 12 to 16 are special resolutions. These resolutions will be passed if not less than 75% of the votes cast for or against are in favour.

Resolution 12 and 13 - Partial Disapplication of Statutory Pre-emption Rights

- 12-13. The Companies Act 2006 requires that where shares are issued or treasury shares are sold for cash they must first be offered to the existing shareholders on a pre-emptive basis in accordance with a particular procedure. The Directors believe that this would be too restrictive to enable the Company to take advantage of opportunities which may arise. The Directors are therefore seeking authority (with resolutions 12 and 13) to be able to issue shares or sell treasury shares for cash in certain circumstances without complying with the statutory pre-emption procedure.

The Pre-Emption Group's Statement of Principles, as updated in March 2015, supports the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities and sales of treasury shares for cash representing no more than 5 per cent of issued ordinary share capital (exclusive of treasury shares), without restriction as to the use of proceeds of those allotments.

Accordingly, resolution 12 allows the Directors to allot shares and sell treasury shares for cash (i) in connection with a pre-emptive offer or pre-emptive rights issue or (ii) otherwise up to a nominal value of £369,504, equivalent to 5 per cent of the total issued ordinary share capital of the Company excluding treasury shares as at 6 April 2018, without first having to offer them to existing shareholders in proportion to their holdings.

The Pre-Emption Group's Statement of Principles also supports the annual disapplication of pre-emption rights in respect of allotments of shares and sales of treasury shares for cash representing no more than an additional 5 per cent of issued ordinary share capital (exclusive of treasury shares), to be used only in connection with an acquisition or specified capital investment.

Notice of Annual General Meeting

Accordingly, and in line with the template resolutions published by the Pre-Emption Group in May 2016, the purpose of resolution 13 is to authorise the Directors to allot new shares pursuant to the allotment authority given by resolution 10, or sell treasury shares, for cash up to a further nominal amount of £369,504, equivalent to 5 per cent of the total issued ordinary share capital of the Company as at 6 April 2018, excluding treasury shares, only in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue.

The Board intends to adhere to the provisions in the Pre-Emption Group's Statement of Principles and not to allot shares or other equity securities or sell treasury shares for cash on a non-pre-emptive basis pursuant to the authority in resolutions 12 and 13 in excess of an amount equal to 7.5 per cent of the total issued ordinary share capital of the Company (excluding treasury shares) within a rolling three-year period, other than with prior consultation with shareholders or in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment.

Resolution 14 - Disapplication of Statutory Pre-emption Rights in relation to an issue of AT1 Securities

14. The effect of resolution 13 is to give the Directors authority to allot AT1 Securities, or shares issued upon conversion or exchange of AT1 Securities, without first offering them to existing shareholders in proportion to their holdings. This will allow the Company to manage its capital in the most efficient and economic way for the benefit of shareholders. If passed, resolution 13 will authorise the Directors to allot shares and grant rights to subscribe for or to convert any security into shares in the Company on a non-pre-emptive basis in whatever manner they see fit in connection with an issue of AT1 Securities up to an aggregate nominal amount of £2,463,363 (equal to approximately one third of the issued ordinary share capital of the Company as at 6 April 2018 (excluding treasury shares) the latest practicable date prior to the publication of this Notice).

The authority sought in resolution 13 will be utilised as considered desirable to comply with or maintain compliance with regulatory capital requirements or targets applicable to the Company.

The authority will remain in force until the end of the Annual General Meeting in 2019 or the close of business 15 months after the date the resolution is passed, whichever is earlier.

Resolution 15 - Purchase of Own Shares by the Company

15. If passed, this resolution will grant the Company authority for a period of up to 15 months after the date of passing of the resolution to buy its own shares in the market. The resolution limits the number of shares that may be purchased to approximately 10% of the Company's issued share capital. The price per ordinary share that the Company may pay is set at a minimum amount (excluding expenses) of 40 pence per ordinary share and a maximum amount (excluding expenses) which is the higher of (1) an amount equal to 5% above the average of the closing middle market price of the ordinary shares (as derived from the London Stock Exchange Daily Official List) for the 5 business days immediately preceding the date on which the share is contracted to be purchased and (2) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venues where the purchase is carried out.

The Directors' present intention is that shares purchased pursuant to this authority will be cancelled immediately on purchase. Alternatively, the shares may be held in treasury, sold for cash or (provided Listing Rule requirements are met) transferred for the purposes of or pursuant to an employees' share scheme. The effect of any cancellation will be to reduce the number of shares in issue. For most purposes, while held in treasury, shares are treated as if they have been cancelled (for example, they carry no voting rights and do not rank for dividends). The Directors will only make purchases under this authority if they believe that the effect of such purchases (where such shares are purchased for cancellation) would result in increased earnings per share and would be in the interests of the shareholders generally.

Resolution 16 - Approving the Notice Period for General Meetings

16. In order to maintain its ability to call general meetings (other than an Annual General Meeting) on 14 clear days' notice, the Company must offer all shareholders the ability to appoint a proxy electronically (via the website of the Company or its registrars) and must obtain the approval of its shareholders by means of a special resolution passed each year. Resolution 16 seeks such approval.

It is intended that a similar resolution will be proposed at future Annual General Meetings. It is not the Company's intention to utilise this authority in the ordinary course of business and only in exceptional circumstances where flexibility regarding the calling of general meetings is required.

APPENDIX 1

BIOGRAPHIES OF DIRECTORS DUE FOR RE-ELECTION

Sir Henry Angest LLL**Non-Executive Director**

Appointed to the Board on 28 January 1982.

Skills and experience

Sir Henry Angest is an experienced and respected banker. He is a past Master of the Worshipful Company of International Bankers, Chairman and Chief Executive of Arbuthnot Banking Group and Chairman of Arbuthnot Latham & Co., Limited. He gained extensive national and international experience as an executive of The DOW Chemical Company and DOW Banking Corporation. He was chairman of the banking committee of the London Investment Banking Association and a director of the Institute of Directors. He has a law degree from the University of Basel. During his career, Sir Henry has gained extensive experience in leadership, general management, corporate strategy, acquisitions, banking operations, human capital, legal and risk.

Other appointments include:

Sir Henry is Chairman of Arbuthnot Banking Group PLC and of its subsidiary Arbuthnot Latham & Co., Limited. Sir Henry was appointed by Arbuthnot Banking Group to the board of Secure Trust Bank PLC.

Andrew Salmon ACA**Non-Executive Director**

Appointed to the Board on 8th July 2003.

Skills and experience

Andrew Salmon joined Arbuthnot Banking Group in 1997 and is its Chief Operating Officer and Head of Business Development. He was previously a director of Hambros Bank Limited and qualified as a Chartered Accountant with KPMG. His professional qualification and background in the financial services sector has given Andrew experience in remuneration, governance, operations, accounting, finance, marketing, risk and compliance.

Other appointments include:

Andrew is a director of Arbuthnot Banking Group PLC and its subsidiary Arbuthnot Latham & Co., Limited. Andrew was appointed by Arbuthnot Banking Group to the Board of Secure Trust Bank PLC.

The Rt Hon Lord Forsyth of Drumlean PC Kt**Chairman**

Appointed to the Board on 1st March 2014 as an Independent Non-Executive Director and appointed Chairman of the Company on 19 October 2016.

Skills and experience

Lord Forsyth is a former Chairman of Hyperion Insurance Group, and former Deputy Chairman of JP Morgan UK and Evercore Partners International. He was appointed to the Privy Council in 1995, knighted in 1997, and joined the House of Lords in 1999. He was a member of the House of Commons for 14 years and served in Government for 10 years, latterly as a Cabinet Minister. His background in the public and private sectors has given Lord Forsyth a broad experience of a number of matters relevant to the business of the Group including strategy, governance, operations, marketing, risk and human capital.

Other appointments include:

Lord Forsyth is a director of J&J Denholm Limited and Denholm Logistics Limited and Chairman of the House of Lords Economic Affairs Committee.

Paul Marrow ACIB**Senior Independent Non-Executive Director**

Appointed to the Board on 3rd March 2011.
Chairman of the Risk Committee.

Skills and experience

Paul Marrow has over 40 years' banking experience and has, in the past, been responsible for the Commercial Banking and Specialist Corporate Banking business divisions of RBS Group in the UK and been the chair of JCB Finance Limited. Paul served for a number of years as Chair of the Group Audit Committee and was Chairman of Everyday Loans Group. During his career, Paul has gained experience in governance, risk, finance, accounting, operations and corporate strategy across a wide range of banking disciplines.

Other appointments include:

Paul is an independent non-executive director of Arbuthnot Latham & Co. Limited, a wholly owned subsidiary of Arbuthnot Banking Group.

Notice of Annual General Meeting

APPENDIX 2

STATEMENT OF CIRCUMSTANCES FROM KPMG LLP



KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham B4 6GH
United Kingdom

Tel +44 (0) 121 232 3000
Fax +44 (0) 121 232 3500

Private & confidential
Secure Trust Bank PLC
One Arlestone Way
Solihull
B90 4LH

Our ref ajw/mr/kp/247

Contact Andrew Walker
+44 (0)121 232 3249

3 April 2018

Dear Sirs

Statement to Secure Trust Bank PLC (no. 00541132) on ceasing to hold office as auditors pursuant to section 519 of the Companies Act 2006

The reason connected with our ceasing to hold office is the holding of a competitive tender for the audit, in which we were unsuccessful in retaining the audit.

Yours faithfully,

KPMG LLP

Audit registration number: 9188307

Audit registration address:
15 Canada Square
Canary Wharf
London
E14 5GL

KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Document Classification - KPMG Confidential

Registered in England No OC301540
Registered office: 15 Canada Square, London, E14 5GL
For full details of our professional regulation please refer to 'Regulatory Information' under 'About/About KPMG' at www.kpmg.com/uk



Secure Trust Bank PLC
One Arleston Way
Shirley
Solihull
West Midlands
B90 4LH

T 0121 693 9100

www.securetrustbank.co.uk