

P.O. Box No. 226
The Stock Exchange Building
London EC2P 2JX

Telephone 01-628 2318

To: Swirey
From: Huber

PERSONAL

27 November 1984

Mr John Huber
Head of Division of Corporation Finance
Securities and Exchange Commission
Washington DC 20549
USA

RECEIVED

DEC 1 3 1984

OFFICE OF THE DIRECTOR
CORPORATION FINANCE

Dear John

APPROVAL FOR PARTIAL BIDS

You asked me to let you have a report on the Panel's experience with partial bids where shareholder "approval", as distinct from simply their acceptance of the bid, has been required under the Take-over Code. I am sorry that this letter is overdue but, as I explained on the telephone, we have been under very considerable pressure from current cases.

The "approval" concept provides the following options for shareholders. They might like the bid to fail but if it succeeds they want to get out of some shares under the bid therefore they vote against but accept: alternatively they might want the bid to succeed wishing to stay in and therefore they vote in favour but do not accept, hoping, however, that others will.

The whole matter of partial bids during the existence of the Panel has been one of major theoretical discussions with very little actually happening. The most likely reason for a partial bid, in theory, is where someone wants a stake in an unlisted company and cannot, therefore, buy it on The Stock Exchange. For various reasons, however, partial bids have never

been much of a feature in the UK. Offerors usually go for 100% of their targets. There had been in the sixties one or two cases where control had been acquired following a partial bid and the dividend stream had been shut off. For this and other reasons when the first Take-over Code was issued partial bids were "frowned on". As you know we do not have much law which protects minority shareholders and so the creation of minorities is not liked.

Whatever the reasons, people do not in practice seem to want to make partial bids. Restrictions in the Code with regard to the Panel's consent to make a partial bid may be relevant. If there have been significant purchases during the period before an application to make such a bid is made then consent will not be given. No buying by the offeror is allowed in a partial bid (unlike 100% bids in this country) and, perhaps more importantly, no buying is allowed for a year after a partial bid has been successfully made.

That is the background. We have looked into the subject and to my surprise have found that, since the Spring of 1974, when the approval concept was first introduced into the Code, there have only been six partial bids which are, even in principle, relevant to your question. The total number of partial bids in the period was 16 but 10 were cases where the offeror would end up controlling under 30% of the votes (we do not require shareholders' approval in these cases since, as you know, 30% is our watershed for control) or which were otherwise not relevant.

The development of the approval concept in our Rules was as follows:-

(1) June 1974 Take-over Code

The partial bid Rule (Rule 27) introduced the following at that time -

"Offers which would, if accepted in full, result in the offeror and persons acting in concert holding shares carrying over 50% but less than 100% of the voting shares will not normally be permitted unless the Board of the offeree company agrees and the offer is subject to the approval of the holders of not less than 50% of the voting rights not already owned by the offeror and persons acting in concert."

Elsewhere the Rule made it clear that consent was very unlikely to be given for offers which would result in the offeror and persons acting in concert holding shares carrying between 30% and 50%.

(2) April 1976 Take-over Code

This edition of the Code extended the 50% approval concept to bids which would leave the offeror and concert parties controlling anything between 30% and something under 100% of the voting rights (of course this approval excluded any votes in respect of shares already held by the offeror and persons acting in concert). The agreement of the board was still required for bids which would result in the offeror ending up between 30% and 50%.

(3) February 1981 Take-over Code

In this edition, the edition now in force, the Rule was further clarified and amended. The concept of the agreement of the target company board was dropped and the relevant part of the Rule now reads:-

"Any offer which would result in the offeror holding shares carrying 30% or more of the voting rights of a company must normally be conditional, not only on the relevant number of acceptances being received, but also on approval of the offer, normally signified by means of a separate box on the Form of Acceptance and Transfer, being given by shareholders

holding over 50% of the voting rights not held by the offeror and persons acting in concert with it. The requirement may on occasion be waived if over 50% of all the voting rights of the offeree company are held by one shareholder."

The thinking about, and development of, the point described above came about, as I have suggested, largely because of the theorising we have done rather than through problems which arose in practice. We were, and continue to be, consulted many times about potential partial bids; we wrestle with the problems and give rulings but then the bids do not materialise.

Set out below are some notes on the six cases; the three divisions relate to the three relevant editions of the Code mentioned above:-

(1) June 1974 to April 1976

In this period there were no partial bids relevant to your enquiry. Our working theory was that if there had been bids then the "approval" could have been shown by over 50% acceptances, by a vote at an Extraordinary General Meeting (EGM) of the company, by a separate form or by a separate box on the acceptance form.

(2) April 1976 to February 1981

The same possible methods of indicating approval by over 50% of the shareholders were available. There were four cases:-

- (a) Offer by Rheem International Inc to acquire just over 50% of the equity of Redfearn National Glass Limited. Neither Rheem, its directors, nor any one acting in concert held any shares in Redfearn and the acceptance form simply contained a clause indicating that acceptance would be treated as approval under the Take-over Code. There was no "result" as this offer was referred to the Monopolies Commission and accordingly lapsed.

- (b) Offer by a Mr Karten, a director, to acquire a small number of shares in Multitone Electric Co Ltd which would take his holding of approximately 46% to just over 50%. This was a miniscule affair and only just within the Code but it was dealt with, from the point of view of the partial bid Rule, extremely thoroughly and there was an acceptance form and a form of approval. The bid was declared unconditional having been accepted in respect of more than the required number of shares and approved by a sufficient number. This case really tells us nothing, however, as fellow directors and the financial adviser to the company controlled over 76% of the votes and committed themselves in advance to give approval.
- (c) Offer by a company called Tinnox Limited for 50.5% of the share capital of Barget Limited. Again this case is of no consequence because shareholders holding well over 50% had agreed in advance to accept the offer to the extent necessary to ensure that it succeeded and to give their approval. The approval aspect was dealt with at an EGM.
- (d) Offer by a Mr Nicholson for between 26% and 30.5% of Middleton and Wood (1919) Limited. In this case directors and relatives held 69.5% of the issued share capital and did not propose to stand in the way of Mr Nicholson offering to take out the other shareholders: they consented to his offer while not accepting it. The offer in fact achieved considerably less than 26% but in that range of figures there was no Code objection to its being declared unconditional. This is another case which is of no significance to your enquiry.

(3) February 1981 to date

In this period we have the proposition in the Code that there should be two boxes on the acceptance forms: one to indicate acceptance the other to indicate approval.

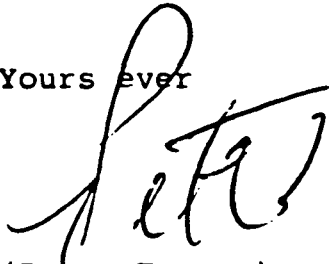
- (a) Offer by The States of Jersey for such number of shares in The Jersey New Waterworks Company Limited as would, in conjunction with a subscription for new shares and a capitalisation issue in respect of Preference shares, result in The States of Jersey having more than 50% of the votes. (This was a highly complicated case because the target company was one of those unusual companies where the number of votes a shareholder can cast depends on the size of his holding but not pro rata to the number of shares. In this case the oddity applied to the Preference shares.) The necessary approval under the Code was sought on the acceptance forms and directors and shareholders controlling 18.3% of the votes agreed in advance to vote in favour. The offer was successful but in view of the peculiar features of the company the result announcement is "mind-boggling", complicated and of no relevance to this general question so I am not enclosing it.
- (b) Offer by a Mr Cartier for 51.8% of the ordinary shares of Maynards PLC. This case was unilateral, ie it was not recommended by the target board. The approval of over 50% of shareholders was sought by means of a second box on the acceptance form. The bid was vigorously defended. This case is more interesting because, as you will see from the enclosed copy of an announcement dated 17 February 1984, the offeror received acceptances for the ordinary share offer in respect of 39.7% and approvals in respect of 47.3%! I thought you might like to see the offer document and forms so I am enclosing these: there were several later circulars to shareholders but these add nothing to the point we are dealing with.

Well John, if you have read as far as this you will have realised that I have for the most part been wasting your time. It seems to me that only the last mentioned case above can conceivably be of any interest to you but I wanted to show that at least we would try and help!

It is perhaps interesting that 50% of these cases are bids by individuals as distinct from companies: perhaps our tax laws have made us all so poor that individuals are unlikely to be able to afford 100% of a company! There is perhaps the point that our "squeeze out" law, Section 209 of the 1948 Companies Act - if you get 90% you can force out the last 10% - is available only to offerors which are companies and not to individuals.

I look forward to seeing you next time you are in the UK and in the meantime best wishes.

Yours ever

A handwritten signature in cursive script, appearing to read 'Peter Frazer', written in dark ink.

(Peter Frazer)

PS May I ask you to let me have a copy of the SEC's latest Annual Report.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this document or the action you should take, you should consult immediately your stockbroker, solicitor, accountant or other professional adviser.

If you have sold all your Ordinary Shares and/or Preference Shares in Maynards PLC, you are requested to hand this document (together with the enclosed Form(s) of Acceptance and Transfer) to the stockbroker, bank or other agent through whom the sale was effected for transmission to the purchaser.

If the Ordinary Offer succeeds, statutory control of Maynards PLC will pass to Lewis E. Cartier who will be free to exercise that control and acquire further shares without incurring any mandatory offer obligations under The City Code on Take-overs and Mergers.

Cash Offers

by

**Barclays Merchant
Bank Limited**

on behalf of

Lewis E. Cartier

**to acquire 51.8 per cent. of the issued
Ordinary Share capital and all the issued
Preference Share capital of**

Maynards PLC

**Acceptances must be received by not later than 3.30 p.m. on
Thursday, 12th January, 1984.**

The action required for acceptance is set out on page 8.

A letter from Mr. Cartier is set out on pages 3 to 5.

DEFINITIONS

"Maynards"	Maynards PLC.
"Mr. Cartier"	Lewis E. Cartier.
"BMB"	Barclays Merchant Bank Limited.
"the Ordinary Shares"	the 4,895,683 Ordinary Shares of 25p each in Maynards in issue.
"the Preference Shares"	the 56,500 4.2 per cent. Cumulative Preference Shares of £1 each in Maynards in issue.
"the Ordinary Offer"	the partial offer by BMB on behalf of Mr. Cartier contained in this document to acquire 2,535,964 Ordinary Shares.
"the Preference Offer"	the offer by BMB on behalf of Mr. Cartier contained in this document to acquire all the Preference Shares.
"the Offers"	the Ordinary Offer and the Preference Offer.
"Cartiers Superfoods"	Cartiers Superfoods Limited.

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21st December, 1983

To the Shareholders of Maynards PLC

Dear Sir or Madam,

OFFERS FOR YOUR SHARES IN MAYNARDS

On 16th December, 1983, I announced my intention to make an offer to acquire 51.8 per cent. of the issued Ordinary Share capital of Maynards. The formal offer is set out in the accompanying letter from BMB. The purpose of this letter is to explain the reasons for, and to recommend you to accept, the Ordinary Offer which is made on the following basis:—

For each Ordinary Share **250p in cash**

Although the Ordinary Offer is for only 51.8 per cent. of the Ordinary Shares in Maynards, individual shareholders may accept the Ordinary Offer in respect of all or any part of their holdings, subject to the scaling down provisions set out in the accompanying letter from BMB. However, to ensure the success of the Ordinary Offer, you should accept in respect of your entire holding of Ordinary Shares.

I also announced my intention to make an offer to acquire all the issued Preference Share capital of Maynards on the basis of 100p in cash for each Preference Share.

WHY A PARTIAL OFFER

I am making a partial offer for the Ordinary Shares because I wish Maynards to remain a listed company and I should like existing Ordinary shareholders to have the opportunity to participate in the future growth of Maynards under my control and direction.

WHY YOU SHOULD ACCEPT

- ★ **The Ordinary Offer price represents an increase of 25 per cent. over the market price of the Ordinary Shares immediately prior to the announcement of the Offers and, at that date, was the highest recorded price placed on the Ordinary Shares over the last ten years.**

- ★ **The Ordinary Offer enables you to retain a shareholding in Maynards and participate in the benefits to be derived from the new direction which Maynards will take under my control.**

REASONS FOR THE OFFERS AND MY INTENTIONS FOR MAYNARDS

Maynards is a diversified company which consists of three distinct parts:—

- the confectionery Manufacturing division;
- the CTN (confectionery, tobacco and news) retailing division;
- the Zodiac toy retailing division.

Maynards has performed badly over the last five years as can be seen from the record of the earnings per share set out below. Even though rationalisation measures have been undertaken, attempts to prevent the decline in trading profit have proved unsuccessful.

In my view it is the diversified nature of Maynards which has contributed to its poor performance.

I believe that the future of Maynards lies with the Zodiac toy division. By operating three entirely disparate businesses the Board of Maynards has failed to realise fully the potential of the Zodiac division. I see considerable opportunities for Maynards by concentrating on this division and plan a steady expansion in the size and number of Zodiac retail outlets throughout the United Kingdom over the next five years.

The CTN division, which made a loss before taxation of £485,000 for the year to 30th June, 1983, should be sold. This division should either be in the hands of a specialist group which would be able to address itself to the difficulties surrounding CTN retailing or, more likely, individual shops or groups of shops should be sold to the existing management within this division.

The Manufacturing division also falls outside my plans for the future of Maynards and it would also be my intention to dispose of this division either by way of an outright sale, a management buy-out or a demerger.

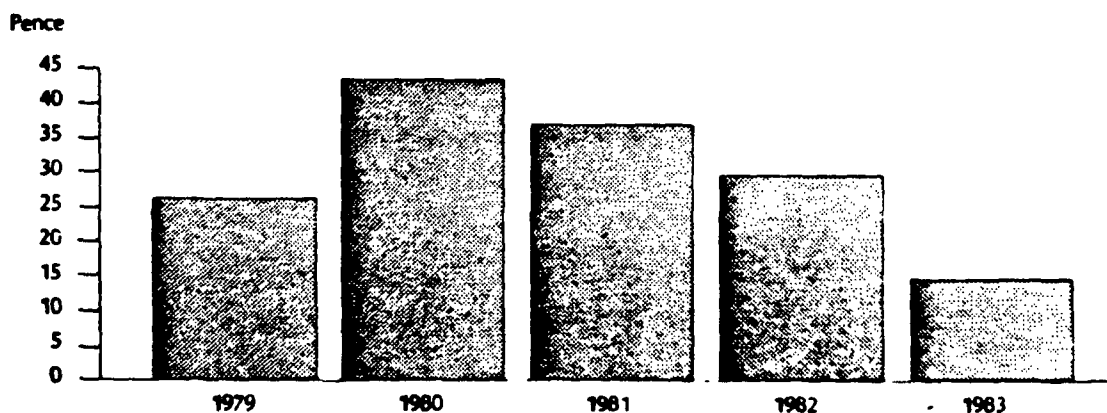
On the disposal of both the Manufacturing and CTN divisions every effort will be made to ensure that the employment of both the management and staff within these divisions is maintained.

It is my intention to join the Board of Maynards on the Offers becoming unconditional.

MAYNARDS' PERFORMANCE OVER THE LAST FIVE YEARS

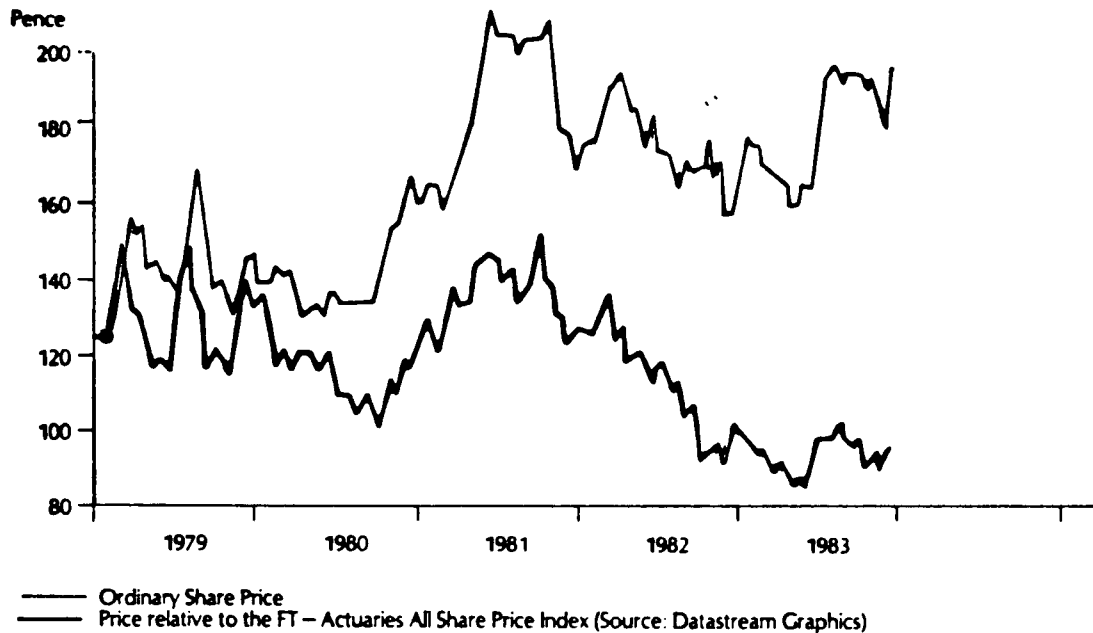
The chart below demonstrates the decline in Maynards' earnings per share over the last five years. Earnings per share have fallen by 43 per cent. over this period, while the rate of inflation, as measured by the retail price index, has been 52 per cent. Included in earnings per share are surpluses arising on property sales. Over this period these surpluses have accounted for approximately 30 per cent. of Maynards' profit before taxation.

**EARNINGS PER SHARE
(Years to 30th June)**



RECENT PERFORMANCE OF MAYNARDS' ORDINARY SHARES

The graph below sets out the price of Maynards' Ordinary Shares over the last five years up to 15th December, 1983. The poor performance of Maynards' Ordinary Shares can be seen by the blue line which compares Maynards' Ordinary Share price with the FT-Actuaries All Share Price Index.



MY PREVIOUS EXPERIENCE IN RETAILING

I was involved in retailing for 17 years and started a supermarket business, Cartiers Superfoods, in 1971 where I was Managing Director. This was highly successful and was floated on The Stock Exchange in July, 1978 with a market value of £7.1 million. In June, 1979 Tesco Stores (Holdings) Limited expressed interest in buying Cartiers Superfoods. My fellow directors and I negotiated a price of £19.4 million for the sale of Cartiers Superfoods to Tesco Stores (Holdings) Limited.

Having ceased my involvement with Cartiers Superfoods I then concentrated on other ventures, principally real estate investments in the United States of America. These investments have now all been profitably realised.

WHY I CAN ACHIEVE THE SUCCESSFUL EXPANSION OF ZODIAC

From my previous experience, I believe that success in retailing is dependent on senior management being able to concentrate on an effective retailing formula. This includes strict adherence to policy on store location, store layout and control, product range, pricing and buying. I believe it is also important to motivate management and staff with effective incentive schemes. On gaining control of Maynards it would be my intention to work closely with existing Zodiac management and staff to achieve the successful expansion of the Zodiac division.

RECOMMENDATION

The poor performance of Maynards over the last five years is plain for all to see. I am giving you the opportunity to realise part of your investment in Maynards and, at the same time, to participate in a new future for Maynards under my direction and control.

I strongly urge you to accept the Offers. To ensure the success of the Ordinary Offer you should accept in respect of your entire holding of Ordinary Shares.

Yours faithfully,

L. E. Cartier

Barclays Merchant Bank Limited

15/16 Gracechurch Street, London EC3V 0BA

21st December, 1983

To the Shareholders of Maynards PLC

Dear Sir or Madam,

Cash Offers on behalf of Mr. Cartier

On 16th December, 1983, Mr. Cartier announced that BMB on his behalf intended to make cash offers for 2,535,964 Ordinary Shares, representing 51.8 per cent. of the issued Ordinary Share capital and for all the issued Preference Share capital of Maynards. Mr. Cartier already owns 25,000 Ordinary Shares, representing approximately 0.5 per cent. of the issued Ordinary Share capital of Maynards.

Your attention is drawn to the letter from Mr. Cartier on pages 3 to 5 which explains the reasons for the Offers and why you should accept. The Panel on Take-overs and Mergers has consented to the Offers being made.

1. The Ordinary Offer

On behalf of Mr. Cartier, we hereby offer to acquire, on the terms and conditions set out herein, 2,535,964 Ordinary Shares in Maynards representing 51.8 per cent. of the issued Ordinary Share capital of Maynards on the following basis: —

For each Ordinary Share 250p in cash

Although the Ordinary Offer is for 51.8 per cent. of the Ordinary Shares, individual Ordinary shareholders may accept the Ordinary Offer in respect of all or any part of their holdings. If, however, on the expiry of 14 days after the Ordinary Offer becomes unconditional in all respects, acceptances have been received in respect of more than 51.8 per cent. of the Ordinary Shares, the number of Ordinary Shares comprised in each acceptance for greater than 51.8 per cent. of an individual shareholding will be scaled down proportionately to not less than 51.8 per cent. of such holding so that Mr. Cartier will acquire exactly 51.8 per cent. of the Ordinary Shares in Maynards.

2. The Preference Offer

On behalf of Mr. Cartier, we hereby offer to acquire, on the terms and condition set out herein, all the 56,500 Preference Shares in issue on the following basis: —

For each Preference Share 100p in cash

3. Terms and Conditions of the Offers

(a) Terms

(i) The Ordinary Shares and the Preference Shares, the subject of the Offers, will be acquired free from all liens, charges and encumbrances and with all rights now and hereafter attaching thereto, including the rights to receive all dividends and other distributions declared, paid or made hereafter.

(ii) Supplementary terms of the Offers are set out in Appendix I on pages 10 and 11.

(b) Conditions of the Ordinary Offer

The Ordinary Offer is conditional upon: —

(i) valid acceptances being received by 3.30 p.m. on 12th January, 1984 (or such later date or dates as Mr. Cartier may decide subject to paragraph 1 of Appendix I) in respect of 2,535,964 Ordinary Shares, representing 51.8 per cent. of the Ordinary Shares;

(ii) the approval to the making of the Ordinary Offer by Mr. Cartier by Ordinary shareholders (excluding Mr. Cartier) holding over 50 per cent. of the voting rights of Maynards; and

(iii) the Office of Fair Trading indicating in terms satisfactory to Mr. Cartier that the Secretary of State for Trade and Industry does not intend to refer the proposed acquisition to the Monopolies and Mergers Commission.

Mr. Cartier reserves the right to waive condition (iii).

(c) Condition of the Preference Offer

The Preference Offer is conditional only upon the Ordinary Offer becoming or being declared unconditional.

4. Financial Effects of Acceptance

(a) Ordinary Shares

The table below compares the Ordinary Offer price with the value per Ordinary Share based on the middle market quotation of 200p as shown by The Stock Exchange Daily Official List for 15th December, 1983 (the date immediately prior to the announcement of the Offers).

Ordinary Offer price	250p
Ordinary Share price on 15th December, 1983	200p
Increase in capital value per Ordinary Share	<u>50p</u>

The Ordinary Offer price represents an increase of 25 per cent. over the middle market quotation of the Ordinary Shares immediately prior to the announcement of the Ordinary Offer.

(b) Preference Shares

The table below compares the Preference Offer price with the value per Preference Share based on the middle market quotation of 39p as shown by The Stock Exchange Daily Official List for 15th December, 1983 (the date immediately prior to the announcement of the Offers).

Preference Offer price	100p
Preference Share price on 15th December, 1983	39p
Increase in capital value per Preference Share	<u>61p</u>

The Preference Offer price represents an increase of 156 per cent. over the middle market quotation of the Preference Shares immediately prior to the announcement of the Preference Offer.

5. Capital Gains Tax

If the Offers become unconditional in all respects, acceptance will constitute a disposal or part disposal for the purpose of United Kingdom taxation of capital gains and, consequently, depending on the particular circumstances of each shareholder, may lead to a liability to taxation.

If you are in any doubt as to your tax position, you are recommended to consult your professional adviser.

6. Information relating to Maynards

Maynards operates as three distinct parts, details of which are summarised as follows:—

Confectionery Manufacturing: involving the manufacture and distribution of sugar and chocolate confectionery; and

Retailing: split into

CTN Retailing, trading as **Maynards**, which according to the Annual Report and Accounts for the year ended 30th June, 1983 had 133 outlets throughout England; and

Toy Retailing, trading as **Zodiac**, which according to the Annual Report and Accounts for the year ended 30th June, 1983 had 72 outlets throughout England and Wales.

Based on the published audited accounts for the year ended 30th June, 1983 turnover and profit before taxation were as follows:—

	Turnover		Profit before taxation	
	£m	%	£m	%
Manufacturing	14.0	22	0.6	67
CTN Retailing	32.0	50	(0.5)	(56)
Zodiac Toys	17.6	28	0.8	89
	<u>63.6</u>	<u>100</u>	<u>0.9</u>	<u>100</u>
Exceptional Items			0.1	
Profit before taxation			<u>1.0</u>	

Further financial information on Maynards is set out in Appendix II.

- 7. Information regarding Mr. Cartier**
- Mr. Cartier, who is 37, has considerable experience in retailing, in which he has been involved since 1962. Further information about Mr. Cartier is set out in his letter on page 5.
- 8. Reasons for the Offers**
- The reasons for the Offers are given in the letter from Mr. Cartier, set out on pages 3 to 5.
- 9. Intentions regarding Maynards' business and employees**
- It is intended that Mr. Cartier will join the Board of Maynards on the Offers becoming unconditional.
- Mr. Cartier believes that the future of Maynards lies with Zodiac toys. He sees considerable opportunities for Maynards by concentrating on this division and, working with its present management and staff, plans a steady expansion in the size and number of Zodiac retail outlets throughout the United Kingdom in the next five years.
- Mr. Cartier believes that in order to realise the full potential of the CTN division, the business should be in the hands of a specialist group or of individual managers.
- It is intended to dispose of the Manufacturing division either by way of an outright sale, a management buy-out or a demerger.
- Employees' rights, including pension rights, will be safeguarded.
- 10. Procedure for acceptance of the Offers**
- To accept the Offers you should complete and sign the enclosed FORM(S) OF ACCEPTANCE AND TRANSFER (White for the Ordinary Offer and Blue for the Preference Offer) in accordance with the instructions printed therein, and lodge them as provided below.
- If you wish to accept in respect of part only of your holding of Ordinary Shares and/or Preference Shares you should complete Box A of the relevant form by inserting the number of Ordinary and/or Preference Shares for which you wish to accept the relevant Offer. If no number is inserted in Box A, you will be deemed to have accepted in respect of your entire holding.
- The completed and signed Form(s) of Acceptance and Transfer should be returned together with the relevant share certificate(s) or other document(s) of title to Barclays Bank PLC, New Issues Department, PO Box 123, Fleetway House, 25 Farringdon Street, London EC4A 4HD as soon as possible, but in any event so as to be received not later than 3.30 p.m. on 12th January, 1984. A reply paid envelope is enclosed for your convenience.
- If your share certificate(s) and/or any other document(s) of title is/are lost or not readily available, the Form(s) of Acceptance and Transfer should nevertheless be completed and returned to Barclays Bank PLC, New Issues Department at the above address.
- 11. Approval of the Ordinary Offer**
- You will see in paragraph 3(b)(ii) on page 6 that the Ordinary Offer is conditional upon the approval of Ordinary shareholders (excluding Mr. Cartier) holding over 50 per cent. of the voting rights of Maynards.
- Consequently, all Ordinary shareholders who wish to approve the Ordinary Offer, whether they wish to accept the Ordinary Offer in full, in part or not at all, should complete and sign the enclosed white Form of Acceptance and Transfer. Ordinary Shareholders should indicate that they approve of the making of the Ordinary Offer, by DELETING the word "Disapprove" in Box B of the Form. The completed and signed Form should be returned to Barclays Bank PLC, New Issues Department, PO Box 123, Fleetway House, 25 Farringdon Street, London EC4A 4HD as soon as possible, but in any event so as to be received not later than 3.30 p.m. on 12th January, 1984.

12. Settlement

If the relevant Offer becomes unconditional in all respects, a cheque for the consideration for the whole or the due proportion of each shareholding will be despatched to accepting shareholders in accordance with the authority contained in the Form(s) of Acceptance and Transfer not later than 28 days thereafter or (where appropriate) 28 days after receipt of a valid and complete Form of Acceptance and Transfer, whichever is the later. A new share certificate (if appropriate) for the balance of each holding will be despatched to accepting shareholders in accordance with the aforesaid authority within such period of 28 days or so soon as practicable thereafter.

Mr. Cartier reserves the right to treat as valid any acceptance which is not entirely in order or which is not accompanied by the relevant share certificate(s) and/or other document(s) of title. However, an acceptor will not be entitled to receive the consideration due to him until Form(s) of Acceptance and Transfer, complete in all respects, and all relevant document(s) of title (or satisfactory indemnities) have been received by Barclays Bank PLC, New Issues Department.

If the Offers do not become unconditional, the share certificate(s) and/or other document(s) of title, together with the Form(s) of Acceptance and Transfer will be returned to the persons entitled thereto by post not later than 14 days after the lapse of the Offers.

13. Additional Information

Your attention is drawn to the following Appendices which form part of this document: –

Appendix I – Further Terms of the Offers.

Appendix II – Further information relating to Maynards.

Appendix III – General Information.

Yours faithfully,
For BARCLAYS MERCHANT BANK LIMITED

Ben Martin
Director

Appendix I

Further terms of the Offers

- The Offers are subject to the following further terms: -
- Acceptance period**
1. If the Offers become or are declared unconditional, they will remain open for acceptance for at least 14 days after the date on which they would otherwise have expired, unless they become or are declared unconditional on or by a date on which they were otherwise due to expire and Mr. Cartier has given not less than 14 days' prior notice in writing, or by an announcement, to the shareholders of Maynards that the Offers will not be open for acceptance beyond that date (provided that such notice shall not be capable of being enforced in a situation which the Panel on Take-overs and Mergers shall have deemed to be competitive). If failure to comply with the requirements of paragraph 5 below gives rise to a right of withdrawal of acceptances, such period of 14 days shall run from the date on which the right of withdrawal is terminated.
- Revision**
2. Although no revision of the Offers is contemplated, if the Offers are revised, the Offers as so revised will be kept open for acceptance for not less than 14 days after the date on which the document communicating such revision is posted. In any case where the revised consideration represents on such date an improvement in value of the consideration on the terms previously offered: -
 - (i) the benefit of the Offers will be available to acceptors of the Offers in their original or in any previously revised form (hereinafter called "previous acceptors") and for such purposes acceptance by a previous acceptor shown on any Form of Acceptance and Transfer shall be deemed to constitute acceptance of the Offers as revised. Such acceptance shall be irrevocable if and so long as the original acceptance remains irrevocable, but shall be revoked automatically if the previous acceptor becomes entitled to withdraw his original acceptance and duly does so; and
 - (ii) the approval of Ordinary shareholders of the Ordinary Offer shown on any Form of Acceptance and Transfer shall be deemed to constitute approval of the Ordinary Offer as revised.Except with the consent of the Panel on Take-overs and Mergers, no revisions of the Offers may be made after 6th February, 1984. If the Offers are revised all shareholders who accepted the original Offers will receive the revised consideration.
- Scaling down**
3. If the Ordinary Offer becomes unconditional in all respects and if, on the expiry of the period of 14 days thereafter referred to in paragraph 1 on page 6, acceptances have been received in respect of more than 51.8 per cent. of the issued Ordinary Share capital of Maynards, the number of Ordinary Shares in excess of 51.8 per cent. comprised in each acceptance for greater than 51.8 per cent. of an individual shareholding will be scaled down for the purpose of determining the Ordinary Shares to be acquired by Mr. Cartier by such a proportion as will result in Mr. Cartier acquiring a total of 51.8 per cent. of the Ordinary Shares of Maynards. For this purpose an acceptor's total shareholding will be deemed to be that shown by the share register of Maynards on 21st December, 1983, or, in the event of a subsequent change in the register or if the acceptor's holding was not on the register at that date, such later convenient date as BMB on behalf of Mr. Cartier may in its absolute discretion decide. By 9.30 a.m. on the dealing day following the above mentioned 14 day period an announcement will be made stating the basis of any such scaling down.
 4. In relation to any calculation involving numbers or percentages of shares or shareholdings, BMB on behalf of Mr. Cartier may, at its discretion, round up or down any number of shares which is not a whole number.
- Announcements**
5. (i) BMB on behalf of Mr. Cartier will announce by 9.30 a.m. on the dealing day next following the day on which the Offers or any extension thereof are due to expire or are extended and shall also state the total number of Ordinary Shares and Preference Shares of Maynards (as nearly as practicable): -
 - (a) for which acceptances of the Offers have been received;
 - (b) held on 16th December, 1983; and
 - (c) acquired or agreed to be acquired since that date.(ii) In any announcement of an extension of the Offers the next expiry date will be stated unless the Offers have become unconditional and it is stated also that such Offers will remain open until further notice. In the latter case the Offers will remain open until not less than 14 days' notice has been given to shareholders of Maynards of the closure of the Offers.
 6. References to the making of an announcement include the release of an announcement by advertising agents to the press or the delivery or telephone or telex transmission of an announcement to The Stock Exchange. An announcement made otherwise than to The Stock Exchange shall be notified simultaneously to The Stock Exchange. In computing the number of Ordinary Shares and Preference Shares represented by acceptances there may be included or excluded for announcement purposes acceptances not in all respects in order or subject to verification.
- Rights of withdrawal**
7. If, having announced the Offers to be unconditional as to acceptances, BMB on behalf of Mr. Cartier shall fail to give by 3.30 p.m. on the relevant day the information required under paragraph 5 above in respect of the Offers, then, immediately thereafter, any person who has already accepted such Offers shall be entitled to withdraw his acceptance thereof by delivery of a notice in writing (signed by the accepting shareholder or his agent duly appointed in writing and evidence of whose appointment is produced with the notice) to Barclays Bank PLC, New Issues Department, PO Box 123, Fleetway House, 25 Farringdon Street, London EC4A 4HD. Subject to paragraph 12 below, such right of withdrawal may be terminated not less than eight days after the relevant day by BMB on behalf of Mr. Cartier making an announcement confirming (if such be the case) that the Offers are still unconditional and giving the information required under paragraph 5 above and the period of 14 days referred to in paragraph 1 above shall run from the date of such confirmation.
 8. An acceptance of the relevant Offer may also be withdrawn in a similar manner as above at any time after 2nd February, 1984, unless and until the relevant Offer has become or been declared unconditional.
 9. Save as provided above, acceptance of the Offers and approval of the Ordinary Offer will be irrevocable.

General

10. Unless otherwise agreed with the Panel on Take-overs and Mergers, if the Ordinary Offer is referred to the Monopolies and Mergers Commission before 12th January, 1984 or the date when the Ordinary Offer becomes or is declared unconditional as to acceptances (whichever is the later) the Ordinary Offer will lapse, as required by the City Code on Take-overs and Mergers.
11. Except with the consent of the Panel on Take-overs and Mergers, the conditions of the Offers must be fulfilled or the Offers will lapse by 2nd February, 1984 or within 21 days of the date on which the Ordinary Offer becomes or is declared unconditional as to acceptances, whichever is the later.
12. The Offers shall not be capable of becoming unconditional after 3.30 p.m. on 20th February, 1984, nor of being kept open after that time, unless they have previously become unconditional, provided that Mr. Cartier reserves the right, with the permission of the Panel on Take-overs and Mergers, to extend the Offers to a later date. Such permission will normally only be granted if a competing offer has been announced.
13. Except with the consent of the Panel on Take-overs and Mergers, settlement of the consideration to which any shareholder is entitled under the Offers will be implemented in full in accordance with the terms of the Offers, without regard to any lien, right of set-off, counter claim or other analogous right to which Mr. Cartier may otherwise be or claim to be entitled as against such shareholder of Maynards.
14. All documents and remittances sent through the post will be sent at the risk of the persons entitled thereto.
15. The Forms of Acceptance and Transfer, including the instructions and notes thereon, shall be deemed to an integral part hereof.
16. The Offers and all acceptances received thereunder will be construed in accordance with and governed by English law.

Appendix II

Further information relating to Maynards

The following financial information does not amount to full accounts within the meaning of Section II of the Companies Act 1981. Full accounts for each of the five accounting periods to 30th June, 1983, which all included an unqualified audit report, have been delivered to the Registrar of Companies.

1. Share capital

The table below sets out the present issued and authorised share capital of Maynards.

	Authorised £	Issued and fully paid £
6 per cent. (now 4.2 per cent. plus tax credit) cumulative preference shares of £1 each	56,500	56,500
Ordinary shares of 25 pence each	1,443,500	1,223,921
	<u>1,500,000</u>	<u>1,280,421</u>

Each shareholder has one vote in respect of every 25p nominal of share capital held. Taking into account the votes of the Preference Shares there are 5,121,683 votes attached to the existing issued share capital.

2. Turnover, profits and dividends

The table below summarises the consolidated turnover, profits and dividends of Maynards for the five years to 30th June, 1983 extracted from the published audited accounts.

	1979 £000	1980 £000	1981 £000	1982 £000	1983 £000
Turnover (excluding VAT)	40,395	46,440	57,364	67,525	63,608
Trading profit	1,261	1,519	1,741	1,039	917
Exceptional items	101	646	266	764	131
Profit before taxation	1,362	2,165	2,007	1,803	1,048
Taxation	98	56	208	366	327
Profit after taxation	1,264	2,109	1,799	1,437	721
Preference dividends	2	2	2	2	2
Ordinary dividends	366	427	457	477	477
Retained profits	896	1,680	1,340	958	242
Earnings per share	25.9p	43.2p	36.8p	29.4p	14.7p
Dividend per share	7.51p	8.75p	9.38p	9.75p	9.75p

3. Balance sheet

The table below sets out the consolidated balance sheet of Maynards extracted from the published audited accounts as at 30th June, 1983 being the latest available published audited accounts.

	Note	£000	£000
Fixed assets			
Tangible assets	(i)	6,047	
Investments		148	6,195
Current assets			
Stocks		10,067	
Debtors		3,428	
Proceeds due from sale of fixed assets		97	
Cash at bank and in hand		967	
		<u>14,559</u>	
Current liabilities			
Creditors: amounts falling due within one year		7,560	
Taxation		214	
Dividends		324	
		<u>8,098</u>	
Net current assets			6,461
Total assets less current liabilities			12,656
Provision for liabilities and charges			
Deferred taxation	(ii)		393
			<u>12,263</u>
Capital and reserves			
Called up share capital			1,280
Share premium account			30
Revaluation reserve	(iii)		71
Profit and loss account			10,882
			<u>12,263</u>

	Land and buildings £000	Plant and machinery £000	Fixtures fittings and equipment £000	Payments on account £000	Total £000
(i) Tangible fixed assets					
At 30th June 1982	2,675	2,516	3,551	432	9,174
Additions	147	118	698	155	1,118
Disposals	(178)	(12)	(305)	—	(495)
Transfer	130	16	286	(432)	—
At 30th June, 1983	<u>2,774</u>	<u>2,638</u>	<u>4,230</u>	<u>155</u>	<u>9,797</u>
Depreciation					
At 30th June, 1982	337	1,541	1,265	—	3,143
Charge for the year	117	178	458	—	753
Disposals	(15)	(8)	(123)	—	(146)
At 30th June, 1983	<u>439</u>	<u>1,711</u>	<u>1,600</u>	<u>—</u>	<u>3,750</u>
Net book values					
At 30th June, 1983	<u>2,335</u>	<u>927</u>	<u>2,630</u>	<u>155</u>	<u>6,047</u>
At 30th June, 1982	<u>2,338</u>	<u>975</u>	<u>2,286</u>	<u>432</u>	<u>6,031</u>

	1983 £000
The net book value of property is made up as follows:	
Freeholds	1,347
Long leaseholds (over 50 years to run)	323
Short leaseholds (under 50 years to run)	665
	<u>2,335</u>

Freeholds include shop properties independently valued in 1956 at £195,000. The estimated cost or valuation of freehold property sites is £571,000.

(ii) Deferred taxation at 30th June, 1983	£000
Taxation deferred by reason of accelerated allowances and roll-over of gains	2,105
Advance corporation tax not immediately recoverable	(973)
	<u>1,132</u>
Portion of above not payable in foreseeable future: not provided	739
	<u>393</u>

Following the revised scheme of stock relief contained in the Finance Act 1981 the accumulated total of stock relief received, which only in exceptional circumstances could become repayable, is no longer shown as a potential liability.

(iii) Revaluation reserve	£000
Arising from valuation of freehold shop properties in 1956	
Balance at 1st July, 1982	84
Transfer in respect of disposals during the year	13
Balance at 30th June, 1983	<u>71</u>

(iv) Future capital expenditure at 30th June, 1983	£000
Contracted for	123
Authorised by the directors but not contracted for	749

4. Accounting policies

The following has been extracted from the published audited accounts of Maynards for the year ended 30th June, 1983.

Accounting period

The accounts are made up to the Saturday on or immediately preceding 30th June in each year

Accounting convention

The accounts are prepared under the historical cost convention, modified to include the revaluation of certain freehold properties.

Exceptional items

These comprise the results of transactions which do not form part of normal trading activities but which nevertheless may be expected to recur. Goodwill relating to shops acquired is written off under this heading in the year of purchase.

Fixed assets

Depreciation is provided by equal annual instalments so as to write off the cost of fixed assets (excluding the estimated site value cost of freehold properties) over the following periods.

Freehold and long leasehold buildings	40 years
Short leaseholds	14 years, or lease life if less
Plant and equipment	3 to 10 years

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value. For shops stocks cost is determined by reducing selling prices by the appropriate gross margin. For all other stocks cost is determined on a first-in first-out basis and includes appropriate manufacturing overheads.

Deferred taxation

Provision is made at the rate of corporation tax in force at the year end for taxation deferred for any reason only to the extent that the directors consider that such liabilities will become payable within the foreseeable future.

Foreign currencies

Assets, liabilities, revenues and costs denominated in foreign currencies are recorded at the rates of exchange ruling at the date of settlement, monetary assets and liabilities at the balance sheet date are translated at the year end rates of exchange.

Appendix III

General Information

1. Responsibility for Statements

The issue of this document has been approved by Mr. Cartier. The only responsibility accepted by Mr. Cartier in respect of information relating to Maynards has been to ensure that it has been correctly extracted from published sources. Save as aforesaid, Mr. Cartier has taken all reasonable care (either by taking part himself in supervising the preparation of this document or by delegating that task to persons reasonably believed by him to be competent to carry it out and by disclosing to such persons any relevant facts known to him and any relevant opinions held by him) to ensure both that the facts stated and opinions expressed herein are fair and accurate and that no material facts have been omitted. Mr. Cartier accepts responsibility accordingly.

2. Market Quotations

The following table shows the middle market quotations (derived from The Stock Exchange Daily Official List) for the Ordinary Shares and Preference Shares on the first dealing day of each of the months from May, 1983 until December, 1983, on 15th December, 1983 (the latest dealing day before the announcement of the Offers) and 20th December, 1983 (the latest practicable date before the printing of this document): –

	Price of Ordinary Shares (p)	Price of Preference Shares(p)
2nd May, 1983	160	42
1st June, 1983	180	40
1st July, 1983	190	40
1st August, 1983	190	40
1st September, 1983	185	40
3rd October, 1983	175	39
1st November, 1983	175	39
1st December, 1983	192	39
15th December, 1983	200	39
20th December, 1983	275	95xd

3. Disclosure of Interests

- (i) During the period from 16th December, 1982 (being the date 12 months prior to the announcement of the Offers) to 21st December, 1983 (being the date of this document) Mr. Cartier purchased for value on 10th November, 1983 25,000 Ordinary Shares in Maynards at 184p per share.
- (ii) Save as disclosed herein, neither Mr. Cartier nor any person acting in concert with him for the purpose of the Offers owns, controls or is interested directly or indirectly, in any Maynards Ordinary Shares and/or Preference Shares or has dealt therein since 16th December, 1982.

4. Other Information

- (i) BMB is satisfied that Mr. Cartier has sufficient resources available to implement the Offers in full. The total cash consideration, assuming the Offers are accepted in full, is approximately £6.3 million.
- (ii) All the expenses of, and incidental to, the Offers will be paid by Mr. Cartier.
- (iii) There is no agreement, arrangement or understanding between Mr. Cartier or any person acting in concert with him and any of the directors or recent directors, shareholders or recent shareholders of Maynards having any connection with, or dependence upon, the Offers.
- (iv) There is no agreement, arrangement or understanding whereby the beneficial interest in any of the Ordinary Shares and/or Preference Shares to be acquired by Mr. Cartier pursuant to the Offers will or may be transferred to any other person but Mr. Cartier reserves the right to transfer any such Ordinary Shares and/or Preference Shares to companies owned by him or to his nominees.
- (v) BMB, the Registered office of which is at 54 Lombard Street, London EC3P 3AH, registered in England No. 181866, is a wholly owned subsidiary of Barclays Bank PLC.

5. Documents available for inspection

Copies of the following documents may be inspected at the offices of Titmuss, Sainer & Webb, 2 Serjeants' Inn, London EC4Y 1LT during normal business hours on any weekday (Saturdays and public holidays excepted) so long as the Offers remain open for acceptance: –

- (i) The Memorandum and Articles of Association of Maynards.
- (ii) The Annual Reports and Accounts of Maynards for the two years ended 30th June, 1983.
- (iii) The press release dated 16th December, 1983 announcing the Offers.

THESE PAGES MUST NOT BE SEPARATED

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Form of Acceptance and Transfer

For the use of Preference Shareholders in MAYNARDS PLC ("Maynards")

In respect of

the Offer by Barclays Merchant Bank Limited on behalf of Mr. Lewis E. Cartier for all of the issued Preference Shares in Maynards ("the Preference Offer").

INSTRUCTIONS FOR COMPLETION

1. To accept the Preference Offer, complete the form on page 2 in accordance with the instructions contained therein and if applicable, insert the appropriate name and address in the box at the bottom of this page.
2. You should insert the number of Preference Shares in respect of which you wish to accept in Box A on page 2 of this form. If the space is left blank, you will be deemed to have accepted in respect of your entire holding of Preference Shares.
3. Having completed this form and, if applicable, inserted the appropriate name and address in the box at the bottom of this page you should forward it together with the relevant share certificate(s) and/or other document(s) of title by post or by hand to Barclays Bank PLC, New Issues Department, P.O. Box 123, Fleetway House, 25 Farringdon Street, London EC4A 4HD as soon as possible, but in any event, so that they are received not later than 3.30 p.m. on 12th January, 1984. A first-class reply-paid envelope is enclosed for this purpose.
4. If your share certificate(s) and/or other document(s) of title is/are not readily available and you wish to accept the Preference Offer, you should complete this form as appropriate and return it as soon as possible to Barclays Bank PLC, New Issues Department, but, in any event, so that it is received not later than 3.30 p.m. on 12th January, 1984 and send the share certificate(s) and/or other document(s) of title as soon as possible thereafter.
5. If you have lost your certificate(s) or are in any doubt as to your position, please contact Barclays Bank PLC, New Issues Department at the above address or telephone 01-248 1234 Extension 4226.

TO BE COMPLETED ONLY IF YOU WISH YOUR CONSIDERATION TO BE FORWARDED TO YOUR AGENT

Preference Offer on behalf of Mr. Cartier

The cash consideration under the Preference Offer is to be forwarded to:—

Please complete
name and address in
BLOCK CAPITALS

FORM OF ACCEPTANCE AND TRANSFER

for use by Preference Shareholders

BARCLAYS MERCHANT BANK LIMITED

Lewis E. CARTIER

(1) I/we, the undersigned, hereby accept the Preference Offer made by Barclays Merchant Bank Limited ("BMB") on behalf of Mr. Lewis E. Cartier ("Mr. Cartier") contained in the Offer Document dated 21st December, 1983 (upon and subject to the terms and condition set out in the said Offer Document) in respect of

BOX A

Preference Shares

Please see instruction 2 on page 1. If no number is inserted you will be deemed to have accepted the Preference Offer for all your Preference Shares.

Subject only to my/our rights to withdrawal as stated in the Offer Document such acceptance shall be irrevocable.

(2) Subject to the Preference Offer becoming or being declared unconditional in accordance with its terms, my/our execution of this form shall transfer to Mr. Cartier the Preference Shares in respect of which I/we have accepted the Preference Offer and I/we undertake to execute any further documents and to give any further assurances that may be required in connection therewith.

(3) I/we authorise BMB to send by ordinary post at my/our risk a cheque in my/our favour representing the purchase consideration to which I/we will become entitled under the Preference Offer to the person or agent whose name and address is set out in the box on page 1 or, if none is set out, to the first named holder at the address indicated on this form.

(4) In the event that the Preference Offer does not become or is not declared unconditional in accordance with its terms, I/we authorise and request Mr. Cartier or his agents to return this form and the relevant share certificate(s) and/or other document(s) of title (if any) by first-class post at my/our risk to the person or agent whose name and address is set out in the box at the foot of page 1 or, if none is set out, to the first-named holder at the address indicated on this form.

PLEASE
SIGN
HERE

(1) Sole or First Holder

Usual Signature

Surname

(state whether Mr., Mrs., Miss or Title)

Forename(s) (in full)

Address (in full)

Please use
BLOCK
CAPITALS

(2) Second Holder (if any):

Usual Signature

Surname

(state whether Mr., Mrs., Miss or Title)

Forename(s) (in full)

Address (in full)

Please use
BLOCK
CAPITALS

(3) Third Holder (if any):

Usual Signature

Surname

(state whether Mr., Mrs., Miss or Title)

Forename(s) (in full)

Address (in full)

Please use
BLOCK
CAPITALS

(4) Fourth Holder (if any):

Usual Signature

Surname

(state whether Mr., Mrs., Miss or Title)

Forename(s) (in full)

Address (in full)

Please use
BLOCK
CAPITALS

In the case of joint holders ALL must sign. A Corporation must affix its Common Seal.

FOR OFFICE
USE ONLY

1. Acceptance No.

2. Checked by

3. Maynards' Pref
Shares

4. Cash considera
£

5. Cheque number

NOTES REGARDING THE COMPLETION AND LODGING OF THIS FORM

In order to be effective this form must, except as mentioned below, be signed personally by the registered holder or, in the case of a joint holding, by ALL the joint holders. A body corporate must execute this form under seal, the seal being affixed and witnessed in accordance with the Articles of Association or other regulations of such body corporate.

In order to avoid delay and inconvenience to yourself, the following points may assist you:—

1. *If a holder is away from home (e.g. abroad or on holiday)*

Send this form by the quickest means (e.g. air mail) to the holder for execution or, if he has executed a Power of Attorney have this form signed by the Attorney. In the latter case, the Power of Attorney for a copy thereof duly certified in accordance with the Powers of Attorney Act 1971) must be lodged with this form for noting. No other signatures are acceptable.

2. *If the sole holder has died*

If probate, etc., has been registered with Maynards, this form must be signed by the personal representative(s) of the deceased and lodged with Barclays Bank PLC, New Issues Department, P.O. Box 123, Fleetway House, 25 Farringdon Street, London EC4A 4HD. If probate, etc., has not been registered with Maynards the personal representative(s) or the prospective personal representative(s) should sign this form and forward it with the certificate(s) to Barclays Bank PLC, New Issues Department, P.O. Box 123, Fleetway House, 25 Farringdon Street, London EC4A 4HD. However, the grant of probate or letters of administration must be lodged before the consideration due under the Offer can be forwarded to the personal representative(s).

3. *If one of the holders in a joint account has died*

This form must be signed by all the surviving holders and lodged with Barclays Bank PLC, New Issues Department accompanied by the death certificate, grant of probate or letters of administration in respect of the deceased holder.

4. *If you do not have your share certificates*

If your share certificates are held by your bank or some other agent, complete this form and, if the certificates are readily obtainable, deliver this completed form to your bank or other agent for lodging with Barclays Bank PLC, New Issues Department accompanied by the certificates.

If the certificates are not readily obtainable, send this form duly completed to Barclays Bank PLC, New Issues Department together with a note saying "Certificates to follow" and arrange for the certificates to be forwarded to Barclays Bank PLC, New Issues Department as soon as possible thereafter. (It is helpful for your bank or other agent to be informed of the full terms of the Offers.)

If any share certificate has been lost, complete this form and lodge it, together with any certificates available with Barclays Bank PLC, New Issues Department. At the same time, you should request the Company Secretary of Maynards to send you immediately a letter of indemnity for completion in accordance with the instructions given. When completed the letter of indemnity must be lodged with Barclays Bank PLC, New Issues Department in support of this form.

5. *If your name or other particulars are shown incorrectly on the share certificate e.g.:*—

- (a) name on the certificate.....James Smith
correct name:.....James Smythe

Complete this form with the correct name and lodge it accompanied by a letter from your bank, stockbroker or solicitor confirming that the person described on the certificate and the person who signed this form are one and the same;

- (b) *incorrect address*

Write the correct address on this form;

- (c) *change of name*

If you have changed your name, lodge your marriage certificate or the deed poll with this form for noting.

6. *If you have sold all your Preference Shares*

You should at once hand this form to the transferee or the agent through whom you effected the sale or transfer for transmission to the transferee.

Settlement of the consideration under the Preference Offer cannot be made until all relative documents have been properly completed and lodged with Barclays Bank PLC, New Issues Department P.O. Box 123, Fleetway House, 25 Farringdon Street, London EC4A 4HD.

(THESE PAGES MUST NOT BE SEPARATED)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Form of Acceptance and Transfer

For the use of Ordinary Shareholders in MAYNARDS PLC ("Maynards")

in respect of

the Offer by Barclays Merchant Bank Limited on behalf of Mr. Lewis E. Cartier for 51.8% of the issued Ordinary Shares in Maynards ("the Ordinary Offer").

INSTRUCTIONS FOR COMPLETION

1. To accept and approve the Ordinary Offer:—
 - (i) Leave Box A on page 2 of this form blank if you wish to accept in respect of all your Ordinary Shares. If you wish to accept in respect of part only, insert the relevant number of Ordinary Shares in Box A;
 - (ii) Delete the word "Disapprove" in Box B on page 2 of this form; and
 - (iii) Sign on page 3 of this form.
2. If you do not want to accept but approve the making of the Ordinary Offer write NIL in Box A, delete the word "Disapprove" in Box B and sign on page 3 of this form.
3. If you wish your consideration to be forwarded to your agent, insert the appropriate name and address in the box at the bottom of this page.
4. If Box A on page 2 of this form is left blank, you will be deemed to have accepted in respect of your entire holding of Ordinary Shares. You should note that if you accept in respect of more than 51.8 per cent. of your holding of Ordinary Shares, and acceptances are received for in excess of 51.8 per cent. in aggregate of the issued Ordinary Share capital of Maynards, the number of Shares which you will be able to dispose of under the terms of the Ordinary Offer will be reduced proportionately in accordance with paragraph (4) on page 2 of this form.
5. Having completed this form and, if applicable, inserted the appropriate name and address in the box at the bottom of this page you should forward it together with the relevant share certificate(s) and/or other document(s) of title by post or by hand to Barclays Bank PLC, New Issues Department, P.O. Box 123, Fleetway House, 25 Farringdon Street, London EC4A 4HD as soon as possible, but in any event, so that they are received not later than 3.30 p.m. on 12th January, 1984. A first-class reply-paid envelope is enclosed for this purpose.
6. If your share certificate(s) and/or other document(s) of title is/are not readily available and you wish to accept the Ordinary Offer, you should complete this form as appropriate and return it as soon as possible to Barclays Bank PLC, New Issues Department, but, in any event, so that it is received not later than 3.30 p.m. on 12th January, 1984 and send the share certificate(s) and/or other document(s) of title as soon as possible thereafter.
7. If you have lost your certificate(s) or are in any doubt as to your position, please contact Barclays Bank PLC, New Issues Department at the above address or telephone 01-248 1234 Extension 4226.

TO BE COMPLETED ONLY IF YOU WISH YOUR CONSIDERATION TO BE FORWARDED TO YOUR AGENT

Ordinary Offer on behalf of Mr. Cartier

The cash consideration under the Ordinary Offer is to be forwarded to:—

.....
.....
.....
.....
.....

Please complete
name and address in
BLOCK CAPITALS

**Please
SIGN HERE**

(1) Sole or First Holder:

Usual Signature

Surname
(state whether Mr., Mrs., Miss or Title)

Forename(s) (in full)

Address (in full)

**Please use
BLOCK
CAPITALS**

(2) Second Holder (if any):

Usual Signature

Surname
(state whether Mr., Mrs., Miss or Title)

Forename(s) (in full)

Address (in full)

**Please use
BLOCK
CAPITALS**

(3) Third Holder (if any):

Usual Signature

Surname
(state whether Mr., Mrs., Miss or Title)

Forename(s) (in full)

Address (in full)

**Please use
BLOCK
CAPITALS**

(4) Fourth Holder (if any):

Usual Signature

Surname
(state whether Mr., Mrs., Miss or Title)

Forename(s) (in full)

Address (in full)

**Please use
BLOCK
CAPITALS**

FOR OFFICE USE ONLY	
1. Acceptance No.	
2. Total shares held	
3. No. of shares accept	
4. No. of shares approv	
5. Firm acceptance	
6. Additional requireme	
7. Additional acceptar	
8. Total acceptance	
9. Cash consideration	
10. Cheque No.	
11. Balance cert. required	
12. Cert. No.	

In the case of joint holders ALL must sign. A Corporation must affix its Common Seal.

FORM OF ACCEPTANCE AND TRANSFER

(for use by Ordinary Shareholders)

To: BARCLAYS MERCHANT BANK LIMITED

LEWIS E. CARTIER

(1) I/we, the undersigned, hereby accept the Ordinary Offer made by Barclays Merchant Bank Limited ("BMB") on behalf of Mr. Lewis E. Cartier ("Mr. Cartier") contained in the Offer Document dated 21st December, 1983 (upon and subject to the terms and conditions set out in the said Offer Document) in respect of

BOX A

*

Ordinary Shares

*Please see instructions 1 and 2 on page 1. If no number is inserted you will be deemed to have accepted the Ordinary Offer for all your Ordinary Shares but subject to the provisions of paragraph (4) of this form.

Subject only to my/our rights to withdrawal as stated in the Offer Document such acceptance shall be irrevocable.

BOX B

**APPROVE/DISAPPROVE

the Ordinary Offer

**Delete as appropriate.

(2) I/we hereby

Such approval shall be irrevocable in accordance with the terms and conditions set out in the Offer Document.

(3) Subject to the Ordinary Offer becoming or being declared unconditional in accordance with its terms, my/our execution of this form shall transfer to Mr. Cartier the Ordinary Shares in respect of which I/we have accepted the Ordinary Offer but subject to paragraph (4) below and I/we undertake to execute any further documents and to give any further assurances that may be required in connection therewith.

(4) I/we agree that the number of Ordinary Shares in respect of which I/we have accepted the Ordinary Offer may be reduced by BMB on behalf of Mr. Cartier if, on the expiry of 14 days after the Ordinary Offer becomes unconditional in all respects, acceptances have been received for in excess of 51.8 per cent. in aggregate of the issued Ordinary Share capital of Maynards PROVIDED THAT such reduction is carried out pro rata between each acceptance for more than 51.8 per cent. of an individual holding of Ordinary Shares and so as to produce a total number of Ordinary Shares accepted equal to 51.8 per cent. of the issued Ordinary Share capital of Maynards. I/we agree that I/we will retain any Ordinary Shares in respect of which I/we have accepted the Ordinary Offer but which are rejected by BMB on behalf of Mr. Cartier pursuant to this procedure.

(5) I/we authorise BMB to send by ordinary post at my/our risk a cheque in my/our favour representing the purchase consideration to which I/we will become entitled under the Ordinary Offer to the person or agent whose name and address is set out in the box on page 1 or, if none is set out, to the first named holder at the address indicated on this form.

(6) In the event that the Ordinary Offer does not become or is not declared unconditional in accordance with its terms, I/we authorise and request Mr. Cartier or his agents to return this form and the relevant share certificate(s) and/or other document(s) of title (if any) by first-class post at my/our risk to the person or agent whose name and address is set out in the box at the foot of page 1 or, if none is set out, to the first-named holder at the address indicated on this form.

IMPORTANT: BOX B MUST BE COMPLETED

NOTES REGARDING THE COMPLETION AND LODGING OF THIS FORM

In order to be effective this form must, except as mentioned below, be signed personally by the registered holder or, in the case of a joint holding, by ALL the joint holders. A body corporate must execute this form under seal, the seal being affixed and witnessed in accordance with the Articles of Association or other regulations of such body corporate.

In order to avoid delay and inconvenience to yourself, the following points may assist you:—

1. *If a holder is away from home (e.g. abroad or on holiday)*

Send this form by the quickest means (e.g. air mail) to the holder for execution or, if he has executed a Power of Attorney have this form signed by the Attorney. In the latter case, the Power of Attorney (or a copy thereof duly certified in accordance with the Powers of Attorney Act 1971) must be lodged with this form for noting. No other signatures are acceptable.

2. *If the sole holder has died*

If probate, etc., has been registered with Maynards, this form must be signed by the personal representative(s) of the deceased and lodged with Barclays Bank PLC, New Issues Department, P.O. Box 123, Fleetway House, 25 Farringdon Street, London EC4A 4HD. If probate, etc., has not been registered with Maynards the personal representative(s) or the prospective personal representative(s) should sign this form and forward it with the certificate(s) to Barclays Bank PLC, New Issues Department, P.O. Box 123, Fleetway House, 25 Farringdon Street, London EC4A 4HD. However, the grant of probate or letters of administration must be lodged before the consideration due under the Ordinary Offer can be forwarded to the personal representative(s).

3. *If one of the holders in a joint account has died*

This form must be signed by all the surviving holders and lodged with Barclays Bank PLC, New Issues Department accompanied by the death certificate, grant of probate or letters of administration in respect of the deceased holder.

4. *If you do not have your share certificates*

If your share certificates are held by your bank or some other agent, complete this form and, if the certificates are readily obtainable, deliver this completed form to your bank or other agent for lodging with Barclays Bank PLC, New Issues Department accompanied by the certificates.

If the certificates are not readily obtainable, send this form duly completed to Barclays Bank PLC, New Issues Department together with a note saying "Certificates to follow" and arrange for the certificates to be forwarded to Barclays Bank PLC, New Issues Department as soon as possible thereafter. (It is helpful for your bank or other agent to be informed of the full terms of the Offers).

If any share certificate has been lost, complete this form and lodge it, together with any certificates available with Barclays Bank PLC, New Issues Department. At the same time, you should request the Company Secretary of Maynards to send you immediately a letter of indemnity for completion in accordance with the instructions given. When completed the letter of indemnity must be lodged with Barclays Bank PLC, New Issues Department in support of this form.

5. *If your name or other particulars are shown incorrectly on the share certificate e.g. :—*

(a) name on the certificate.....James Smith
correct name:.....James Smythe

Complete this form with the correct name and lodge it accompanied by a letter from your bank, stockbroker or solicitor confirming that the person described on the certificate and the person who signed this form are one and the same;

(b) *incorrect address*

Write the correct address on this form;

(c) *change of name*

If you have changed your name, lodge your marriage certificate or the deed poll with this form for noting.

6. *If you have sold all your Ordinary Shares*

You should at once hand this form to the transferee or the agent through whom you effected the sale or transfer for transmission to the transferee.

Settlement of the consideration under the Ordinary Offer cannot be made until all relative documents have been properly completed and lodged with Barclays Bank PLC, New Issues Department P.O. Box 123, Fleetway House, 25 Farringdon Street, London EC4A 4HD.



BARCLAYS MERCHANT BANK

PRESS INFORMATION

P.O. BOX NO. 128
15, 16 GRACECHURCH STREET
LONDON EC3V 0BA
TELEPHONE 01-623 0320
FACSIMILE (GROUP 2) 01-623 6075
TELEX 881214 BMBG G

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88 For Circ
17.2.84
Copy to JAR

17th February, 1984

AMM

[Signature]

FINAL OFFERS BY MR LEWIS E CARTIER FOR MAYNARDS PLC

Barclays Merchant Bank Limited announces that in response to the Ordinary Offer which is being made on behalf of Mr Cartier acceptances have been received in respect of a total of 1,942,433 Ordinary Shares in Maynards, representing **39.7 per cent.** of the issued Ordinary Share capital.

Acceptances to the Preference Offer have been received in respect of a total of 33,831 Preference Shares in Maynards, representing **59.9 per cent.** of the issued Preference Share capital.

Approval to the making of the Ordinary Offer has been received from Ordinary Shareholders holding 2,424,720 Ordinary Shares, representing approximately **47.3 per cent.** of the voting rights of Maynards.

On 16th December, 1983 Mr Cartier held 25,000 Ordinary Shares of 25p each in Maynards representing approximately **0.5 per cent.** of the issued Ordinary Share capital of Maynards. Other than pursuant to the Offers, Mr Cartier has not acquired or agreed to acquire any shares in Maynards during the period of the Offers.



BARCLAYS MERCHANT BANK

PRESS INFORMATION

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LONDON EC3V 0BA

TELEPHONE 01 623 4321
FACSIMILE (GROUP 2) 01 623 6073
TELEX 8812124 BMB G

- 2 -

As the Offers were conditional upon Mr Cartier receiving valid acceptances in respect of 2,535,964 Ordinary Shares, representing 51.8 per cent. of the issued Ordinary Share capital, by 3.30 p.m. on Friday 17th February, 1984, the Offers have now lapsed.

- ENDS -

Press enquiries

Lewis Cartier

01-623 4321

Ben Martin

Barclays Merchant Bank

01-623 4321

David Bick

Good Relations

01-236 0172