

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. **If you are in any doubt about the Offer or the action you should take you should consult an independent financial adviser authorised under the Financial Services and Markets Act 2000, if you are resident in the United Kingdom or, if not, another appropriately authorised independent financial adviser.**

If you have sold or otherwise transferred all of your BSG Shares, please send this document and the reply-paid envelope (but not the accompanying personalised Form of Acceptance) as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. **However, these documents must not be forwarded, distributed or transmitted in, into or from any jurisdiction where to do so would violate the laws in that jurisdiction. If you have sold or otherwise transferred only part of your holding of BSG Shares you should retain these documents.**

Seymour Pierce Limited which is authorised and regulated by the FSA, is acting exclusively for Advanced Computer Software Plc ("ACS") and no one else in connection with the Offer and will not be responsible to anyone other than ACS for providing the protections afforded to clients of Seymour Pierce or for providing advice in connection with the Offer or any other matters referred to herein.

Singer Capital Markets Limited, which is authorised and regulated by the FSA, is acting exclusively for Business Systems Group Holdings Plc ("BSG") and no one else in connection with the Offer and will not be responsible to anyone other than BSG for providing the protections afforded to clients of Singer Capital Markets or for providing advice in connection with the Offer or any other matters referred to herein.

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## Recommended Cash Offer

by

## Advanced Computer Software Plc

for

## Business Systems Group Holdings Plc

and

## Notice of General Meeting of

## Business Systems Group Holdings Plc

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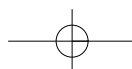
Notice of a general meeting of BSG to be held at 9.30 a.m. on 8 June 2009 is set out at the end of this document. BSG Shareholders are requested to complete and return the enclosed Form of Proxy for use at the General Meeting in accordance with the instructions printed thereon, whether or not they intend to be present at the meeting, so as to be received by Capita Registrars Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, registrars to BSG, as soon as possible and in any event no later than 9.30 a.m. on 6 June 2009. Completion and return of a Form of Proxy will not preclude a BSG Shareholder from attending and voting at the meeting in person.

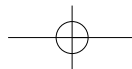
To accept the Offer in respect of certificated BSG Shares please complete and sign the Form of Acceptance and return it (together with your share certificates and any other documents of title) by post or by hand (during normal business hours only) to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and in any event so as to be received by not later than 1.00 p.m. on 12 June 2009 or in the case of uncertificated BSG Shares (that is in CREST) you should follow the procedure for Electronic Acceptance through CREST so that the TTE Instruction settles as soon as possible and, in any event, not later than 1.00 p.m. on 12 June 2009.

The procedure for acceptance of the Offer is set out in paragraph 12 of Part II of this document and, in respect of certificated BSG Shares (i.e. those not held in CREST), is further described in the accompanying Form of Acceptance.

This document should be read in conjunction with the accompanying Form of Acceptance (if you hold your BSG Shares in certificated form i.e. not in CREST).

**Your attention is drawn to the letter from the Independent Director set out in Part I of this document, recommending acceptance of the Offer.**





### **ACTION TO BE TAKEN TO ACCEPT THE OFFER**

If you hold your BSG Shares in certificated form (i.e. not in CREST), complete the Form of Acceptance in accordance with the instructions printed thereon and paragraph 12.1 of the letter from ACS set out in Part II of this document and return the completed Form of Acceptance (together with your share certificate(s) and any other documents of title) by post or by hand (during normal business hours only) to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and, in any event, so as to be received by Capita Registrars not later than 1.00 p.m. (London time) on 12 June 2009.

If you hold your BSG Shares in CREST, you should follow the procedures set out in paragraph 12.2 of the letter from ACS in Part II of this document).

You are advised to read this document carefully.

If you have any questions relating to this document or the completion and return of the Form of Acceptance, please telephone Capita Registrars on 0871 664 0321 or, if, calling from outside the UK, on +44 208 639 3399. Calls to the Capita Registrars on 0871 664 0321 number are charged at 10 pence per minute (including VAT) plus any of your service provider's network extras. Calls to the Capita Registrars +44 208 639 3399 number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Capita Registrars cannot provide advice on the merits of the offer or give any financial, legal or tax advice.

The First Closing Date is 1.00 p.m. (London time) on 12 June 2009.

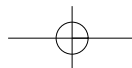
### **IMPORTANT INFORMATION**

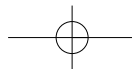
#### **OVERSEAS SHAREHOLDERS**

The Offer is not being made, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and the Offer is not capable of acceptance from or within a Restricted Jurisdiction. Accordingly, copies of this document, the Form of Acceptance and any accompanying document are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this document, the Form of Acceptance and any accompanying document (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions as doing so may invalidate any purported acceptance of the Offer. The availability of the Offer to BSG Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Such persons should read paragraph 5 of Part B and paragraph 3 of Part C (if such person holds BSG Shares in certificated form) and/or paragraph 3 of Part D (if such person holds BSG Shares in uncertificated form) of Appendix I to this document and inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. Notwithstanding the foregoing, ACS retains the right to permit the Offer to be accepted and any sale of shares pursuant to the Offer to be completed if, in its sole discretion, it is satisfied that the transaction in question can be undertaken in compliance with applicable law and regulation.

In accordance with normal UK market practice, ACS may from time to time make certain market or private purchases of, or arrangements to purchase, directly or indirectly, BSG Shares other than pursuant to the Offer. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be publicly announced as required by law or regulation in the UK.

**This document does not constitute an offer to buy or a solicitation of an offer to sell any BSG Shares in any jurisdiction in which such offer or solicitation is unlawful. Any person (including custodians, nominees and trustees) who would, or otherwise intend to, or may have a contractual or legal obligation to, forward this document and/or the Form of Acceptance to any**





**jurisdiction outside the United Kingdom, should read paragraph 5 of Part B and paragraph 3 of Part C and/or paragraph 3 of Part D of Appendix I to this document before taking any action.**

#### **DEALINGS DISCLOSURE REQUIREMENTS**

Under the provisions of Rule 8.3 of the Code, if any person is, or becomes, “interested” (directly or indirectly) in 1 per cent. or more of any class of “relevant securities” of BSG, all “dealings” in any “relevant securities” of BSG (including by means of an option in respect of, or a derivative referenced to, any such “relevant securities”) must be publicly disclosed by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant transaction. This requirement will continue until the date on which the Offer becomes wholly unconditional as to acceptances or lapses or is otherwise withdrawn or on which the “offer period” otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an “interest” in “relevant securities” of BSG, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the Code, all “dealings” in “relevant securities” of BSG by ACS or BSG, or by any of their respective “associates”, must be disclosed by no later than 12.00 noon (London time) on the Business Day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose “relevant securities” “dealings” should be disclosed, and the number of such securities in issue, can be found on the Panel’s website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk).

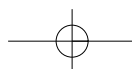
“Interests in securities” arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an “interest” by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Code, which can also be found on the Panel’s website. If you are in any doubt as to whether or not you are required to disclose a “dealing” under Rule 8, please contact an independent financial adviser authorised under the Financial Services and Markets Act 2000, consult the Panel’s website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk) or contact the Panel on telephone number +44 (0) 20 7638 0129; fax +44 (0) 20 7236 7013.

#### **FORWARD LOOKING STATEMENTS**

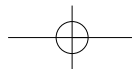
This document contains statements about ACS and BSG that are or may be forward looking statements. All statements other than statements of historical facts included in this document may be forward looking statements. Without limitation, any statements preceded or followed by or that include the words “targets”, “plans” “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “estimates”, “projects”, “should” or, words or terms of similar substance or the negative thereof, are forward looking statements. Forward looking statements include statements relating to the following: statements relating to the expected benefits of the acquisition to ACS, background and reasons for the Offer, expectations of the impact of the acquisition on revenue and earnings of ACS, information on the prospects of ACS or BSG future capital expenditures, expenses, revenues, earnings, synergies, economic performance, and future prospects.

Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements, including risks relating to the successful integration of BSG with ACS; higher than anticipated costs relating to the integration of BSG or investment required in BSG to realise expected benefits and facts relating to BSG that may impact the timing or amount of benefit realised from the acquisition that are unknown to ACS. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements, which speak only as of the date hereof. ACS and BSG disclaim any obligation to update any forward looking or other statements contained herein, except as required by applicable law.



**TABLE OF CONTENTS**

	<i>Page</i>
<b>IMPORTANT INFORMATION</b>	
<b>Part I</b> Letter from the Independent Director of BSG	5
<b>Part II</b> Letter from ACS	11
<b>Appendix I</b> Conditions and Further Terms of the Offer	21
<b>Part A</b> Conditions of the Offer	21
<b>Part B</b> Further Terms of the Offer	28
<b>Part C</b> Form of Acceptance	39
<b>Part D</b> Electronic Acceptance	42
<b>Appendix II</b> Financial Information (incorporated by reference)	45
<b>Part 1</b> BSG	45
<b>Part 2</b> ACS	48
<b>Appendix III</b> Additional Information	49
<b>Appendix IV</b> Definitions	58
Notice of General Meeting	63



## PART I

### LETTER FROM THE INDEPENDENT DIRECTOR OF BUSINESS SYSTEMS GROUP HOLDINGS PLC



*(Incorporated in England and Wales with registered number 2923809)*

*Directors:*  
Nick Gerard, *Chief Executive Officer*  
Vin Murria, *Non-Executive Chairman*  
\*James Wheaton, *Finance Director*

Business Systems Group Holdings Plc  
226-236 City Road  
London  
EC1V 2TT

*\*Independent Director for the purposes  
of the Code and the Offer*

21 May 2009

*To BSG Shareholders and for information only to holders of options under the BSG Share Schemes*

Dear BSG Shareholder,

#### **RECOMMENDED CASH OFFER BY ADVANCED COMPUTER SOFTWARE PLC FOR BUSINESS SYSTEMS GROUP HOLDINGS PLC**

##### **1. Introduction**

On 8 May 2009, the board of ACS and the Independent Director announced that they had reached agreement on the terms of a recommended cash offer for the entire issued and to be issued share capital of BSG (other than certain BSG Shares which have been conditionally acquired by ACS outside the Offer on terms referred to below).

I am writing to you in order to explain the background to the Offer and to set out the reasons why I, as the Independent Director having been so advised by Singer Capital Markets, consider the terms of the Offer to be fair and reasonable. This letter also contains my recommendation that BSG Shareholders accept the Offer and vote in favour of the resolution approving the arrangements between ACS and Nick Gerard as described in paragraph 5 of this letter, to be proposed at the General Meeting, as I have irrevocably undertaken to do so in respect of my own beneficial holdings, being, in aggregate, 423,781 BSG Shares, representing approximately 0.71 per cent. of the share capital of BSG, to which the Offer relates. In providing its advice, Singer Capital Markets has taken into account the commercial assessments of the Independent Director.

I draw your attention to the letter from ACS set out in Part II of this document, which gives further details about the Offer, as well as to the additional information set out in Appendices I to III to this document.

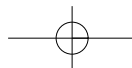
##### **2. Summary terms of Offer**

The Offer, which is subject to the conditions and further terms set out in Appendix I to this document and for certificated shareholders, in the accompanying Form of Acceptance, is set out in the letter from ACS in Part II of this document.

The Offer is being made on the following basis:

**For each BSG Share – 19.11 pence in cash**

The Offer values the fully diluted share capital of BSG at approximately £15.5 million (net of the cash received on exercise of options) and represents a premium of approximately:



- 27 per cent. to the closing price of BSG Shares of 15 pence per BSG Share on 7 May 2009, being the last business day prior to the commencement of the Offer Period;
- 57 per cent. to 12.17 pence, being the average closing price per BSG Share over the three months prior to the commencement of the Offer Period; and
- 44 per cent. to 13.29 pence, being the average closing price per BSG Share over the twelve months prior to the commencement of the Offer Period.

The Offer is conditional, *inter alia* upon the receipt of acceptances in respect of BSG Shares, which together with BSG Shares acquired under the Acquisition Agreement or acquired or agreed to be acquired before or during the Offer will result in ACS holding BSG Shares carrying more than 75 per cent. of the voting rights then normally exercisable at a general meeting of BSG. The Offer is also conditional on: (i) the approval of the arrangements between Nick Gerard and ACS by the Independent Shareholders at the General Meeting; and (ii) the passing of a resolution by the shareholders of ACS to enable ACS to issue ACS Shares pursuant to the terms of the Acquisition Agreement.

The BSG Shares will be acquired pursuant to the Offer fully paid and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other rights and interests of any nature whatsoever and together with all rights now and hereafter attaching thereto, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the date of the Announcement.

Appropriate proposals will be made in due course to participants in the BSG Share Schemes.

### **3. The Independent Director**

Since Vin Murria is both Chairman of BSG and Chief Executive Officer of ACS and Nick Gerard will exchange part of his trust's holding of BSG Shares for shares in ACS and have an ongoing role within the enlarged ACS group following the Unconditional Date, the Board of BSG has constituted an independent committee to consider the Offer. This Independent Committee consists solely of James Wheaton.

### **4. Background to and reasons for recommending the Offer**

#### *Background to the Offer*

ACS is driving organic growth by enhancing its product range and developing hosted mobile applications to be sold into the Community, Nursing, and Palliative Care sectors. ACS intends to acquire BSG in order to expand its business into the development of hosted mobile applications and support its customers' additional requirements for managed services, hosting, outsourcing and disaster recovery. The acquisition should allow BSG to benefit from ACS's established capabilities and relationships across the health care sector where ACS's customer base includes approximately 95 per cent. of the Primary Care Out-of-Hours market and approximately 50 per cent. of the Walk-in Centre Market in England.

BSG's hosted facilities, Sharepoint skills and Business Intelligence tools should facilitate ACS's goals of delivering these additional products whilst also providing operating and back office infrastructure services to the NHS as the public sector strives to achieve operational efficiencies and cost savings in a difficult economic climate.

ACS considers BSG's skills and knowledge base to be complementary to ACS's support activities. Importantly, BSG is a Microsoft and Sharepoint accredited partner which should provide ACS with further access to these core skill requirements. BSG hopes to benefit from ACS's proven record in the development of healthcare compliant products and its first class reputation in the healthcare community and this should help accelerate BSG's growth by providing access to a wider customer base.

BSG's hosting and outsourcing business is a preferred supplier to a number of major Not-for-Profit and Corporate organisations and ACS is confident that its ownership of BSG should further strengthen these relationships. BSG's activities in this sector provide an opportunity for ACS to expand into the market for comparison analytical tools including Business Intelligence and Data Warehousing. BSG has established data centres which will allow ACS to deploy its new products rapidly and securely and deliver cost advantages to its proposed customers.

BSG has a sound financial track record with a product portfolio and sales pipeline which should support continued revenue growth.

*Reasons for recommending the Offer*

In considering whether to recommend the terms of the Offer, I, as the Independent Director have taken into account the following factors:

- the stated strategy of the BSG Directors has been to increase shareholder value by growing the services part of the BSG Group, while maintaining the size of the infrastructure and application development divisions, which both operate in fiercely competitive markets. The contractual revenues in the services business have been steadily grown over the last three years as a result of BSG being early into the market of bringing managed services technology to mid-sized businesses. Moreover, the high levels of fixed costs within the business have given rise to operational gearing benefits from the growth. However, despite the growth of recent years, the services business remains sub-scale and organic growth is limited by the pace at which new custom can be implemented, while the competitive position is limited by the generic nature of the technology. Therefore, to accelerate the growth of the services business and to strengthen its competitive position, the business would benefit from the greater scale and access to new markets that the proposed transaction would create;
- given its low market capitalisation and ownership structure, BSG has not attracted a particularly broad institutional shareholder base and its shares are extremely illiquid. As a result, sales of even small numbers of BSG Shares often have a disproportionate effect on the Company's share price. These factors, together with the continued reliance on the low margin infrastructure division, have meant that BSG's market valuation over the past few years has been close to its net cash balances, notwithstanding the overall growth in the services business and the increase in contractual revenues in the BSG Group. The liquidity restraints and low valuation have represented significant barriers to the minority shareholders' ability to realise their investment in the Company; and
- the Offer represents a significant premium to the current share price of BSG and, other than during a brief period in 2005, is at a higher level than the mid-market closing price has been at any time since 2001. The Offer therefore represents an opportunity for BSG Shareholders to receive an immediate cash exit for their shareholding.

**5. Arrangements with Nick Gerard and the General Meeting**

The continuing commitment of Nick Gerard, currently Chief Executive of BSG, after completion of the Offer has been key to ACS's decision to proceed with the Offer. Nick Gerard co-founded BSG in 1987, continues to run the business and together with his trust is BSG's largest shareholder, holding 59.9 per cent. of its existing issued share capital. It is intended that Nick Gerard will operate the BSG business within the ACS group after completion of the Offer and in order to guarantee his ongoing commitment, as a condition of the Offer, he has agreed to accept ACS shares in exchange for approximately 40 per cent. of his trust's holding. Terms have therefore been reached for Nick Gerard's trust to sell part of its shareholding in BSG in consideration of the issue of shares in ACS as set out below.

Pursuant to the Acquisition Agreement, ACS has conditionally agreed to acquire at the Offer Price, in aggregate 18,315,018 BSG Shares from Nick Gerard and Malcolm Coleman, as trustees of the Nick Gerard Life Interest Trust, representing 23.5 per cent. of the issued share capital of BSG, as at the date of this document, in exchange for the issue of 14,000,000 ACS shares of 10 pence each at an issue price of 25 pence per ACS share. Upon completion of the Acquisition Agreement, Nick Gerard will be interested in approximately 6.8 per cent. of the issued share capital of ACS, as at the date of this document. The 25 pence exchange ratio was derived from the trading price of ACS shares at the time the in principle agreement was made between the parties, which was prior to the recent sharp price rise following the release of ACS's preliminary results on 27 April 2009.

The Acquisition Agreement is conditional upon, *inter alia*, the Offer becoming or being declared unconditional in all respects. This condition may be waived by ACS if, in order to declare the Offer unconditional as to acceptances, the purchase of the BSG Shares pursuant to the Acquisition Agreement is required to be counted towards fulfilling any condition of the Offer. The Acquisition Agreement is also conditional upon ACS shareholders passing an ordinary resolution at a general meeting to enable ACS to

allot the consideration shares to Nick Gerard's Life Interest Trust in satisfaction of its obligations. Further details of the Acquisition Agreement are set out in paragraph 6 of Appendix III to this document.

On completion of the Acquisition Agreement, Nick Gerard and Malcolm Coleman, as trustees of the Nick Gerard Life Interest Trust, will enter into undertakings in favour of ACS and Seymour Pierce not to dispose of the shares in ACS allotted to them pursuant to the Acquisition Agreement for a period of 12 months after their admission to AIM (the "Initial Period") save with the prior consent of ACS and Seymour Pierce and in limited circumstances. In addition, for the 12 months following the Initial Period, to help preserve an orderly market in ACS shares they will agree only to dispose of these shares through ACS's broker from time to time and provided it is able to procure a buyer within 10 Business Days, on customary terms.

**Singer Capital Markets considers the terms of the arrangements with Nick Gerard described in this paragraph 5 to be fair and reasonable so far as the Independent Shareholders are concerned.**

Under Rule 16 of the City Code, except with the consent of the Panel, an offeror or persons acting in concert with it may not make any arrangements with shareholders and may not deal or enter into arrangements to deal in shares of the offeree company, or enter into arrangements which involve acceptance of an offer, either during an offer or when one is reasonably in contemplation, if there are favourable conditions attached which are not being extended to all shareholders.

In relation to the Acquisition Agreement the Panel has agreed, subject to the ordinary resolution set out in the notice of General Meeting being approved on a poll by a majority of Independent Shareholders at the General Meeting, to allow the Offer to be made on the terms and conditions set out in this document.

BSG Shareholders will find enclosed with this document a Form of Proxy for use at the General Meeting. Forms of Proxy should be completed and returned in accordance with the instructions printed thereon so as to arrive at Capita Registrars Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and, in any event, not later than 9.30 a.m. on 6 June 2009. Completion and return of a Form of Proxy will not prevent an Independent Shareholder from attending and voting at the General Meeting should he/she so wish.

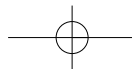
## **6. Current trading**

The stated strategy of the BSG Directors over the past few years, has been to grow the services part of the BSG Group, while maintaining the size of the infrastructure and application development divisions. In line with this strategy, contractual revenues within the BSG Group have continued to grow and BSG's trading has proceeded in line with the BSG Directors' expectations. The post-acquisition strategic review of the BSG business will focus on expanding the contractual revenues model.

## **7. Information on ACS**

ACS (AIM:ASW), is a leading provider of software and IT services to the primary care sector. Through its subsidiary Adastra, ACS services approximately 95 per cent. of Out-of-Hours operational hubs and approximately 50 per cent. of NHS walk-in clinics in England. Adastra's software interoperates approximately 100 other IT systems serving both the primary care and the acute parts of the NHS. A secondary product automates the flow of information between the National Nurse Helpline Services (NHS Direct, NHS24 and NHS Wales) and the operational hubs of the Primary Care Trusts.

ACS occupies a strategically important niche in the IT framework of the NHS, from which it intends to expand through a strategy of product innovation, selective acquisitions and/or technical collaborations, thus consolidating a fragmented market. By broadening its products and services, the ACS group aims to improve the flow of patient information throughout primary care using, where possible, a single view of the patient record. At the same time, the ACS group's strategy is designed to maximise opportunities for cost savings, shared R&D and cross-selling, whilst aligning with recent changes in NHS IT procurement that increase the purchasing power of the primary care segment.



## **8. Intentions regarding the business and the BSG management, employees and fixed assets**

ACS attaches great importance to the skills and experience of the existing management and employees of BSG and ACS expects that BSG's employees will play an important role in the enlarged group.

ACS has given the board of BSG assurances that, following completion of the Offer, the existing employment rights, including pension rights, of the management and employees of BSG will be safeguarded. ACS's plans for BSG do not involve any material change in the conditions of employment of BSG's employees although it is intended that ACS will review the strategic options for the current business operations of BSG after the Offer has become or been declared wholly unconditional.

ACS has indicated that it does not currently intend to change the location of BSG's place of business or redeploy its fixed assets, although it will be carrying out a strategic review of the current business operations of BSG.

## **9. Undertakings and letters of intent**

Irrevocable undertakings to accept the Offer and vote in favour of the resolution at the General Meeting have been received from the Independent Director and certain shareholders of BSG. Nick Gerard has also irrevocably undertaken to accept the Offer in respect of all of the BSG Shares in which he is interested save for those subject to the Acquisition Agreement. These undertakings are in aggregate in respect of 44,137,586 BSG Shares (representing as at the date of this document approximately 74 per cent. of the existing issued share capital of BSG, to which the Offer relates). The irrevocable undertakings provided by the Independent Director, and Nick Gerard and Malcolm Coleman as trustees of Nick Gerard Life Interest Trust will continue to be binding in the event of a higher offer being made for the BSG Shares by a competing third party.

In addition, ACS has received a Letter of Intent in respect of a further 2,100,000 BSG Shares (representing as at the date of this document, approximately 3.5 per cent. of the existing issued share capital of BSG to which the Offer relates) which together with the Irrevocable Undertakings represents, as at the date of this document, 77.5 per cent of the BSG Shares to which the Offer relates.

The Irrevocable Undertakings and the Letter of Intent are summarised in Appendix III.

## **10. Compulsory acquisition, delisting and cancellation of trading**

Your attention is drawn to paragraph 10 of the letter from ACS in Part II of this document in relation to ACS's intentions with regard to the exercise of rights to compulsorily acquire any remaining BSG Shares not acquired under the Offer, the cancellation of the admission to trading of the BSG Shares on AIM and for BSG's listing on AIM to be cancelled, and the re-registration of BSG as a private company under the relevant provisions of the Companies Act 2006.

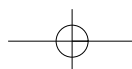
## **11. Offer Document and Form of Acceptance**

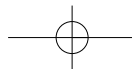
This document and the Form of Acceptance are being posted to Shareholders. Copies of this document and the Form of Acceptance are available from Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser in your own jurisdiction.

## **12. Taxation**

Your attention is drawn to paragraph 11 of the letter from ACS in Part II of this document for a summary of certain United Kingdom taxation considerations. If you are in any doubt as to your taxation position, or if you are subject to taxation in any jurisdiction other than the United Kingdom, you are strongly recommended to consult your independent financial adviser immediately.





### 13. Overseas Shareholders

Overseas Shareholders should refer to paragraph 8 of the letter from ACS contained in Part II of this document.

### 14. Action to be taken to accept the Offer

Your attention is drawn to the letter from ACS in Part II of this document, and for certificated shareholders to the Form of Acceptance and to Appendices I to III to this document. In particular, your attention is drawn to the procedure for accepting the Offer, which is set out on pages 16 to 19 in Part II of this document and (for certificated shares i.e. those where there is a paper share certificate) in the Form of Acceptance.

**Your decision as to whether to accept the Offer will depend upon your individual circumstances. If you are in any doubt about the Offer and/or the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the UK or, if not, from another appropriately authorised independent financial adviser in your own jurisdiction.**

### 15. Recommendation

The Independent Director, who has been so advised by Singer Capital Markets, considers the terms of the Offer to be fair and reasonable. In providing its advice to the Independent Director, Singer Capital Markets has taken into account the commercial assessments of the Independent Director. In addition, the Independent Director considers the terms of the Offer to be in the best interests of BSG Shareholders as a whole.

**Accordingly, I the Independent Director intend to recommend that BSG Shareholders accept the Offer and vote in favour of the resolution at the General Meeting as I the Independent Director have irrevocably undertaken to do in respect of my own beneficial holdings of 423,781 BSG Shares, representing as at the date of this document, approximately 0.71 per cent. of the existing issued share capital of BSG, to which the Offer relates on the terms of the Independent Director's Irrevocable Undertaking.**

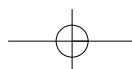
Yours faithfully,

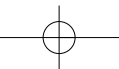
*For and on behalf of the Independent Director of Business Systems Group Holdings Plc*

**James Wheaton**

*Finance Director*

*Business Systems Group Holdings Plc*





## PART II

### LETTER FROM ADVANCED COMPUTER SOFTWARE PLC



(Incorporated in England and Wales with registered number 5965280)

*Directors:*

Karen Bach, *Chief Financial Officer*  
 Vin Murria, *Chief Executive Officer*  
 Michael Jackson, *Non Executive Chairman*  
 Mark Watts, *Non Executive Director*

*Registered office:*

Quadrant House, Floor 6  
 17 Thomas More Street  
 Thomas More Square  
 London  
 E1W 1YW

21 May 2009

*To BSG Shareholders and for information only to option holders under the BSG Share Option Scheme*

Dear BSG Shareholder,

#### **RECOMMENDED CASH OFFER FOR BUSINESS SYSTEMS GROUP HOLDINGS PLC BY ADVANCED COMPUTER SOFTWARE PLC**

##### **1. Introduction**

On 8 May 2009, the board of ACS and the Independent Director of BSG announced that they had reached agreement on the terms of a recommended cash offer to be made by ACS for the entire issued and to be issued share capital of BSG (other than certain BSG Shares which have been conditionally acquired by ACS outside the Offer on terms referred to below).

This document contains the formal terms and conditions of the Offer and also contains information on ACS and BSG.

**Your attention is drawn to the letter of recommendation from James Wheaton, the finance director of BSG as the Independent Director, contained in Part I of this document which sets out the reasons why the Independent Director, who has been so advised by Singer Capital Markets (having taken into account the commercial assessments of the Independent Director), is recommending that BSG Shareholders accept the Offer as he has irrevocably agreed to do in respect of his own holdings of BSG Shares.**

Your attention is also drawn to the notice of General Meeting set out at the end of this document.

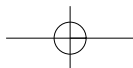
##### **2. Terms of the Offer**

ACS hereby offers to acquire, (on the terms and subject to the conditions set out below, in Appendix I to this document and, in the case of BSG Shares held in certificated form, in the Form of Acceptance), the entire issued and to be issued share capital of BSG (other than certain BSG Shares which have been conditionally acquired by ACS pursuant to the Acquisition Agreement) on the following basis:

#### **for each BSG Share – 19.11 pence in cash**

The Offer values the fully diluted share capital of BSG at approximately £15.5 million (net of the cash received on exercise of options) and represents a premium of approximately:

- 27 per cent. to the closing price of BSG Shares of 15 pence per BSG Share on 7 May 2009, being the last business day prior to the commencement of the Offer Period;



- 57 per cent. to 12.17 pence, being the average closing price per BSG Share over the three months prior to the commencement of the Offer Period; and
- 44 per cent. to 13.29 pence, being the average closing price per BSG Share over the twelve months prior to the commencement of the Offer Period.

The Offer is conditional, *inter alia* upon the receipt of acceptances in respect of BSG Shares, which together with BSG Shares acquired under the Acquisition Agreement or acquired or agreed to be acquired before or during the Offer will result in ACS holding BSG Shares carrying more than 75 per cent. of the voting rights then normally exercisable at a general meeting of BSG. The Offer is also conditional on: (i) the approval of the arrangements between Nick Gerard and ACS by the Independent Shareholders at the General Meeting; and (ii) the passing of a resolution by the shareholders of ACS to enable ACS to issue ACS Shares pursuant to the terms of the Acquisition Agreement.

The Offer extends to all BSG Shares which are unconditionally allotted or issued and fully paid on the date of this document. The Offer also extends to any BSG Shares which are unconditionally allotted or issued and fully paid while the Offer remains open for acceptance (or by such earlier date as ACS may, subject to the Code or with the consent of the Panel determine).

The BSG Shares will be acquired pursuant to the Offer fully paid and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other rights and interests of any nature whatsoever and together with all rights now and hereafter attaching thereto, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the date of the Announcement.

### 3. Irrevocable undertakings

Irrevocable undertakings to accept the Offer and vote in favour of the resolution at the General Meeting have been received from the Independent Director and certain shareholders of BSG. Nick Gerard has also irrevocably undertaken to accept the Offer in respect of all of the BSG Shares in which he is interested save for those subject to the Acquisition Agreement. These undertakings are in aggregate in respect of 44,137,586 BSG Shares (representing as at the date of this document approximately 74 per cent. of the existing issued share capital of BSG, to which the Offer relates). The irrevocable undertakings provided by the Independent Director, and Nick Gerard and Malcolm Coleman as trustees of Nick Gerard Life Interest Trust will continue to be binding in the event of a higher offer being made for the BSG Shares by a competing third party.

In addition ACS has received a Letter of Intent in respect of a further 2,100,000 BSG Shares (representing as at the date of this document, approximately 3.5 per cent. of the existing issued share capital of BSG to which the Offer relates) which together with the Irrevocable Undertakings represents, as at the date of this document, 77.5 per cent. of the BSG Shares to which the Offer relates.

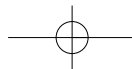
The Irrevocable Undertakings and the Letter of Intent are summarised in Appendix III.

In aggregate therefore, ACS has received irrevocable undertakings to accept the Offer and other commitments to transfer BSG Shares in respect of a total of 46,237,586 BSG Shares, representing approximately 77.5 per cent. of the existing issued share capital of BSG as at the date of this document.

### 4. Background to the Offer

ACS is driving organic growth by enhancing its product range and developing hosted mobile applications to be sold into the Community, Nursing, and Palliative Care sectors. ACS intends to acquire BSG in order to expand its business into the development of hosted mobile applications and support its customers' additional requirements for managed services, hosting, outsourcing and disaster recovery. The acquisition should allow BSG to benefit from ACS's established capabilities and relationships across the health care sector where ACS's customer base includes approximately 95 per cent. of the Primary Care Out-of-Hours market and approximately 50 per cent. of the Walk-in Centre Market in England.

BSG's hosted facilities, Sharepoint skills and Business Intelligence tools should facilitate ACS's goals of delivering these additional products whilst also providing operating and back office infrastructure services



to the NHS as the public sector strives to achieve operational efficiencies and cost savings in a difficult economic climate.

ACS considers BSG's skills and knowledge base to be complementary to ACS's support activities. Importantly, BSG is a Microsoft and Sharepoint accredited partner which should provide ACS with further access to these core skill requirements. BSG hopes to benefit from ACS's proven record in the development of healthcare compliant products and its first class reputation in the healthcare community and this should help accelerate BSG's growth by providing access to a wider customer base.

BSG's hosting and outsourcing business is a preferred supplier to a number of major Not-for-Profit and Corporate organisations and ACS is confident that its ownership of BSG should further strengthen these relationships. BSG's activities in this sector provide an opportunity for ACS to expand into the market for comparison analytical tools including Business Intelligence and Data Warehousing. BSG has established data centres which will allow ACS to deploy its new products rapidly and securely and deliver cost advantages to its proposed customers.

BSG has a sound financial track record with a product portfolio and sales pipeline which should support continued revenue growth.

## **5. Information on BSG**

BSG designs, deploys and operates all or part of its clients' business operations. BSG achieves this through specialist sector knowledge, delivering economies and business benefits to its clients and their customers. Since 1987, BSG has developed its capabilities to deliver sophisticated IT solutions both on a project and contracted long term basis. Most recently, BSG has developed shared services designed to deliver "utility" technologies such as email, file and print, application platforms, backup and disaster recovery. The market is increasingly receptive to these types of service as they are highly competitive and consumed against a service level on a scalable pay per use model. Complementing the provision of these "utility" services, BSG provides consulting and development services for those customers who require bespoke line of business applications, often delivering these on a multi-year, contracted basis.

BSG's customers range from large multinational companies, which typically outsource specific islands of technology, to medium sized firms, which often outsource all of their IT functions.

## **6. Information on ACS**

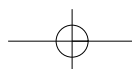
ACS (AIM:ASW), is a leading provider of software and IT services to the primary care sector. Through its subsidiary Adastra, ACS services approximately 95 per cent. of Out-of-Hours operational hubs and approximately 50 per cent. of NHS walk-in clinics in England. Adastra's software interoperates with more than 100 other IT systems serving both the primary care and the acute parts of the NHS. A secondary product automates the flow of information between the National Nurse Helpline Services (NHS Direct, NHS24 and NHS Wales) and the operational hubs of the Primary Care Trusts.

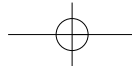
ACS occupies a strategically important niche in the IT framework of the NHS, from which it intends to expand through a strategy of product innovation, selective acquisitions and/or technical collaborations, thus consolidating a fragmented market. By broadening its products and services, the ACS group aims to improve the flow of patient information throughout primary care using, where possible, a single view of the patient record. At the same time, the ACS group's strategy is designed to maximise opportunities for cost savings, shared R&D and cross-selling, whilst aligning with recent changes in NHS IT procurement that increase the purchasing power of the primary care segment. ACS pursues a strategy of both organic growth and growth through acquisition.

## **7. Financing of the Offer**

The cash consideration payable by ACS under the terms of the Offer will be funded using ACS's existing cash resources.

Seymour Pierce, financial adviser and corporate broker to ACS, is satisfied that sufficient resources are available to satisfy the full cash consideration payable to BSG Shareholders under the terms of the Offer.





## 8. Overseas Shareholders

The attention of all BSG Shareholders who are citizens, nationals or residents of jurisdictions outside the United Kingdom and any persons (including, without limitation, any custodians, nominees or trustees) who would, or otherwise intend to, or who may be under a contractual or legal obligation to, forward this document and/or the Form of Acceptance to any jurisdiction outside the United Kingdom is drawn to paragraph 5 of Part B of Appendix I and paragraph 3 of Part C of Appendix I to this document and, if your shares are held in certificated form, to the relevant provisions of the Form of Acceptance, and should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction.

The availability of the Offer to BSG Shareholders who are not resident in the United Kingdom or who are citizens, nationals or residents of jurisdictions outside the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Such persons should inform themselves of, and observe, any applicable legal or regulatory requirements of those jurisdictions. The release, publication or distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable requirements. Any failure to comply with the applicable requirements may constitute a violation of the securities law of any such jurisdiction.

The Offer is not being made, directly or indirectly, in or into any jurisdiction where to do the same would constitute a violation of the relevant laws of such jurisdiction. Copies of the Offer Document and the Form of Acceptance and any accompanying document are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from any jurisdiction where to do the same would constitute a violation of the relevant laws of such jurisdiction and persons receiving the Offer Document and the Form of Acceptance (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions as doing so may invalidate any purported acceptance of the Offer.

**If you are in any doubt about your position or the action you should take, you should consult an appropriate financial adviser.**

## 9. Management, employees and fixed assets of BSG and ACS

ACS confirms that following completion of the Offer, the existing employment rights, including pension rights, of the directors, management and employees of both the ACS Group and the BSG Group will be fully safeguarded. ACS intends to procure that:

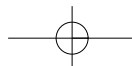
- Nick Gerard will remain as a director of BSG (on the same terms and conditions of employment as present but pro-rated down to four days service per week);
- as soon as reasonably practicable after the Offer becoming, or is declared, wholly unconditional James Wheaton will resign as a director of BSG; and
- Vin Murria will remain a director of BSG and Karen Bach will be appointed a director of BSG after the Offer is declared wholly unconditional.

The terms and conditions of other employees of both ACS and BSG will not be affected by the Offer. However, as previously announced on 8 May 2009, the Board of ACS will review the strategic options for the current business operations of BSG after the Offer has become or been declared wholly unconditional.

ACS has indicated that it does not currently intend to change the location of either its or BSG's place of business or redeploy its fixed assets, although it will be carrying out a strategic review of the current business operations of BSG.

## 10. Compulsory acquisition and de-listing

If ACS receives acceptances under the Offer in respect of, and/or otherwise acquires, 90 per cent. or more in nominal value of the BSG Shares to which the Offer relates (and 90 per cent. or more of the voting rights carried by BSG Shares to which the Offer relates) and all other conditions of the Offer have been satisfied or (if capable of being waived), waived, ACS intends to exercise its rights pursuant to the provisions of



Chapter 3 of Part 28 of the 2006 Act to acquire compulsorily the remaining BSG Shares in respect of which the Offer has not been accepted, on the same terms as the Offer.

Assuming the Offer becomes or is declared unconditional in all respects, and provided that ACS has acquired or agreed to acquire 75 per cent. of the voting rights attached to the BSG Shares, ACS intends to procure the making of an application by BSG for the cancellation of admission to trading of BSG Shares on AIM in accordance with the AIM Rules and for BSG to be converted into a private limited company.

It is anticipated that cancellation of admission to trading on AIM will take effect no earlier than 20 clear Business Days after ACS has acquired or agreed to acquire 75 per cent. of the voting rights attaching to the BSG Shares.

**The cancellation of the admission to trading of BSG Shares would significantly reduce the liquidity and marketability of any BSG Shares not assented to the Offer. In this event there may be no future market for a BSG Shareholder to realise their investment in BSG. There is no guarantee that any dividends or other distributions would be made by BSG and therefore BSG Shareholders may not receive any return from their investment.**

#### **11. United Kingdom taxation**

The following paragraphs, which are intended as a general guide only, are based on current UK legislation and UK HM Revenue and Customs ("HMRC") practice. They summarise certain limited aspects of the UK taxation treatment of acceptance of the Offer, and they relate only to the position of individual or corporate BSG Shareholders who hold their BSG Shares beneficially as an investment, otherwise than under a personal equity plan or an individual savings account (ISA), and who are resident or, in the case of individuals, ordinarily resident in the UK for taxation purposes (except in so far as express reference is made to the treatment of non-UK residents).

**If you are in any doubt as to your taxation position or if you are subject to taxation in any jurisdiction other than the UK, you should consult an appropriate independent professional adviser immediately.**

A BSG Shareholder who receives cash under the Offer will make a disposal, or part disposal, of his BSG Shares for the purposes of UK taxation on chargeable gains. Such disposal may, depending on the BSG Shareholder's individual circumstances (including the availability of exemptions, reliefs and allowable losses) give rise to a liability to UK taxation on chargeable gains.

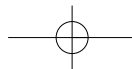
Any chargeable gain on a part disposal of a holding of BSG Shares will in general be computed on the basis of an apportionment of the allowable cost of the holding by reference to the market value of the holding at the time of disposal.

A BSG Shareholder which is a company within the charge to UK corporation tax on a disposal, or part disposal, of its BSG Shares, should be entitled to an indexation allowance in calculating its chargeable gain, if any.

A UK resident individual BSG Shareholder will be liable to income and capital gains tax on any gain at the tax rate of 18 per cent. irrespective of the length of time he has held the shares. A corporate BSG Shareholder will be liable to UK tax on any gain at its corporation tax rate (although certain BSG Shareholders with shareholdings of more than 10 per cent. may qualify for capital gains tax exemption.)

BSG Shareholders who are neither resident nor (in the case of an individual BSG Shareholder) ordinarily resident in the UK for UK tax purposes are not subject to UK tax on chargeable gains on a disposal, or part disposal, of BSG Shares unless such BSG Shares are used, held or acquired for the purposes of a trade, profession or vocation carried on in the UK through a branch or agency or, in the case of a corporate BSG Shareholder, through a permanent establishment. Such BSG Shareholders may be subject to foreign taxation on any gain under local law.

No stamp duty or SDRT will be payable by BSG Shareholders as a result of accepting the Offer.



## **12. Procedure for acceptance of the Offer**

This section should be read in conjunction with Appendix I to this document and, in respect of BSG Shares in certificated form, the notes and instructions on the Form of Acceptance.

BSG Shareholders who hold their BSG Shares in certificated form should read paragraph 12.1 in conjunction with the Form of Acceptance and Parts B and C of Appendix I to this document. BSG Shareholders who hold their shares in uncertificated form (that is, through CREST) should read paragraph 12.2 in conjunction with Parts B and D of Appendix I to this document. BSG Shareholders who hold their BSG Shares in both the certificated and uncertificated form should read all sections referred to above. The instructions on the Form of Acceptance are deemed to form part of the terms of the Offer.

BSG Shareholders whose BSG Shares are registered in the name of a nominee should contact their broker, investment dealer, bank, trust company or other nominee for assistance in accepting the Offer.

### **12.1 BSG shares held in certificated form (i.e. a paper share certificate)**

#### **(a) Completion of the Form of Acceptance**

To accept the Offer in respect of BSG Shares held in certificated form, you must complete the Form of Acceptance in accordance with the instructions set out below. You should complete separate Forms of Acceptance for BSG Shares held in certificated form but under different designations (i.e. for each separate share certificate you hold). If you have any queries as to how to complete the Form of Acceptance, please telephone Capita Registrars on 0871 664 0321 or, if, calling from outside the UK, on +44 208 639 3399. Calls to the Capita Registrars 0871 664 0321 number are charged at 10 pence per minute (including VAT) plus any of your service provider's network extras. Calls to the Capita Registrars +44 208 639 3399 number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Capita Registrars cannot provide advice on the merits of the offer or give any financial, legal or tax advice. Additional Forms of Acceptance are available from Capita Registrars upon request.

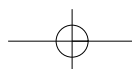
- (i) To accept the Offer in respect of all your BSG Shares in certificated form, you must complete Box 1 of the enclosed Form of Acceptance. If appropriate, you should also complete Boxes 3, 4 and/or 5. In all cases, you must sign Box 2 of the enclosed Form of Acceptance in accordance with the instructions printed on the Form of Acceptance.
- (ii) To accept the Offer in respect of less than all your BSG Shares in certificated form you must insert in Box 1 on the enclosed Form of Acceptance such lesser number of BSG Shares in respect of which you wish to accept the Offer in accordance with the instructions printed thereon. You should then follow the procedure set out in paragraph (i) above in respect of such lesser number of certificated BSG Shares. If you do not insert a number in Box 1 of the Form of Acceptance, or if you insert in Box 1 a number which is greater than the number of certificated BSG Shares that you hold and you have signed Box 2, your acceptance will be deemed to be in respect of all certificated BSG Shares held by you.

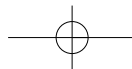
In all cases, you must sign Box 2 on the relevant Form of Acceptance including, if you are an individual, in the presence of a witness who should also sign in accordance with the instructions printed on it. Any BSG Shareholder which is a company should execute the relevant Form of Acceptance in accordance with the instructions printed on it.

The Form of Acceptance is issued only to the addressee(s) and is specific to the class of security and the unique designated account printed on it. The Form of Acceptance is a personalised form and is not transferable between accounts or uniquely designated accounts. ACS and Capita Registrars accept no liability for any instructions which do not comply with the conditions set out in this document, the Form of Acceptance or accompanying materials.

#### **(b) Return of Form of Acceptance**

To accept the Offer in respect of BSG Shares held in certificated form (i.e. not in CREST), the completed, signed and witnessed Form of Acceptance should be returned by post or by hand (during normal business hours only) to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent





BR3 4TU together (subject to paragraph 12.1(c) below) with the relevant share certificate(s) and/or other document(s) of title, as soon as possible, and, in any event, so as to be received not later than 1.00 p.m. (London time) on 12 June 2009. A reply-paid envelope for use in the UK only is enclosed for your convenience. No acknowledgement of receipt of documents will be given by or on behalf of ACS.

Any Form of Acceptance received in an envelope postmarked in a Restricted Jurisdiction or otherwise appearing to ACS or its agents to have been sent from any Restricted Jurisdictions may be rejected as an invalid acceptance of the Offer. For further information on Overseas Shareholders, see paragraph 8 of this Part II above.

**(c) Documents of title**

If your BSG Shares are in certificated form, a completed, signed and witnessed Form of Acceptance should be accompanied by the relevant share certificates(s) and/or other document(s) of title. If for any reason the relevant share certificate(s) and/or other document(s) of title is/are not readily available or is/are lost, you should **nevertheless complete, sign and lodge the Form of Acceptance as stated above so as to be received by Capita Registrars at the address referred to in paragraph 12.1(b) above not later than 1.00 p.m. (London time) on 12 June 2009.** You should send with the Form of Acceptance, any share certificates(s) and/or other document(s) of title which you may have available, accompanied by a letter stating that the remaining documents will follow as soon as possible or that you have lost one or more of your share certificate(s) and/or other document(s) of title. You should then arrange for the relevant share certificate(s) and/or other document(s) of title to be forwarded as soon as possible. If you have lost your share certificate(s) and/or other document of title, you should write to BSG's registrars, Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible requesting a letter of indemnity for the lost share certificate(s) and/or other document(s) of title, which, when completed in accordance with the instructions given, should be returned by post or by hand (during normal business hours only) to Capita Registrars at the address given in paragraph 12.1(b) above.

**(d) Validity of acceptances**

Without prejudice to Parts B and C of Appendix I to this document, subject to the terms of the Offer and the provisions of the City Code, ACS reserves the right to treat as valid in whole or in part any acceptance of an Offer which is not entirely in order or which is not accompanied by the relevant share certificate(s) and/or other document(s) of title. In that event, no payment of cash under the Offer will be made until after the relevant share certificate(s) and/or other document(s) of title or indemnities satisfactory to ACS have been received.

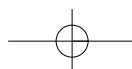
**12.2 BSG Shares held in uncertificated form (i.e. in CREST)**

**(a) General**

If your BSG Shares are in CREST, to accept the Offer you should take (or procure the taking of) the action set out below to transfer BSG Shares in respect of which you wish to accept the Offer to the appropriate escrow balance(s) (that is, send a TTE instruction), specifying Capita Registrars (in its capacity as a CREST participant under the Escrow Agent's relevant Participant ID referred to below) **as the Escrow Agent, as soon as possible and in any event so that the TTE instruction settles by not later than 1.00 p.m. (London time) on 12 June 2009. Note that settlement cannot take place on weekends or bank holidays (or other times at which the CREST system is non-operational) you should therefore ensure that you time the input of any TTE instructions accordingly.**

The input and settlement of a TTE instruction in accordance with this paragraph 12.2 will (subject to satisfying the requirements set out in Parts B and D of Appendix I to this document) constitute an acceptance of the Offer in respect of the number of uncertificated BSG Shares so transferred to escrow.

**If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action.** Your CREST sponsor will be able to confirm details of your Participant ID and the member account ID under which your uncertificated BSG Shares are held. In addition, only your CREST sponsor will be able to send the TTE instruction(s) to CRESTCo in relation to your BSG Shares.



After settlement of a TTE instruction, you will not be able to access BSG Shares concerned in CREST for any transaction or charging purposes. If the Offer becomes or is declared unconditional in all respects, the Escrow Agent will transfer the BSG Shares concerned to itself in accordance with paragraph 5 of Part D of Appendix I to this document for onward transfer to the Offeror or their appointed agent.

You are recommended to refer to the CREST manual published by CRESTCo for further information on the CREST procedures outlined below.

**You should note that CRESTCo does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE instruction relating to your BSG Shares to settle prior to 1.00 p.m. (London time) on 12 June 2009. In this connection, you are referred in particular to those sections of the CREST manual concerning practical limitations of the CREST system and timings.**

**(b) To accept the Offer**

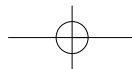
To accept the Offer in respect of BSG Shares held in CREST, you should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) to CRESTCo a TTE instruction in relation to such shares. A TTE instruction to CRESTCo must be properly authenticated in accordance with CRESTCo's specifications for transfers to escrow and must contain the following details:

- the ISIN number of the BSG Shares. This is GB0008222043;
- the number of BSG Shares in respect of which you wish to accept the Offer (i.e. the number of BSG Shares in uncertificated form to be transferred to escrow);
- your Participant ID;
- your member account ID;
- the Participant ID of the Escrow Agent. This is RA10;
- the member account ID of the Escrow Agent for the Offer in its basic terms. This is ADVBUS01 for the Offer;
- the intended settlement date. This should be as soon as possible and, in any event, not later than 1.00 p.m. (London time) on 12 June 2009;
- the corporate action number of the Offer which is allocated by CRESTCo and can be found by viewing the relevant corporate action details in CREST;
- input with a standard delivery instruction priority of 80; and
- your name and contact telephone number in the shared note field.

**(c) Validity of acceptances**

Holders of uncertificated BSG Shares in CREST who wish to accept the Offer should note that a TTE instruction will only be a valid acceptance of that Offer as at the relevant closing date if it has settled on or before 1.00 p.m. (London time) on that date. A Form of Acceptance which is received in respect of BSG Shares held in uncertificated form will not constitute a valid acceptance and will be disregarded.

If you are in any doubt as to the procedure for acceptance of the Offer, please contact Capita Registrars by telephone on 0871 664 0321 or, if, calling from outside the UK, on +44 208 639 3399. Calls to the Capita Registrars 0871 664 0321 number are charged at 10 pence per minute (including VAT) plus any of your service provider's network extras. Calls to the Capita Registrars +44 208 639 3399 number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Capita Registrars cannot provide advice on the merits of the offer or give any financial, legal or tax advice.



**(d) Overseas Shareholders**

The attention of BSG Shareholders holding BSG Shares in uncertificated form and who are citizens or residents of or subject to jurisdictions outside the UK is drawn to paragraph 5 of Section B and paragraph 3 of Section D. The Offer is not being made directly or indirectly in or into a Restricted Jurisdiction.

**(e) Withdrawal from or deposit of BSG Shares in CREST**

Normal CREST procedures (including timings) apply in relation to any BSG Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the Offer (whether any such conversion arises as a result of a transfer of BSG Shares or otherwise). Holders of BSG Shares who are proposing to convert any such shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the shares as a result of the conversion to take all necessary steps in connection with an acceptance of the Offer (in particular, as regards delivery of share certificate(s) and/or other document(s) of title or transfer to an escrow balance as described above) prior to 1.00 p.m. (London time) on 3 July 2009.

**13. Settlement**

Subject to the Offer becoming or being declared unconditional in all respects (and except as provided in paragraph 5 of Part B of Appendix I to this document in the case of certain Overseas Shareholders), settlement of the consideration to which any BSG Shareholder is entitled under the Offer will be effected by the dispatch of cheques or the crediting of CREST accounts: (i) in the case of acceptances received, complete in all respects, by the date on which the Offer becomes or is declared wholly unconditional, within 14 days of such date or the First Closing Date whichever is the later; and (ii) in the case of acceptances received, complete in all respects, after such date but while the Offer remains open for acceptance, within 14 days of such receipt, and in either case in the manner described in paragraphs 13(a), 13(b) and 13(c) below.

**(a) BSG Shares in certificated form (i.e. not in CREST)**

Where an acceptance relates to BSG Shares in certificated form, settlement of any cash consideration to which the accepting BSG Shareholder is entitled will be dispatched by first class post (or by such other method as may be approved by the Panel) to the accepting BSG Shareholder or its appointed agents (but not into any Restricted Jurisdiction). All such cash payments will be made in pounds sterling by cheque drawn on a branch of a UK clearing bank.

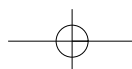
**(b) BSG Shares held in CREST**

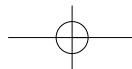
Where an acceptance relates to BSG Shares in CREST, settlement of the cash consideration to which the accepting BSG Shareholder is entitled will be paid by means of a CREST payment in favour of the accepting BSG Shareholder's payment bank in respect of the cash consideration due, in accordance with CREST payment arrangements. However, ACS reserves the right to settle all or any part of the consideration referred to in this paragraph 13(b), for all or any accepting BSG Shareholder(s), in the manner referred to in paragraph 13(a) above, if, for any reason, it wishes to do so.

**(c) General**

If the Offer does not become or is not declared unconditional in all respects:

- (i) in the case of BSG Shares held in certificated form, the relevant Form of Acceptance, share certificate(s) and/or other document(s) of title will be returned by post (or by such other method as may be approved by the Panel) within 14 days of the Offer lapsing to the person or agent whose name and address is set out in Box 1 or, if appropriate, Box 3 or Box 5 of the relevant Form of Acceptance or, if none is set out, to the first named holder at his registered address (provided that no such documents will be sent to an address in any Restricted Jurisdiction); and
- (ii) in the case of BSG Shares held in uncertificated form, the Escrow Agent will, immediately after the lapsing of the Offer (or within such longer period as the Panel may permit, not exceeding 14 days from the lapsing of the Offer), give TFE instructions to CRESTCo to transfer all BSG Shares held in escrow balances and in relation to which it is the Escrow Agent for the purposes of the Offer to the original available balances of the BSG Shareholders concerned.





All remittances, communications, notices, certificates and documents of title sent by, to or from BSG Shareholders or their appointed agents will be sent at their own risk.

#### 14. Share Options

Participants in any BSG Share Schemes will be contacted regarding the effect of the Offer on their rights under those schemes and appropriate proposals will be made to such participants in due course. Further details of these proposals will be set out in separate letters to be sent to participants in the BSG Share Schemes.

#### 15. Further Information

Your attention is drawn to the further information relating to the Offer set out in Appendices I to III to this document and (if you hold BSG Shares in certificated form) in the Form of Acceptance. The Appendices and the Form of Acceptance contain material information which may not be summarised elsewhere in this document.

The sources and bases of certain financial information contained in this Offer Document are set out in paragraph 10 of Appendix III and definitions of certain expressions used in this Offer Document are contained in Appendix IV.

#### 16. Action to be taken

You are urged to complete and return the enclosed Form of Proxy in accordance with the instructions printed on the form whether or not you intend to be at the General Meeting, as soon as possible, and, in any event, so as to be received by post or by hand (during normal business hours only) to Capita Registrars Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not later than 9.30 a.m. on 6 June 2009.

To accept the Offer:

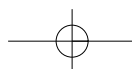
- if you hold your BSG Shares, or any of them, in certificated form (i.e. you hold a paper share certificate and not electronically in CREST), to accept the Offer in respect of those certificated BSG Shares you should complete, sign and return the Form of Acceptance (together with your share certificates and any other documents of title) by post or by hand (during normal business hours only) to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU **as soon as possible and, in any event, so as to be received by not later than 1.00 p.m. on 12 June 2009; or**
- if you hold your BSG Shares, or any of them, in uncertificated form (that is, in CREST), to accept the Offer in respect of those uncertificated BSG Shares you should follow the procedure for Electronic Acceptance through CREST so that the TTE instruction settles as soon **as possible and, in any event, not later than 1.00 p.m. on 12 June 2009.**

Yours faithfully,

**Vin Murria**

*Chief Executive Officer*

*Advanced Computer Software Plc*



## APPENDIX I

### CONDITIONS AND FURTHER TERMS OF THE OFFER

#### PART A: CONDITIONS OF THE OFFER

The Offer will be conditional upon the Offer becoming unconditional by not later than four months from the date of this Offer Document or such later date (if any) as BSG and ACS may agree and (if required) the Panel may allow.

1. The Offer will be conditional upon:
  - 1.1 valid acceptances of the Offer being received (and not, where permitted, withdrawn) by not later than 1.00 p.m. (London time) on the first closing date of the Offer (or such later time(s) and/or date(s) as ACS may, subject to the rules of the Code or with the consent of the Panel, decide) in respect of not less than 75 per cent. of such BSG Shares to which the Offer relates and not less than 75 per cent. (or such lower percentage as ACS may decide) of the voting rights carried by the BSG Shares to which the Offer relates, provided that, unless agreed by the Panel, this condition will not be satisfied unless ACS (together with its wholly owned subsidiaries) shall have acquired or agreed to acquire (whether pursuant to the Offer or otherwise) directly or indirectly BSG Shares carrying in aggregate more than 50 per cent. of the voting rights then normally exercisable at general meetings of BSG, including for this purpose (except to the extent otherwise agreed by the Panel) any such voting rights attaching to BSG Shares that are unconditionally allotted or issued before the Offer becomes or is declared unconditional as to acceptances, whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise.

For the purposes of this condition:

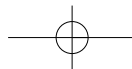
    - 1.1.1 BSG Shares which have been unconditionally allotted shall be deemed to carry the voting rights they will carry upon issue;
    - 1.1.2 the expression "BSG Shares to which the Offer relates" shall be construed in accordance with Part 28 of the Companies Act 2006; and
    - 1.1.3 valid acceptances shall be deemed to have been received in respect of any BSG Shares which ACS shall, pursuant to section 977(1) or sections 979(8) to (10) of the Companies Act 2006 be treated as having acquired or contracted to acquire by virtue of acceptance of the Offer.
  - 1.2 The passing at a general meeting of ACS to be convened as soon as reasonably practicable of an ordinary resolution of ACS shareholders as required pursuant to the Acquisition Agreement to authorise the issue and allotment of 14,000,000 ordinary shares in ACS to Nick Gerard and Malcolm Coleman as trustees of the Nick Gerard Life Interest Trust. The full text of the resolution will be set out in a circular of ACS to be sent to ACS shareholders on or about the date of the Offer Document.
2. The passing at the General Meeting (or at any adjournment thereof) of an ordinary resolution of Independent Shareholders approving the arrangements between ACS and Nick Gerard's trust for the issue of 14,000,000 ordinary shares in ACS pursuant to the Acquisition Agreement as required by the City Code. The full text of the resolution is set out in the notice of General Meeting at the end of this document.
3. In addition, BSG and ACS have agreed that, subject as stated in Part B below, the Offer will also be conditional upon:
  - 3.1 no central bank, government or governmental, quasi-governmental, state or local government, supranational, statutory, environmental, administrative, investigative or regulatory body, agency, court, association, institution or any other person or body in any jurisdiction (a "Relevant Authority") having taken, instituted, implemented or threatened any action, proceeding, suit, investigation or enquiry, or enacted, made or proposed any statute, regulation order, decision, changed a published position or otherwise taken any other step that would or might be reasonably expected to:

- 3.1.1 require, prevent or delay the divestiture or alter the terms envisaged for any proposed divestiture by any member of the Wider ACS Group or any member of the Wider BSG Group of all or any portion of their respective businesses, assets or properties or delay any disposal of all or any portion of such businesses, assets or properties or otherwise impose any material limitation or restriction (other than those arising under general law) on the ability of any member of the Wider ACS Group or the Wider BSG Group to conduct their respective businesses (or any part of them) or to own or control any of their respective assets or properties or any part of them which, in any such case, is material in the context of the Wider BSG Group taken as a whole or in the context of the Offer;
- 3.1.2 require any member of either the Wider ACS Group or Wider BSG Group (other than pursuant to the implementation of the Offer) to acquire or make an offer to acquire or repay any shares or other securities in and/or indebtedness of any member of the Wider BSG Group owned by any third party; or
- 3.1.3 impose any material limitation on, or result in a material delay in, the ability of ACS or the Wider ACS Group directly or indirectly to acquire or to hold or to exercise effectively directly or indirectly all or any rights of ownership in respect of shares or loans or securities convertible into shares or any other securities (or the equivalent) in BSG or the ability of ACS to hold or exercise effectively any rights of ownership of shares, loans or other securities in, or to exercise management control over any member of the Wider BSG Group which, in any such case, is material in the context of the Wider BSG Group taken as a whole or in the context of the Offer;
- 3.1.4 otherwise adversely affect any or all of the business, assets, liabilities, financial or trading position, profits or prospects of any member of the Wider BSG Group in each case to an extent which is material in the context of the Wider BSG Group taken as a whole or in the context of the Offer;
- 3.1.5 result in any member of the Wider BSG Group ceasing to be able to carry on business under any name under which it presently does so to an extent which is material in the context of the Wider BSG Group taken as a whole or in the context of the Offer;
- 3.1.6 make the Offer or its implementation or the acquisition of any shares or other securities in, or control of the Wider BSG Group, by any member of the Wider ACS Group, void, unenforceable, illegal and/or prohibited in or under the laws of any jurisdiction or otherwise in a material way restrict, restrain, prohibit, prevent, delay or otherwise interfere with the implementation of, or impose additional conditions or obligations with respect to, or require amendment of, or otherwise challenge or interfere with, the Offer to an extent which is material in the context of the Offer; or
- 3.1.7 impose any material limitation on the ability of any member of the Wider ACS Group or the Wider BSG Group to integrate or co-ordinate its business, or any material part of it, with the business of the Wider ACS Group or the Wider BSG Group,
- and all applicable waiting and other time periods during which any such Relevant Authority could decide to take, institute, implement or threaten any such action, proceedings, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction having expired, lapsed or been terminated;
- 3.2 all necessary filings, applications and/or notifications which are necessary in connection with the Offer having been made and all appropriate waiting or other time periods (including any extensions thereof) in respect of the Offer under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated and all statutory or regulatory obligations in any jurisdiction having been complied with in each case as may be necessary in connection with the Offer or its implementation or the acquisition by any member of the Wider ACS Group of any shares or other securities in, or control of, any member of the Wider BSG Group, in each case to the extent the absence thereof would have a material adverse effect in the context of the Wider BSG Group or the Wider ACS Group in each case taken as a whole and all authorisations, orders, grants, recognitions, confirmations, licences, consents, clearances, permissions and approvals ("authorisations") necessary in any jurisdiction for or in respect of the Offer and the proposed acquisition of any shares or other securities in, or control or management of, BSG by ACS or any member of the Wider ACS Group being obtained in terms

and in a form satisfactory to ACS, acting reasonably, from appropriate Relevant Authorities or from any persons or bodies with whom any member of the Wider ACS Group or the Wider BSG Group has entered into contractual arrangements where the absence of such authorisations would have a material adverse effect on the Wider BSG Group taken as a whole and such authorisations together with all authorisations necessary for any member of the Wider BSG Group to carry on its business remaining in full force and effect and all filings necessary for such purpose having been made and there being no notice or intimation of any intention to revoke, suspend, restrict or amend or not renew the same, and there being no indication that the renewal costs of any such authorisation might be higher than the renewal costs for the current authorisation to an extent material in the context of the Wider BSG Group or the Wider ACS Group in each case taken as a whole and all necessary statutory or regulatory obligations in any jurisdiction having been complied with where the absence of such compliance would have a material adverse effect on the Wider BSG Group taken as a whole;

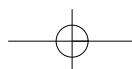
3.3 save as fairly disclosed in the Annual Report or as Publicly Announced or fairly disclosed in writing to ACS or its advisers by or on behalf of BSG in the course of the negotiations relating to the Offer, in each case prior to the date of the Announcement, there being no provision of any arrangement, agreement, lease, licence, permit or other instrument to which any member of the BSG Group is a party or by or to which any such member or any of its assets is or may be bound or subject which, as a consequence of the Offer or the acquisition by ACS or any member of the Wider ACS Group of any shares or other securities (or the equivalent) in BSG or because of a change in the control or management of any member of the Wider BSG Group or otherwise, would be expected to result in, in any case to an extent which is material in the context of the Wider BSG Group taken as a whole or in the context of the Offer in:

- 3.3.1 any monies borrowed by, or any other indebtedness or liabilities, actual or contingent, of, or any grant available to, any member of the Wider BSG Group which is not already payable on demand, being or becoming repayable, or being capable of being declared repayable immediately or prior to their or its stated maturity, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or becoming capable of being withdrawn or inhibited;
- 3.3.2 the creation or enforcement of any mortgage, charge or other security interest, over the whole or any part of the business, property, interests or assets of any member of the Wider BSG Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen) becoming enforced or enforceable;
- 3.3.3 any arrangement, agreement, lease, licence, permit or other instrument or the rights, liabilities, obligations or interests of any member of the Wider BSG Group under any such arrangement, agreement, lease, licence, permit or instrument (or any arrangement, agreement, lease, licence, permit or instrument relating to any such right, liability, obligation or interest) or the interests or business of any such member in or with any other person, firm, company or body being, or becoming capable of being, terminated or adversely modified or affected or any onerous obligation or liability arising or any material adverse action being taken thereunder;
- 3.3.4 any assets or interests of any member of the Wider BSG Group being or falling to be disposed of or charged (otherwise than in the ordinary course of trading) or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Wider BSG Group (otherwise than in the ordinary course of trading);
- 3.3.5 any such member of the Wider BSG Group ceasing to be able to carry on business under any name under which it presently does so;
- 3.3.6 the value, financial or trading position, profits or prospects of BSG or any member of the Wider BSG Group being prejudiced or adversely affected;
- 3.3.7 the creation of any material liability (actual or contingent) of any member of the Wider BSG Group to make severance, termination, bonus or other payment to any of its directors or officers; or
- 3.3.8 the creation of any liability (actual or contingent) by any member of the Wider BSG Group other than in the ordinary course of business, and no event having occurred

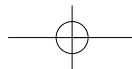


which under any provision of any arrangement, agreement, lease, licence, permit or other instrument to which any member of the Wider BSG Group is a party or by or to which any such member or any of its assets is or may be bound or subject, would or might reasonably be expected to result in any of the events or circumstances which are referred to in conditions 3.3.1. to 3.3.7;

- 3.4 save as fairly disclosed in the Annual Report or as Publicly Announced or fairly disclosed in writing to ACS or its advisers by or on behalf of BSG in the course of the negotiations relating to the Offer, in each case prior to the date of the Announcement, no member of the Wider BSG Group having since 30 September 2008:
- 3.4.1 issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue of additional shares or securities of any class, or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities (save as between BSG and wholly-owned subsidiaries of BSG and save for the issue of the BSG Shares pursuant to or in connection with rights granted before the date of the Announcement under, or the grant of rights before such date under, BSG Share Schemes) or redeemed, purchased, repaid or reduced or proposed the redemption, purchase, repayment or reduction of any part of its share capital or any other securities;
  - 3.4.2 recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus issue, dividend or other distribution whether payable in cash or otherwise other than dividends (or other distributions whether payable in cash or otherwise) lawfully paid or made by any wholly-owned subsidiary of BSG to BSG or any of its wholly-owned subsidiaries;
  - 3.4.3 other than pursuant to the implementation of the Offer (and save for transactions between BSG and its wholly-owned subsidiaries and transactions in the ordinary course of business) implemented, effected, authorised, proposed or announced its intention to implement, effect, authorise or propose any merger, demerger, reconstruction, arrangement, assignment, composition, amalgamation, scheme, commitment or acquisition or disposal or transfer of assets or shares (or the equivalent thereof) or any right, title or interest in any assets or shares or other transaction or arrangement in respect of itself or another member of the Wider BSG Group which in each case would be material in the context of the Wider BSG Group taken as a whole, its share or loan capital or in the context of the Offer;
  - 3.4.4 (save for transactions between BSG and its wholly-owned subsidiaries and save for transactions in the ordinary course of business) disposed of, or transferred, mortgaged or charged, or created any other security interest over, any asset or shares or any right, title or interest in any material asset or shares that is material in the context of the Wider BSG Group taken as a whole or authorised, proposed or announced any intention to do so;
  - 3.4.5 made, authorised, proposed or announced an intention to propose any change in its loan capital which is material in the context of the Wider BSG Group;
  - 3.4.6 (save for transactions between BSG and its wholly-owned subsidiaries) issued, authorised or proposed or announced an intention to authorise or propose, the issue of any debentures or (save for transactions under existing credit arrangements or in the ordinary course of business) incurred any indebtedness or contingent liability which is material in the context of the Wider BSG Group as a whole or in the context of the Offer;
  - 3.4.7 entered into, varied or terminated, or authorised, proposed or announced its intention to enter into, vary, terminate or authorise any contract, arrangement, agreement, transaction or commitment (other than in the ordinary course of business and whether in respect of capital expenditure or otherwise) which is of a loss-making, long term, unusual or onerous nature or magnitude or which involves or is reasonably likely to involve an obligation of such a nature or magnitude which is, in each case material in the context of the Wider BSG Group or in the context of the Offer;
  - 3.4.8 entered into any contract, arrangement, agreement, transaction or commitment which would be restrictive on the business of any member of the Wider BSG Group, or the

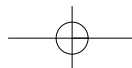


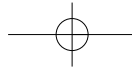
- Wider ACS Group or which is or could involve obligations which would or might reasonably be expected to be so restrictive which is material in the context of the Wider BSG Group as a whole or in the context of the Offer;
- 3.4.9 entered into or varied to a material extent or authorised, proposed or announced its intention to enter into or vary to a material extent the terms of, or make any offer (which remains open for acceptance) to enter into or vary to a material extent the terms of, any service agreement with any director or senior executive of any member of the Wider BSG Group;
- 3.4.10 proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any person employed by the Wider BSG Group save as agreed by ACS in writing;
- 3.4.11 purchased, redeemed or repaid or announced a proposal to purchase, redeem or repay any of its own shares or other securities (or the equivalent) or reduced or made any other change to or proposed the reduction or other change to any part of its share capital, save for any shares the allotment of shares in connection with the BSG Share Schemes pursuant to rights granted before the date of the Announcement or as between BSG and wholly-owned subsidiaries of BSG;
- 3.4.12 (other than in respect of claims between BSG and wholly-owned subsidiaries of BSG) waived, compromised or settled or authorised any such waiver or compromise of any claim which is material in the context of the Wider BSG Group taken as a whole;
- 3.4.13 (save as disclosed on publicly available registers prior to the date of the Announcement or as envisaged in accordance with the terms of the Offer) made any alteration to its memorandum or articles of association;
- 3.4.14 save to the extent agreed by ACS in writing, made or agreed or consented to any significant change to the terms of the trust deeds constituting the pension schemes established for its directors and/or employees and/or their dependants or any material favourable change to the benefits which accrue, or to the pensions which are payable (including contributions payable to any such schemes), thereunder, or to the basis on which qualification for or accrual or entitlement to such benefits or pensions are calculated or determined or to the basis upon which the liabilities (including pensions) of such pension schemes are funded or made, or agreed or consented to any change to the trustees involving the appointment of a trust corporation;
- 3.4.15 been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or any part of any business or proposed or entered into any composition or voluntary arrangement with its creditors (or any class of them) or the filing at court of documentation in order to obtain a moratorium prior to a voluntary arrangement or, by reason of actual or anticipated financial difficulties, commenced negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness which is material in the context of the Wider BSG Group as a whole or in the context of the Offer;
- 3.4.16 (other than in respect of a company which is dormant and was solvent at the relevant time) taken or proposed any corporate action or had any action or proceedings or other steps threatened or instituted against it for its winding-up (voluntary or otherwise), dissolution, striking off or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of all or any material part of its assets or revenues or any analogous proceedings or steps in any jurisdiction for the appointment of any analogous person in any jurisdiction; or
- 3.4.17 entered into any contract, agreement, arrangement or commitment or passed any resolution or made any proposal or announcement with respect to, or to effect, any of the transactions, matters or events referred to in this condition 3.4;
- 3.5 save as fairly disclosed in the Annual Report or as Publicly Announced or fairly disclosed in writing to ACS or its advisers by or on behalf of BSG in the course of negotiations relating to the



Offer, in each case prior to the date of the Announcement, since 30 September 2008 there having been:

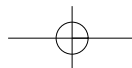
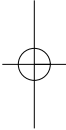
- 3.5.1 no adverse change or deterioration in the business, assets, financial or trading position or profits or prospects of any member of the Wider BSG Group other than as a result of a change in economic conditions affecting similar businesses generally, which is material in the context of the Wider BSG Group taken as a whole or in the context of the Offer;
  - 3.5.2 no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened, announced or instituted by or against or remaining outstanding against or in respect of any member of the Wider BSG Group and which would have a material adverse effect on the Wider BSG Group taken as a whole or in the context of the Offer;
  - 3.5.3 no enquiry or investigation by or complaint or reference to any Relevant Authority or other investigative body, threatened, announced, implemented or instituted or remaining outstanding by, against or in respect of any member of the Wider BSG Group which would have a material adverse effect on the Wider BSG Group taken as a whole in the context of the Offer;
  - 3.5.4 no contingent or other liability having arisen or become apparent to any member of the Wider ACS Group or increased which would or might be reasonably be expected to adversely affect any member of the Wider BSG Group and which in any such case is material in the context of the Wider BSG Group taken as a whole or in the context of the Offer; and
  - 3.5.5 no steps taken and no omissions made which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider BSG Group which is necessary for the proper carrying on of its business, which is material in the context of the Wider BSG Group taken as a whole or in the context of the Offer;
- 3.6 save as fairly disclosed in the Annual Report or as Publicly Announced or fairly disclosed in writing to ACS or its advisers by or on behalf of BSG in the course of negotiations relating to the Offer, in each case prior to the date of the Announcement, ACS not having discovered:
- 3.6.1 that the financial, business or other information concerning the Wider BSG Group which is Publicly Announced or disclosed at any time by or on behalf of any member of the Wider BSG Group contains a material misrepresentation of fact or omits to state a fact necessary to make the information contained therein not misleading and which was not subsequently corrected by 7 May 2009 by disclosure either publicly or otherwise to ACS, which is, in any case, material in the context of the Wider BSG Group or in the context of the Offer;
  - 3.6.2 that any member of the Wider BSG Group, partnership, company or other entity in which any member of the Wider BSG Group has a significant economic interest and which is not a subsidiary undertaking of the Wider BSG Group is, otherwise than in the ordinary course of business, subject to any liability, contingent or otherwise, which is material in the context of the Wider BSG Group taken as a whole or in the context of the Offer;
  - 3.6.3 any information which affects the import of any information disclosed at any time by or on behalf of any member of the Wider BSG Group to an extent which is material in the context of the Wider BSG Group as a whole or in the context of the Offer;
  - 3.6.4 that any past or present member of the Wider BSG Group has failed to comply in any material respect with any and/or all applicable legislation or regulations of any jurisdiction or any notice or requirement of any third party with regard to the use, storage, treatment, transport, handling, disposal, discharge, spillage, release, leak or emission of any waste or hazardous or harmful substance or any substance likely to impair the environment or harm human or animal health or otherwise relating to environmental matters or that there has otherwise been any such use storage, treatment, transport, handling, disposal, discharge, spillage, release, leak or emission (whenever the same may have taken place), any of which non-compliance would be likely to give rise to any material liability





(whether actual or contingent) or cost on the part of any member of the Wider BSG Group and which is material, in the context of the Wider BSG Group taken as a whole;

- 3.6.5 there is, or is reasonably likely to be, any material obligation or liability (whether actual or contingent) or any member of the Wider BSG Group to make good, alter, repair, reinstate, clean up or otherwise assume responsibility for any property or controlled waters now or previously owned, occupied, operated or made use of or controlled by any past or present member of the Wider BSG Group under any environmental legislation, regulation, notice, circular, order or other requirement of any Relevant Authority in any jurisdiction, in each case to an extent which is material in the context of the Wider BSG Group taken as a whole; or
- 3.6.6 that any past or present member of the Wider BSG Group, partnership, company or entity in which any member of the Wider BSG Group has an economic interest and which is not a subsidiary undertaking of the Wider BSG Group, has breached any trade marks, service marks, trade names, domain names, logos, get-up, patents, inventions, registered and unregistered design rights, copyrights, semi-conductor topography rights, database rights and all other similar rights in any part of the world (including, where such rights are obtained or enhanced by registration, any registration of such rights and applications and rights to apply for such registrations) of any third party to an extent which is material in the context of the Wider BSG Group taken as a whole or in the context of the Offer.



## PART B: FURTHER TERMS OF THE OFFER

Except where the context requires otherwise, any reference in Parts B, C or D of this Appendix I, in Appendix III or in the Form of Acceptance:

- (i) to the **"Offer"** means the Offer and any revision, variation or renewal thereof or extension thereto;
- (ii) to the **"Offer becoming unconditional"** will be construed as the Offer becoming or being declared unconditional as to acceptances whether or not any other condition of the Offer remains to be fulfilled;
- (iii) to the **"acceptance condition"** means the condition as to acceptances of the Offer set out in Part A of this Appendix I, and references to the Offer becoming unconditional as to acceptances are to be construed accordingly;
- (iv) to a person **"acting in concert with ACS"** is a reference to a person acting or deemed to be acting in concert with ACS for the purposes of the City Code and/or the Offer; and
- (v) to the **"Offer Document"** will mean this document and any other document containing the Offer.

The following further terms apply, unless the context requires otherwise, to the Offer.

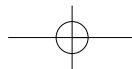
### 1. ACCEPTANCE PERIOD

- 1.1 The Offer will initially be open for acceptance until 1.00 p.m. (London time) on 12 June 2009. ACS reserves the right, in its sole discretion (but will not be obliged, other than as required by the Panel), at any time from time to time to extend the Offer after such time.
- 1.2 Although no revision is envisaged, if the Offer is revised it will remain open for acceptance for a period of at least 14 days (or such other period as may be permitted by the Panel) following the date the revision is published. Except with the consent of the Panel, no revision of the Offer may be published after 6 July 2009 or, if later, the date 14 calendar days before the last date on which the Offer can become unconditional.
- 1.3 The Offer, whether revised or not, will not (except with the consent of the Panel) be capable of becoming unconditional after 12.00 midnight (London time) on 20 July 2009 (or any other time and/or date beyond which ACS has stated that the Offer will not be extended and has not, where permitted, withdrawn that statement), nor of being kept open for acceptances after that time and/or date unless the Offer has previously become unconditional, provided that ACS reserves the right, with the permission of the Panel, to extend the Offer to a later time(s) and/or date(s). Except with the consent of the Panel, ACS may not, for the purposes of determining whether the acceptance condition has been satisfied, take into account acceptances received or purchases of BSG Shares made after 1.00 p.m. (London time) on 20 July 2009 (or any other time(s) and/or date(s) beyond which ACS has stated that the Offer will not be extended and has not, where permitted, withdrawn that statement) or, if the Offer is so extended, such later time(s) and/or date(s) as ACS, with the permission of the Panel, may determine. If the latest time at which the Offer may become unconditional is extended beyond midnight on 20 July 2009, acceptances received or purchases of BSG Shares made in respect of which relevant documents are received by the Receiving Agent after 1.00 p.m. on 20 July 2009 may (except where the Code otherwise permits) only be taken into account by ACS with the permission of the Panel.
- 1.4 If the Offer becomes unconditional, it will remain open for acceptance for not less than 14 days from the date on which it would otherwise have expired. If the Offer has become unconditional and it is stated that the Offer will remain open until further notice, then not less than 14 calendar days' notice in writing will be given prior to the closing of the Offer by or on behalf of ACS to those BSG Shareholders who have not accepted the Offer.
- 1.5 If a competitive situation arises after ACS has made a "no extension" statement and/or a "no increase" statement (as referred to in the City Code) in connection with the Offer, ACS may, if it specifically reserved the right to do so at the time such statement was made (or otherwise with the consent of the Panel), choose not to be bound by or to withdraw such statement and be free to revise and/or extend the Offer, provided it complies with the requirements of the City Code and in particular that:

- 1.5.1 it announces the withdrawal and that it is free to extend or revise the offer (as appropriate) as soon as possible and in any event within four Business Days of the firm announcement of the competing offer;
  - 1.5.2 it notifies BSG Shareholders to that effect in writing at the earliest practicable opportunity or, in the case of BSG Shareholders with registered addresses outside the United Kingdom or whom ACS knows to be custodians, nominees or trustees holding BSG Shares for such persons, by announcement in the United Kingdom at the earliest practicable opportunity; and
  - 1.5.3 any BSG Shareholder who accepted the Offer after the date of the “no extension” or “no increase” statement is given a right of withdrawal in accordance with paragraph 3.3 of this Part B. ACS may, if it has reserved the right to do so, choose not to be bound by a “no extension” or “no increase” statement, if it would otherwise prevent the posting of an increased or improved offer (either as to the value or form of the consideration or otherwise), which is recommended for acceptance by the Independent Director, or in other circumstances permitted by the Panel.
- 1.6 If BSG publishes material new information of the kind referred to in Rule 31.9 of the Code after 13 July 2009, ACS may, with the consent of the Panel, choose not to be bound by a “no increase” and/or a “no extension” statement if it specifically reserved the right to do so at the time such statement was made, provided that:
- 1.6.1 ACS gives notice to this effect as soon as possible and, in any event, within four business days after the date of such announcement by BSG; and
  - 1.6.2 BSG Shareholders are informed in writing at the earliest opportunity.
- 1.7 For the purposes of determining whether the acceptance condition has been satisfied, ACS will not be bound (unless otherwise required by the Panel) to take into account any BSG Shares which have been issued or unconditionally allotted or which arise as a result of the exercise of subscription or conversion rights before that determination takes place unless written notice containing relevant details of the allotment, issue, subscription or conversion has been received before that time by ACS or Capita Registrars on behalf of ACS at the address specified in paragraph 3.1 of this Part B. Notification by telex or facsimile or other electronic transmissions will not be sufficient to constitute written notice for this purpose (unless otherwise permitted by the Panel).

## 2. ANNOUNCEMENTS

- 2.1 Without prejudice to paragraph 3.1 below, by 8.00 a.m. (London time) on the Business Day (the “**relevant day**”) following the day on which the Offer is due to expire, or becomes unconditional, or is revised or is extended, as the case may be (or such later time(s) or date(s) as the Panel may agree), ACS will make an appropriate announcement in the UK and simultaneously inform a Regulatory Information Service of the position. Such announcement will also state (unless otherwise permitted by the Panel):
- (a) the number of BSG Shares (as nearly as practicable) for which acceptances of the Offer have been received (showing the extent, if any, to which such acceptances have been received from persons acting in concert with ACS or in respect of BSG Shares which were subject to an irrevocable commitment or a letter of intent procured by ACS or any of its associates during the Offer Period);
  - (b) details of any relevant securities of BSG in which ACS or any person acting in concert with it has an interest or in respect of which he has a right to subscribe, in each case specifying the nature of the interests or rights concerned. Similar details of any short positions (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, will also be stated;
  - (c) details of any relevant securities of BSG in respect of which ACS or any of its associates has an outstanding irrevocable commitment or letter of intent; and
  - (d) details of any relevant securities of BSG which ACS or any person acting in concert with it has borrowed or lent, save for any borrowed shares which have been either on-lent or sold,

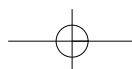


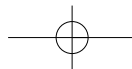
and will in each case specify the percentages of each class of relevant securities of BSG represented by these figures. Any such announcement shall include a prominent statement of the total number of BSG Shares which ACS may count towards the satisfaction of the acceptance condition and the percentage of BSG Shares represented by this figure. Any decision to extend the time and/or date by which the acceptance condition has to be satisfied may be made at any time up to, and will be announced not later than, 8.00 a.m. (London time) in the UK on the relevant day (or such later time and/or date as the Panel may agree). The announcement will also state the next expiry time and date unless the Offer is wholly unconditional, in which case it may instead state that the Offer will remain open until further notice. In computing the number of BSG Shares represented by acceptances and/or purchases, there may be included or excluded for announcement purposes, subject to paragraph 6.5 below, acceptances and purchases which are not in all respects in order or which are subject to verification, provided that such acceptances or purchases shall not be included unless they could be counted towards fulfilling the acceptance condition in accordance with paragraph 6.5 below.

- 2.2 In this Appendix I, references to the making of an announcement or the giving of notice by or on behalf of ACS include the release of an announcement by public relations consultants or by Seymour Pierce on behalf of ACS to the press and the delivery by hand or telephone, telex or facsimile transmission or other electronic transmission of an announcement to a Regulatory Information Service. An announcement made otherwise than to a Regulatory Information Service will be notified simultaneously to a Regulatory Information Service (unless the Panel otherwise agrees).
- 2.3 Without limiting the manner in which ACS may choose to make any public statement and subject to ACS's obligations under applicable law and the City Code, ACS will have no obligation to publish, advertise or otherwise communicate any such public announcement other than by making a release to a Regulatory Information Service.

### **3. RIGHTS OF WITHDRAWAL**

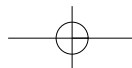
- 3.1 If ACS, having announced the Offer to be unconditional, fails by 3.30 p.m. (London time) on the relevant day (or such later time and/or date as the Panel may agree) to comply with any of the other relevant requirements specified in paragraph 2.1 of this Part B, then such certificated BSG Shareholder may (unless the Panel otherwise agrees) immediately after that time withdraw his acceptance of the Offer by written notice signed by the accepting certificated BSG Shareholder (or his agent duly appointed in writing and evidence of whose appointment, in a form reasonably satisfactory to, is produced with the notice) given by post or by hand (during normal business hours only) to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. Alternatively, in the case of BSG Shares held in CREST, withdrawals must be effected in the manner set out in paragraph 3.6 of this Part B. Subject to paragraph 1.3 of this Part B, this right of withdrawal may be terminated not less than eight calendar days after the relevant day by ACS confirming if that be the case, that the Offer is still unconditional and complying with the other relevant requirements relating to the Offer specified in paragraph 2.1 of this Part B. If any such confirmation is given, the first period of 14 calendar days referred to in paragraph 1.4 of this Part B will run from the date of that confirmation and compliance.
- 3.2 If by 1.00 p.m. (London time) on 3 July 2009 (or such later time and/or date as the Panel may agree) the Offer has not become unconditional, an accepting BSG Shareholder may withdraw his acceptance at any time thereafter in the manner referred to in paragraph 3.1 above (or, in the case of BSG Shares held in uncertificated form, in the manner set out in paragraph 3.6 of this Part B), before the earlier of:
- the time that the Offer becomes unconditional; and
  - the final time for lodgement of acceptances which can be taken into account in accordance with paragraph 1.3 of this Part B.
- 3.3 If a "no extension" and/or "no increase" statement is withdrawn in accordance with paragraph 1.5 of this Part B, any acceptance made by a BSG Shareholder after the date of that statement may be withdrawn thereafter in the manner referred to in paragraph 3.1 above (or, in the case of BSG Shares held in uncertificated form, in the manner set out in paragraph 3.6 of this Part B), for a period of 8





days following the date on which the notice of the withdrawal of such statement is posted to BSG Shareholders.

- 3.4 Except as set out in this paragraph 3, acceptances of the Offer will be irrevocable.
- 3.5 To be effective, a written notice of withdrawal must be received on a timely basis by the Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU and must specify the name of the person who has made the relevant acceptance, the number of BSG Shares in respect of which acceptance is withdrawn and (if share certificates have been delivered) the name of the registered holder of the relevant BSG Shares, if different from the name of the person who made the relevant acceptance. BSG Shares in respect of which acceptance has been withdrawn may subsequently be tendered to the Offer in accordance with the acceptance procedures contained herein whilst the Offer remains open for acceptance. The withdrawal will take effect upon receipt by the Receiving Agent at the address provided above of the properly completed notice of withdrawal.
- 3.6 In this paragraph 3, "written notice" (including any letter of appointment, direction or authority) means notice in writing bearing the original signature(s) of the relevant accepting BSG Shareholder or his/its agent(s) duly appointed in writing (evidence of whose appointment in a form reasonably satisfactory to ACS is produced with the notice). Telex, e-mail, facsimile or other electronic transmissions will not be sufficient to constitute written notice. No notice which is postmarked in, or otherwise appears to ACS or its agents to have been sent from a Restricted Jurisdiction will be treated as valid.
- 3.7 In the case of BSG Shares held in CREST, if withdrawals are permitted pursuant to paragraph 3.1 or 3.2 or 3.3 above, an accepting BSG Shareholder may withdraw his acceptance through CREST by sending (or, if a CREST sponsored member, procuring that his CREST sponsor sends) an ESA Instruction to settle in CREST in relation to each Electronic Acceptance to be withdrawn. Each ESA Instruction must, in order for it to be valid and settle, include the following details:
- (a) the ISIN number of the BSG Shares. This is GB0008222043;
  - (b) the number of BSG Shares in uncertificated form to be withdrawn;
  - (c) the Participant ID of the accepting BSG Shareholder;
  - (d) the member account ID of the accepting BSG Shareholder;
  - (e) the Participant ID of the Escrow Agent. This is RA10;
  - (f) the member account ID of the Escrow Agent. This is ADVBUS01 for the Offer;
  - (g) the CREST transaction ID of the Electronic Acceptance to be withdrawn to be inserted at the beginning of the shared note field;
  - (h) input with a standard delivery instruction priority of 80;
  - (i) the intended settlement date for the withdrawal; and
  - (j) the corporate action number for the Offer, which is allocated by CRESTCo and can be found by viewing the relevant corporate action details in CREST.
- Any such withdrawal will be conditional upon Capita Registrars verifying that the withdrawal request is validly made. Accordingly, Capita Registrars will, on behalf of ACS, reject or accept the withdrawal by transmitting in CREST a receiving agent reject (AEAD) or receiving agent accept (AEAN) message.
- 3.8 Immediately (or within such longer period, not exceeding 14 days, as the Panel may permit) upon a BSG Shareholder validly withdrawing his acceptance in respect of BSG Shares held in uncertificated form, Capita Registrars will give TFE instructions to CRESTCo to transfer all BSG Shares the subject of the withdrawal held in escrow balances, and in relation to which it is the Escrow Agent for the purposes of the Offer, to the original available balances of the BSG Shareholder concerned and, in respect of BSG Shares held in certificated form, Capita Registrars will return by post (or by such other method as may be approved by the Panel) all share certificates and/or other documents of title to the BSG Shareholder concerned.
- 3.9 BSG Shares in respect of which acceptances have been properly withdrawn in accordance with this paragraph 3 may subsequently be re-assented to the Offer by following one of the procedures



described in paragraph 12 of the letter from ACS set out in Part II of this document, at any time while the Offer remains open for acceptance.

- 3.10 All questions as to the validity (including time of receipt) of any notice of withdrawal or other withdrawal procedure will be determined by ACS whose determination (except as required by the Panel) will be final and binding. None of ACS or its agents or other persons will be under any duty to give notice of any defect or irregularity in any notice of withdrawal or other withdrawal procedure or incur any liability for failure to give such notice.

#### 4. REVISED OFFER

- 4.1 Although no such revision is envisaged, if the Offer (in its original or any previously revised form(s)) is revised (either in its terms or conditions or in the value or form of the consideration offered or otherwise), and whether or not the basic terms of the Offer (in its original or any previously revised form(s)) are revised (and ACS reserves the right to make any revision), and any such revised Offer represents on the date on which the revision is announced (on such basis as Seymour Pierce may consider appropriate) an improvement (or no diminution) in the value of the Offer as so revised compared with the value of the consideration or terms previously offered, or in the overall value received by a BSG Shareholder (under or in consequence of the Offer or otherwise), the benefit of the revised Offer will, subject to paragraphs 4.4, 4.5 and 5 of this Part B, be made available to any BSG Shareholder who has validly accepted the Offer in its original or any previously revised form(s) and who has not validly withdrawn such acceptance (a "**Previous Acceptor**"). The acceptance by or on behalf of a Previous Acceptor of the Offer in its original or any previously revised form(s) shall, subject to paragraphs 4.4, 4.5 and 5 of this Part B, be deemed to be an acceptance of the Offer as so revised and will also constitute an authority to ACS or any of ACS's duly authorised directors, representatives or agents, to act as his attorney and/or agent ("**attorney**"):
- (a) to accept any such revised Offer on behalf of such Previous Acceptor; and
  - (b) if such revised Offer includes alternative forms of consideration, to make on his behalf elections for and/or accept such alternative forms of consideration in such proportions as such attorney and/or agent in his absolute discretion thinks fit; and
  - (c) to execute on behalf of and in the name of such Previous Acceptor all such further documents and take such further actions (if any) as may be required to give effect to such acceptances and/or elections. In making any such acceptance and/or election, the attorney and/or agent will take into account the nature of any previous acceptance and/or election made by the Previous Acceptor and such other facts or matters as he may reasonably consider relevant.
- 4.2 Subject to paragraphs 4.4 and 4.5 below, the authorities, powers of attorney and agencies conferred by this paragraph 4 and any acceptance of any revised Offer and/or any election pursuant thereto shall be irrevocable unless and until the Previous Acceptor becomes entitled to withdraw his acceptance under paragraph 3 above and duly does so.
- 4.3 ACS reserves the right (subject to paragraph 4.1 above) to treat an executed Form of Acceptance or TTE instruction relating to the Offer in its original or any previously revised form(s) which is received (or dated) on or after the announcement or issue of the Offer in any revised form as a valid acceptance of the revised Offer (and, where applicable, a valid election for the alternative form(s) of consideration). Such acceptance will constitute an authority in the terms of paragraph 4.1 above, *mutatis mutandis*, on behalf of the relevant BSG Shareholder.
- 4.4 The deemed acceptances referred to in this paragraph 4 shall not apply and the authorities conferred by this paragraph 4 shall not be exercised by ACS or any of ACS's duly authorised directors, authorised representatives and agents if, as a result thereof, the Previous Acceptor would (on such basis as Seymour Pierce may consider appropriate) thereby receive, under or in consequence of the Offer and/or any alternative pursuant thereto as revised or otherwise, less in aggregate in consideration under the revised Offer than he would have received in aggregate consideration as a result of acceptance of the Offer in the form in which it was originally accepted by him or on his behalf, having regard to any previous acceptance or election originally made by him, unless the Previous Acceptor has previously otherwise agreed in writing. The authorities conferred by this paragraph 4

shall not be exercised in respect of any election available under the revised Offer save in accordance with this paragraph 4.4.

- 4.5 The deemed acceptances and/or elections referred to in this paragraph 4 will not apply and the authorities conferred by this paragraph 4 will be ineffective to the extent that a Previous Acceptor (i) in respect of BSG Shares held in certificated form, shall lodge with Capita Registrars, within 14 days of the publication of the document pursuant to which the revised Offer referred to in paragraph 4.1 above is made available to BSG Shareholders, a form in which he validly elects (to the extent possible) to receive the consideration receivable by him under the revised Offer in some other manner, or (ii) in respect of BSG Shares held in uncertificated form, sends (or, if a CREST sponsored member, procures that his CREST sponsor sends) an ESA Instruction to settle in CREST in relation to each Electronic Acceptance in respect of which an election is to be varied. Each such ESA Instruction must, in order for it to be valid and settle, include the following details:
- (a) the number of BSG Shares in uncertificated form in respect of which the changed election is made;
  - (b) the Participant ID of the Previous Acceptor;
  - (c) the member account ID of the Previous Acceptor;
  - (d) the ISIN number of the BSG Shares. This is GB0008222043;
  - (e) the CREST transaction ID of the Electronic Acceptance in respect of which an election is to be changed to be inserted at the beginning of the shared note field;
  - (f) the intended settlement date for the changed election;
  - (g) the Participant ID of the Escrow Agent. This is RA10;
  - (h) the member account ID of the Escrow Agent included in the relevant Electronic Acceptance. This is ADVBUS01; and
  - (i) the corporate action number for the Offer which is allocated by CRESTCo and can be found by viewing the relevant corporate action details in CREST,
- and in order that the designated change of election can be effected must include:
- (j) the member account ID of the Escrow Agent relevant to the new election; and
  - (k) input with a standard delivery instruction priority of 80.

Any such change of election will be conditional upon Capita Registrars verifying that the request is validly made. Accordingly, Capita Registrars will, on behalf of ACS, reject or accept the requested change of election by transmitting in CREST a receiving agent reject (AEAD) or receiving agent accept (AEAN) message.

## 5. OVERSEAS SHAREHOLDERS

- 5.1 The making of the Offer in, or to certain persons who are resident in, or citizens or nationals of, jurisdictions outside the UK or to custodians, nominees and trustees for such persons, may be affected by the laws of the relevant jurisdictions. BSG Shareholders who are residents, citizens or nationals of jurisdictions outside the UK should inform themselves about and observe any applicable legal requirements. It is the responsibility of any such person wishing to accept the Offer to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required and the compliance with other necessary formalities. Any such Overseas Shareholder will be responsible for the payment of any issue, transfer or other taxes or duties or other requisite payments due in that jurisdiction by whomsoever payable and ACS and Seymour Pierce and any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Shareholder for any such issue, transfer or other taxes as such person may be required to pay. **If you are an Overseas Shareholder and you are in any doubt about your position, you should consult your professional adviser in the relevant jurisdiction.**

- 5.2 Unless otherwise determined by ACS, the Offer is not being made, directly or indirectly, in or into or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, e-mail, telex, telephone or the internet) of interstate or foreign commerce of, or any facilities of a national securities exchange of, any Restricted Jurisdiction and is not capable of acceptance by any such use, means, instrumentality or facility, or from within any Restricted Jurisdiction.
- 5.3 Copies of this document, the Form of Acceptance and any related document(s) are not being, and must not be, mailed or otherwise distributed or sent in, into or from any Restricted Jurisdiction including to BSG Shareholders with registered addresses in these jurisdictions or to persons whom ACS knows to be custodians, nominees or trustees holding BSG Shares for such persons. Persons receiving such documents (including, without limitation, custodians, nominees and trustees) must not distribute, send or mail them in, into or from a Restricted Jurisdiction or use any such instrumentality for any purpose, directly or indirectly, in connection with the Offer, and doing so may render invalid any purported acceptance of the Offer. Persons wishing to accept the Offer must not use the mails or any such other instrumentality of any Restricted Jurisdiction for any purpose directly or indirectly related to acceptance of the Offer. Envelopes containing the Form of Acceptance or other documents relating to the Offer must not be postmarked in, or otherwise dispatched from, a Restricted Jurisdiction and all acceptors must provide addresses outside a Restricted Jurisdiction for the receipt of the consideration to which they are entitled under the Offer and which is dispatched by post pursuant to paragraph 5.2 of Part C of this Appendix I or for the return of the Form of Acceptance and (in relation to BSG Shares in certificated form) any BSG share certificate(s) and/or other document(s) of title.
- 5.4 Subject as provided below, a certificated BSG Shareholder will be deemed not to have accepted the Offer if:
- (a) he puts "NO" in Box 4 of the Form of Acceptance and thereby does not make the representations and warranties set out in paragraph 3 of Part C of this Appendix I;
  - (b) Box 1 of the Form of Acceptance contains an address in a Restricted Jurisdiction and he does not insert in Box 5 of the Form of Acceptance the name and address of a person or agent outside a Restricted Jurisdiction to whom he wishes the consideration to which he is entitled under the Offer to be sent, subject to the provisions of this paragraph 5 and applicable laws;
  - (c) he inserts in Box 3 of the Form of Acceptance a telephone number in a Restricted Jurisdiction for use in the event of queries;
  - (d) a Form of Acceptance received from him is received in an envelope postmarked in, or which otherwise appears to ACS or its receiving agents to have been sent from a Restricted Jurisdiction; or
  - (e) (in respect of uncertificated BSG Shares) he makes a Restricted Escrow Transfer (as defined in paragraph 5.6 below) pursuant to paragraph 5.6 below unless he also makes a related Restricted ESA Instruction (as defined in paragraph 5.6 below) which is accepted by Capita Registrars.

ACS reserves the right, in its sole discretion, to investigate, in relation to any acceptance, whether the representations and warranties set out in paragraph 3 of Part C of this Appendix I have been truthfully given by the relevant BSG Shareholder and are correct and, if such investigation is made and as a result ACS determines that such representations and warranties have not been so given, such acceptance shall not be valid.

- 5.5 If, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees) whether pursuant to a contractual or legal obligation or otherwise forwards this document, the Form of Acceptance or any related offer document in, into or from a Restricted Jurisdiction or uses the mails or any means or instrumentality (including, without limitation, facsimile transmission, e-mail, telex, telephone and the internet) of interstate or foreign commerce of, or any facilities of a national securities exchange of, such jurisdictions in connection with such forwarding, such person should:
- (a) inform the recipient of such fact;

- (b) explain to the recipient that such action may invalidate any purported acceptance or election by the recipient; and
- (c) draw the attention of the recipient to this paragraph 5.

5.6 If a BSG Shareholder holding BSG Shares in uncertificated form is unable to give the representations and warranties set out in paragraph 3 of Part D of this Appendix I, but nevertheless can produce evidence satisfactory to ACS that he is able to accept the Offer in compliance with all legal and regulatory requirements and without ACS or its agents being in breach of any such requirements he may only purport to accept the Offer by sending (or if a CREST sponsored member, procuring that his CREST sponsor sends) both:

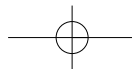
- (a) a valid TTE instruction to a designated escrow balance detailed below (a "**Restricted Escrow Transfer**"); and
- (b) one or more valid ESA Instructions (a "**Restricted ESA Instruction**") which specify the form of consideration which he wishes to receive (consistent with the alternatives offered under the Offer).

Such purported acceptance will not be treated as a valid acceptance unless both the Restricted Escrow Transfer and the Restricted ESA Instruction(s) settle in CREST and ACS decides in its absolute discretion to exercise its right to waive, vary or modify the terms of the Offer related to Overseas Shareholders to the extent required to permit such acceptance to be made in each case during the acceptance period set out in paragraph 1 of this Part B. If ACS decides to permit such acceptance to be made, Capita Registrars will on behalf of ACS accept the purported acceptance as an Electronic Acceptance on the terms of this document as so waived, varied or modified by transmitting in CREST a receiving agent accept (AEAN) message. Otherwise, Capita Registrars will, on behalf of ACS, reject the purported acceptance by transmitting in CREST a receiving agent reject (AEAD) message. Each Restricted Escrow Transfer must, in order for it to be valid and settle, include the following details:

- (c) the ISIN number of the BSG Shares. This is GB0008222043;
- (d) the number of BSG Shares in uncertificated form in respect of which the accepting BSG Shareholder wishes to accept the Offer (i.e. the number of BSG Shares in uncertificated form to be transferred to an escrow balance);
- (e) the Participant ID of the accepting BSG Shareholder;
- (f) the member account ID of the accepting BSG Shareholder;
- (g) the Participant ID of the Escrow Agent. This is RA10;
- (h) the member account ID of the Escrow Agent specific to a Restricted Escrow Transfer. This is RESTRICT;
- (i) the intended settlement date. This should be as soon as possible and in any event not later than 1.00 p.m. (London time) on 12 June 2009;
- (j) the corporate action number for the Offer which is allocated by CRESTCo and can be found by viewing the relevant corporate action details in CREST;
- (k) input with a standard delivery instruction priority of 80; and
- (l) the name and contact telephone number of the accepting BSG Shareholder inserted in the shared note field.

Each Restricted ESA Instruction must, in order for it to be valid and settle include the following details:

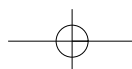
- (m) the ISIN number of the BSG Shares. This is GB0008222043;
- (n) the number of BSG Shares in uncertificated form relevant to that Restricted ESA Instruction;
- (o) the Participant ID of the accepting BSG Shareholder;
- (p) the member account ID of the accepting BSG Shareholder;
- (q) the Participant ID of the Escrow Agent. This is RA10;

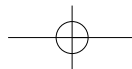


- (r) the member account ID of the Escrow Agent set out in the Restricted Escrow Transfer. This is RESTRICT;
  - (s) the CREST transaction ID of the Restricted Escrow Transfer to which the Restricted ESA Instruction relates to be inserted at the beginning of the shared note field;
  - (t) the member account ID of the Escrow Agent relevant to the form or consideration required (details of which are set out in the letter from ACS contained in Part II of this document). This is ADVBUS01;
  - (u) the intended settlement date. This should be as soon as possible and in any event not later than 1.00 p.m. (London time) on 12 June 2009;
  - (v) the corporate action number for the Offer; and
  - (w) input with a standard delivery instruction priority of 80.
- 5.7 Notwithstanding anything to the contrary contained in this document or the Form of Acceptance, ACS may make the Offer (with or without giving effect to the foregoing paragraphs of this paragraph 5) in a Restricted Jurisdiction or in any other jurisdiction pursuant to an exemption under, or in accordance with, applicable law in such jurisdictions and in this connection the provisions of paragraph 3 of Part C and paragraph 3 of Part D of this Appendix I will be varied accordingly.
- 5.8 The provisions of this paragraph 5 supersede any terms of the Offer inconsistent with them. The provisions of this paragraph 5 and/or any other terms of the Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific BSG Shareholders or on a general basis by ACS in its absolute discretion.

## 6. GENERAL

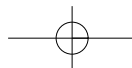
- 6.1 Except with the consent of the Panel, the Offer will lapse unless all the conditions relating to the Offer have been fulfilled or (if capable of waiver) waived or, where appropriate, have been determined by ACS in its reasonable opinion to be, and continue to be, satisfied by 12.00 midnight (London time) on 10 August 2009 or by 12.00 midnight (London time) on the date which is 21 days after the date on which the Offer becomes unconditional, whichever is the later, or such later date as ACS, with the consent of the Panel, may decide.
- 6.2 If the Offer lapses, it will cease to be capable of further acceptance and accepting BSG Shareholders and ACS will cease to be bound by Forms of Acceptance submitted before the time the Offer lapses.
- 6.3 If sufficient acceptances under the Offer are received and/or sufficient BSG Shares are otherwise acquired, ACS intends to apply the provisions of the Companies Act 2006 to acquire compulsorily any outstanding BSG Shares to which the Offer relates on the same terms as the Offer. Furthermore, ACS intends to procure that BSG makes an application to cancel the admission of the BSG Shares to trading on AIM. It is anticipated that the withdrawal from trading will take effect no earlier than 20 Business Days after either (i) the date on which ACS has, by virtue of its shareholdings and acceptances of the Offer, acquired or agreed to acquire issued share capital carrying 75 per cent. or more of the voting rights of BSG or (ii) the first date of issue of compulsory acquisition notices under the Companies Act 2006.
- The cancellation of listing and admission to trading of BSG Shares would significantly reduce the liquidity and marketability of any BSG Shares not assented to the Offer.
- 6.4 Except with the consent of the Panel, settlement of the consideration to which any BSG Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which ACS may otherwise be, or claim to be, entitled as against such BSG Shareholder and will be effected in the manner described in the letter from ACS contained in Part 2 of this Offer Document.
- 6.5 Notwithstanding the right hereby reserved by ACS to treat a Form of Acceptance as valid (even though, in the case of BSG Shares in certificated form, the relevant Form of Acceptance is not entirely

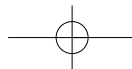




in order or not entirely in order or not accompanied by the relevant share certificate(s) and/or other document(s) of title), except as otherwise agreed with the Panel:

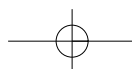
- (a) an acceptance of the Offer will only be counted towards fulfilling the acceptance condition if the requirements of Note 4 and, if applicable, Note 6 on Rule 10 of the City Code are satisfied in respect of it and BSG Shares falling within Note 8 on Rule 10 of the City Code will not be counted towards fulfilling the acceptance condition;
  - (b) a purchase of BSG Shares by ACS or its nominee(s) (or, if relevant, any person acting in concert with ACS or its nominee(s)) will only be counted towards fulfilling the acceptance condition if the requirements of Note 5 and, if applicable, Note 6 on Rule 10 of the City Code are satisfied in respect of it; and
  - (c) the Offer will not become unconditional unless Capita Registrars has issued a certificate to ACS or ACS's agents stating the number of BSG Shares in respect of which acceptances have been received which comply with paragraph (a) above and the number of BSG Shares otherwise acquired, whether before or during the Offer Period, which comply with paragraph (b) above. Seymour Pierce will send a copy of such certificate to the Panel and to Singer Capital Markets as soon as possible after it is issued.
- 6.6 The terms, provisions, instructions and authorities contained in the Form of Acceptance constitute part of the terms of the Offer. Words and expressions defined in this document have the same meanings when used in the Form of Acceptance, unless the context otherwise requires. The provisions of this Appendix I shall be deemed to be incorporated into and form part of the Form of Acceptance.
- 6.7 All references in this document and in the Form of Acceptance to 12 June 2009 will (except in the definition of First Closing Date, paragraph 1.1 of this Part B or where the context otherwise requires) be deemed, if the expiry date of the Offer is extended, to refer to the expiry date of the Offer as so extended.
- 6.8 References in paragraph 5 of this Part B and in Part C of this Appendix I to a BSG Shareholder will include references to the person or persons executing a Form of Acceptance and, in the event of more than one person executing a Form of Acceptance, such paragraphs will apply to them jointly and severally.
- 6.9 Any accidental omission to dispatch this document, the Form of Acceptance, any other document relating to the Offer or any notice required to be dispatched under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is made, or should be made, will not invalidate the Offer in any way or create any implication that the Offer has not been made to any such person.
- 6.10 ACS reserves the right to treat acceptances of the Offer as valid if received by or on behalf of it at any place or places determined by it otherwise than as set out in this document or the Form of Acceptance.
- 6.11 No acknowledgement of receipt of any Form of Acceptance, transfer by means of CREST, share certificate(s) or other document(s) of title will be given by, or on behalf of, ACS. All communications, notices, certificates, documents of title and remittances to be delivered by, or sent to or from, BSG Shareholders (or their designated agent(s)) will be delivered by or sent to or from them (or their designated agent(s)) at their own risk.
- 6.12 The Offer extends to persons to whom the Offer is made or should be made, to whom this document, the Form of Acceptance or any related documents may not be dispatched or who may not receive any such documents and such persons may collect copies of these documents from Capita Registrars, at the address set out in paragraph 3.1 of this Part B.
- 6.13 ACS reserves the right to notify any matter including the making of the Offer to all or any BSG Shareholders with a registered address outside the United Kingdom, or whom ACS knows to be a custodian, nominee or trustee holding BSG Shares for persons who are citizens, residents or nationals of jurisdictions outside the United Kingdom, by announcement in the United Kingdom, or by paid advertisement in a daily newspaper published and circulated in the United Kingdom in which





event such notice will be deemed to have been sufficiently given, notwithstanding any failure by any such Shareholder(s) to receive or see such notice, and all references in this document to notice in writing by or on behalf of ACS will be construed accordingly.

- 6.14 The Offer is made by means of this document at 1.00 p.m. (London time) on 21 May 2009 and is capable of acceptance from and after that time. Copies of this document, the Form of Acceptance and any related documents are available from Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.
- 6.15 If the Offer does not become unconditional in all respects:
- (a) in the case of BSG Shares held in certificated form, the relevant Form of Acceptance, share certificate(s) and/or other document(s) of title will be returned by post (or such other method as may be approved by the Panel) within 14 days of the Offer lapsing to the person or agent whose name and address is set out in Box 1 or, if appropriate, Box 3 or Box 5 of the relevant Form of Acceptance or, if none is set out, to the first named holder at his registered address (provided that no such documents will be sent to an address in any Restricted Jurisdiction); and
  - (b) in respect of BSG Shares held in CREST, Capita Registrars will, immediately after the lapsing of the Offer (or within such longer period as the Panel may permit, not exceeding 14 calendar days from the lapsing of the Offer), give instructions to CRESTCo to transfer all relevant BSG Shares held in escrow balances and in relation to which it is the Escrow Agent for the purposes of the Offer to the original available balances of BSG Shareholders concerned.
- 6.16 All powers of attorney, appointments of agents and authorities conferred by this Appendix I or in the Form of Acceptance are given by way of security for the performance of the obligations of the BSG Shareholder concerned and are irrevocable (in respect of powers of attorney, in accordance with section 4 of the Powers of Attorney Act 1971) except in the circumstances where the donor of such power of attorney or authority or appointor is entitled to withdraw his acceptance in accordance with paragraph 3 of this Part B and duly does so.
- 6.17 In relation to any acceptance of the Offer in respect of a holding of BSG Shares which are in uncertificated form, ACS reserves the right to make such alterations, additions or modifications to the terms of the Offer as may be necessary or desirable to give effect to any purported acceptance of the Offer, whether in order to comply with the facilities or requirements of CREST or otherwise, provided any such alterations, additions or modifications are consistent with the requirements of the City Code or are otherwise made with the consent of the Panel.
- 6.18 Neither ACS, nor any agent acting on behalf of ACS, shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of acceptances of the Offer or otherwise in connection therewith.
- 6.19 For the purposes of this document, the time of receipt of a TTE instruction, a TFE instruction, an ESA Instruction or an Electronic Acceptance shall be the time that the relevant instruction settles in CREST.
- 6.20 The Offer and all Forms of Acceptance and all acceptances and elections in respect thereof will be governed by and construed in accordance with English law and will be subject to the exclusive jurisdiction of the English courts.
- 6.21 All references in this Appendix I to any statute or statutory provision shall include a statute or statutory provision which amends, consolidates or replaces the same (whether before or after the date hereof).



## PART C: FORM OF ACCEPTANCE

Each BSG Shareholder by whom, or on whose behalf, any Form of Acceptance is executed irrevocably undertakes, represents, warrants and agrees to and with ACS (so as to bind such BSG Shareholder and such BSG Shareholder's personal representatives, heirs, successors and assigns) to the following effect:

1. that the execution of the Form of Acceptance shall constitute:
  - 1.1 an acceptance of the Offer in respect of the number of BSG Shares in certificated form inserted or deemed to be inserted in Box 1 of the Form of Acceptance; and
  - 1.2 an undertaking to execute any further documents, take any further action and give any further assurances which may be required in connection with the foregoing, in each case on and subject to the terms and conditions set out in this document and the Form of Acceptance and that, subject only to the rights of withdrawal set out in paragraph 3 of Part B of this Appendix I, each such acceptance, election and undertaking shall be irrevocable. If Box 1 is left blank or a number greater than such BSG Shareholder's registered holding appears in Box 1 or the Form of Acceptance is otherwise completed incorrectly, but the Form of Acceptance is signed, it will be deemed to be an acceptance by such BSG Shareholder of the terms of the Offer in respect of the total number of BSG Shares registered in his name;
2. that such BSG Shareholder is irrevocably and unconditionally entitled to transfer BSG Shares in respect of which the Form of Acceptance is completed and that BSG Shares in respect of which the Offer is accepted, or is deemed to be accepted, are sold fully paid with full title guarantee and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights attaching thereto, including, without limitation, the right to receive and retain in full all dividends and other distributions, if any, declared, paid or made after the date of the Announcement;
3. that unless "NO" is inserted or deemed to be inserted in Box 4 of the Form of Acceptance, such BSG Shareholder:
  - 3.1 has not received or sent copies of this Offer Document, the Form of Acceptance or any related offer documents in, into or from, a Restricted Jurisdiction;
  - 3.2 has not otherwise utilised in connection with the Offer, directly or indirectly, the mails, or of any means or instrumentality (including, without limitation, facsimile transmission, e-mail, telex, telephone and the internet) of interstate or foreign commerce, or any facilities of a national securities exchange, of a Restricted Jurisdiction;
  - 3.3 was outside a Restricted Jurisdiction when the Form of Acceptance was delivered and at the time of accepting the Offer and, in respect of BSG Shares to which the Form of Acceptance relates, is not an agent or fiduciary acting on a non-discretionary basis for a principal who has given any instructions with respect to the Offer from within a Restricted Jurisdiction; and
  - 3.4 the Form of Acceptance and any related offer documents have not been mailed or otherwise sent in into or from a Restricted Jurisdiction and such shareholder is accepting the Offer from outside a Restricted Jurisdiction;
4. that the execution of the Form of Acceptance and its delivery to Capita Registrars constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms and to the accepting BSG Shareholder not having validly withdrawn his acceptance, the irrevocable separate appointment of ACS or any of its directors as such BSG Shareholder's attorney ("**attorney**"), with an irrevocable instruction to the attorney to:
  - 4.1 complete and execute all or any form(s) of transfer and/or renunciation and/or other document(s) in the attorney's discretion in relation to BSG Shares referred to in paragraph 1 of this Part C in favour of ACS or as ACS or its agents may direct;
  - 4.2 deliver such form(s) of transfer and/or renunciation and/or other document(s) at the attorney's discretion together with any certificate(s) and/or other document(s) of title relating to such BSG Shares for registration within six months of the Offer becoming unconditional in all respects; and
  - 4.3 do all such other acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the acceptance or deemed acceptance of the Offer and to vest in ACS or its nominee BSG Shares as aforesaid;

5. that the execution of the Form of Acceptance and its delivery to Capita Registrars constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms and to the accepting BSG Shareholder not having validly withdrawn his acceptance, a separate and irrevocable authority and request:
  - 5.1 to BSG or its agents to procure the registration of the transfer of those BSG Shares pursuant to the Offer and the delivery of the share certificate(s) and/or other document(s) of title in respect thereof to ACS or as it may direct; and
  - 5.2 to ACS or its agents to procure the dispatch by post (or such other method as may be approved by the Panel) of a cheque drawn on a branch of a UK clearing bank in respect of any cash consideration to which he is entitled under the Offer, at the risk of such BSG Shareholder, to the person or agent whose name and address (outside any Restricted Jurisdiction unless otherwise permitted by ACS) is set out in Box 1 or, if appropriate, Box 5 of the Form of Acceptance or, if none is set out, to the first named holder at his registered address (outside any Restricted Jurisdiction unless otherwise permitted by ACS);
6. that the execution of the Form of Acceptance and its delivery constitutes a separate authority to ACS and its agents within the terms of paragraphs 4 and 5 of Part B of this Appendix I;
7. subject to the Offer becoming unconditional in all respects or in the case of voting by proxy, the resolution in question concerns the last remaining condition of the Offer or if the Panel otherwise gives its consent, and pending registration, that:
  - 7.1 ACS or its agents be entitled to direct the exercise of any votes and any other rights and privileges (including the right to requisition the convening of a general meeting of BSG or of any class of its shareholders) attaching to any BSG Shares in respect of which the Offer has been accepted, or is deemed to have been accepted, and such acceptance is not validly withdrawn; and
  - 7.2 the execution of a Form of Acceptance by a BSG Shareholder constitutes, in respect of BSG Shares comprised in such acceptance and in respect of which such acceptance has not been validly withdrawn:
    - (a) an authority to BSG and/or its agents from such BSG Shareholder to send any notice, warrant, document or other communication which may be required to be sent to him as a member of BSG (including any share certificate(s) or other document(s) of title issued as a result of a conversion of such BSG Shares into certificated form) to ACS at its registered office;
    - (b) an authority to ACS and/or its agents to sign any consent to short notice on his behalf and/or attend and/or execute a form of proxy in respect of such BSG Shares appointing any person nominated by ACS to attend general meetings and separate class meetings of BSG or its members (or any of them) (and any adjournments thereof) and to exercise the votes attaching to such shares on his behalf, where relevant, such votes to be cast so far as possible to satisfy any outstanding condition of the Offer; and
    - (c) the agreement of such BSG Shareholder not to exercise any of such rights without the consent of ACS and the irrevocable undertaking of such BSG Shareholder not to appoint a proxy to attend any such general meeting or separate class meeting;
8. that he shall deliver (or procure the delivery) to Capita Registrars at the address referred to in paragraph 3.1 of Part B of this Appendix I his share certificate(s) or other document(s) of title in respect of all BSG Shares held by him in certificated form in respect of which the Offer has been accepted or is deemed to have been accepted and not validly withdrawn, or an indemnity acceptable to ACS in lieu thereof, as soon as possible and in any event within six months of the Offer becoming unconditional in all respects;
9. that if, for any reason, any BSG Shares in respect of which a transfer to an escrow balance has been effected in accordance with paragraph 12 of the letter from ACS contained in Part II of this document are converted to certificated form, he will (without prejudice to paragraph 7.2(a) of this Part C) immediately deliver or procure the immediate delivery of the share certificate(s) or other document(s) of title in respect of all such BSG Shares as so converted to Capita Registrars at the address referred to in paragraph 3.1 of Part B of this Appendix I or to ACS at its registered office or to such address as ACS or its agents may direct;

10. that, if he accepts the Offer and does not validly withdraw such acceptances, he shall do all such acts and things as shall, in the opinion of ACS and Capita Registrars, be necessary or expedient to vest in ACS or its nominee(s) or such other person as ACS may decide the number of BSG Shares inserted or deemed to be inserted in Box 1 of the Form of Acceptance;
11. that the terms and conditions of the Offer contained in this document will be deemed to be incorporated in, and form part of, the Form of Acceptance, which will be construed accordingly;
12. that he will ratify each and every act or thing which may lawfully be done or effected by ACS or Capita Registrars or their respective directors, agents or attorneys or BSG or its agents, as the case may be, in the exercise of any of his or its powers and/or authorities hereunder (and to indemnify each such person against any losses arising therefrom other than losses arising as a result of the negligence or wilful default of such person);
13. that, if any provision of Part B of this Appendix I or this Part C shall be unenforceable or invalid or shall not operate so as to afford ACS or Capita Registrars or their respective directors, agents or attorneys the full benefit of the authority expressed to be given in this Part C, he shall with all practicable speed do all such acts or things and execute all such documents as may be required to enable those persons to secure the full benefits of Part B of this Appendix I and this Part C;
14. that the execution of the Form of Acceptance constitutes his submission, in relation to all matters arising out of the Offer and the Form of Acceptance, to the jurisdiction of the Courts of England and his agreement that nothing shall limit the right of ACS to bring any action, suit or proceeding arising out of or in connection with the Offer and the Form of Acceptance in any other manner permitted by law or in any court of competent jurisdiction; and
15. that on execution, the Form of Acceptance will take effect as a deed.

References in this Part C to a BSG Shareholder shall include references to the person or persons executing a Form of Acceptance, and in the event of more than one person executing a Form of Acceptance the provisions of this Part C shall apply to them jointly and severally.

## PART D: ELECTRONIC ACCEPTANCE

Each BSG Shareholder who holds BSG Shares in uncertificated form by whom, or on whose behalf, an Electronic Acceptance is made irrevocably undertakes, represents, warrants and agrees to and with ACS and Capita Registrars so as to bind him and his personal representatives, heirs, successors and assigns to the effect that:

1. the Electronic Acceptance shall constitute in respect of the number of BSG Shares in uncertificated form to which a TTE instruction relates:
  - 1.1 subject to paragraph 6 of Part B of this Appendix I, an acceptance of the Offer;
  - 1.2 an undertaking to take any further action, execute any further documents and give any further assurances which may be required in connection with the foregoing to enable ACS to obtain the full benefits of the terms of this Part D and/or to perfect any authorities expressed to be given thereunder; and
  - 1.3 a representation and warranty that he is the beneficial owner of such BSG Shares or, if he is not, he is irrevocably and unconditionally entitled to transfer such BSG Shares in uncertificated form and that the entire beneficial interest therein will be acquired under the Offer, on and subject to the terms and conditions set out or referred to in this document and that, subject to paragraphs 3 and 4 of Part B of this Appendix I, such acceptance and/or election shall be irrevocable; and
2. BSG Shares in uncertificated form in respect of which the Offer is accepted or deemed to be accepted are sold fully paid with full title guarantee and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights attaching thereto including, without limitation, the right to receive in full and retain all dividends and other distributions, if any, declared, paid or made on or after the date of the Announcement;
3.
  - 3.1 such BSG Shareholder has not received or sent copies or originals of this document, the Form of Acceptance or any related documents in, into or from a Restricted Jurisdiction and has not otherwise utilised in connection with the Offer, directly or indirectly, the use of the mails of, or any means or instrumentality (including, without limitation, facsimile transmission, e-mail, telex, telephone and the internet) of interstate or foreign commerce of, or any facilities of a national securities exchange of, a Restricted Jurisdiction at the time of the input and settlement of the relevant TTE instruction(s), and in respect of BSG Shares in uncertificated form to which an Electronic Acceptance relates he is not an agent or fiduciary acting on a non-discretionary basis for a principal, unless such agent or fiduciary is an authorised employee of such principal or such principal has given all instructions with respect to the Offer from outside a Restricted Jurisdiction; and
  - 3.2 if such BSG Shareholder is not resident in the UK he has observed the laws of all relevant territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due from him, in connection with such acceptance in any territory, and that he has not taken or omitted to take any action which will or may result in ACS or any other person acting in breach of any legal or regulatory requirements of any territory in connection with the Offer or his acceptance thereof, provided that the warranties and representations above shall be deemed not to be given if such BSG Shareholder purports to accept the Offer by sending (or, if a CREST sponsored member, procuring that his CREST sponsor sends) a Restricted Escrow Transfer and a Restricted ESA Instruction pursuant to paragraph 5.6 of Part B of this Appendix I;
4. the Electronic Acceptance constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms and to the relevant BSG Shareholder not having validly withdrawn his acceptance, the irrevocable separate appointment of each of ACS and/or any of ACS's directors or agents as such BSG Shareholder's agent and/or attorney and an irrevocable instruction and authorisation to the agent and/or attorney to do all such acts and things as may in the opinion of such agent and/or attorney be necessary or expedient for the purposes of, or in connection with, the acceptance of the Offer to vest in ACS or its nominee(s) the BSG Shares in uncertificated form referred to in paragraph 1 above in respect of which such accepting BSG Shareholder has not validly withdrawn his acceptance (the "**Electronic Acceptance Shares**");

5. the Electronic Acceptance constitutes, subject to the Offer becoming or being declared unconditional in all respects in accordance with its terms and to an accepting BSG Shareholder not having validly withdrawn his acceptance, the irrevocable appointment of Capita Registrars as Escrow Agent to the Offer and an irrevocable instruction and authority to the Escrow Agent subject to the Offer becoming or being declared unconditional in all respects in accordance with its terms and to such accepting BSG Shareholder not having validly withdrawn his acceptance, to transfer to itself (or to such other person or persons as ACS or its agents may direct) by means of CREST all or any of the Electronic Acceptance Shares and, if the Offer does not become or is not declared unconditional in all respects immediately after the lapsing of the Offer (or within such longer period as the Panel may permit, not exceeding 14 days from the lapsing of the Offer), give TFE instructions to CRESTCo to transfer all the Electronic Acceptance Shares to the original available balance of the accepting BSG Shareholder;
6. the Electronic Acceptance constitutes, subject to the Offer becoming or being declared unconditional in all respects in accordance with its terms and to an accepting BSG Shareholder not having validly withdrawn his acceptance, an irrevocable authority and request, subject to the provisions of paragraph 5 of Part B of this Appendix I, to ACS or its agents to procure the making of a CREST payment in favour of the accepting BSG Shareholder's payment bank in accordance with the CREST payment arrangements in respect of any cash consideration to which such accepting BSG Shareholder is entitled, provided that ACS may (if for any reason it wishes to do so) determine that all or any part of such cash consideration shall be paid by cheque, dispatched by post and, if the accepting BSG Shareholder is a CREST member whose registered address is in a Restricted Jurisdiction, any cash consideration to which he is entitled shall in any case be paid by cheque dispatched by post and in either case all such cheques shall be dispatched at the risk of such BSG Shareholder to the first named holder at an address outside a Restricted Jurisdiction stipulated by such holder or as otherwise determined by ACS;
7. the Electronic Acceptance constitutes a separate authority to any director of ACS or ACS's agents within the terms of paragraph 4 of Part B of this Appendix I in respect of the Electronic Acceptance Shares;
8. the Electronic Acceptance constitutes the same undertakings, acceptances, acknowledgements and authorities as set out in paragraph 4 of Part C of this Appendix I as if the same had been restated in this Part D *mutatis mutandis*;
9. subject to the Offer becoming unconditional in all respects or in the case of voting by proxy, the resolution in question concerns the last remaining condition of the Offer or if the Panel otherwise gives its consent, and pending registration:
  - 9.1 ACS or its agents be entitled to direct the exercise of any votes attaching to any uncertificated BSG Share in respect of which the Offer has been accepted or is deemed to have been accepted, and such acceptance has not been validly withdrawn, and any and all other rights and privileges attaching to such Electronic Acceptance Shares, including the right to requisition the convening of a general meeting or separate class meeting of BSG; and
  - 9.2 an Electronic Acceptance by a BSG Shareholder constitutes in respect of uncertificated BSG Shares comprised in such acceptance and in respect of which such acceptance has not been validly withdrawn:
    - (a) an authority to BSG and/or its agents from such BSG Shareholder to send any notice, warrant, document or other communication which may be required to be sent to him as a member of BSG (including any share certificate(s) or other document(s) of title issued as a result of a conversion of such BSG Shares into certificated form) to ACS at its registered office;
    - (b) an authority to ACS and/or its agents to sign any consent to short notice on his behalf and/or attend and/or execute a form of proxy in respect of such BSG Shares appointing any person nominated by ACS to attend general meetings and separate class meetings of BSG or its members (or any of them) (and any adjournments thereof) and to exercise the votes attaching to such shares on his behalf, where relevant, such votes to be cast so far as possible to satisfy any outstanding condition of the Offer; and
    - (c) the agreement of such BSG Shareholder not to exercise any of such rights without the consent of ACS and the irrevocable undertaking of such BSG Shareholder not to appoint a proxy to attend any such general meeting or separate class meeting;

10. if, for any reason, any BSG Shares in respect of which a TTE instruction has been effected in accordance with paragraph 12 of the letter from ACS contained in Part II of this document are converted to certificated form, he will (without prejudice to sub-paragraph 9.2(a) above) immediately deliver or procure the immediate delivery of the share certificate(s) or other documents of title in respect of all such BSG Shares as so converted to Capita Registrars at the address referred to in paragraph 3.1 of Part B of this Appendix I or to ACS at its registered office or to such address as ACS or its agents may direct;
11. the creation of a CREST payment obligation in favour of his payment bank in accordance with the CREST payment arrangements referred to in paragraph 6 above shall, to the extent of the obligations so created, discharge in full any obligation of ACS to pay him the cash consideration to which he is entitled pursuant to the Offer;
12. if he accepts the Offer and does not validly withdraw such acceptances, he shall do all such acts and things as shall be necessary or expedient to enable Capita Registrars to perform its functions as Escrow Agent for the purposes of the Offer;
13. he will ratify each and every act or thing which may be lawfully done or effected by ACS or by Capita Registrars or their respective directors, agents or attorneys, as the case may be, in the proper exercise of any of his or its powers and/or authorities hereunder (and to indemnify each such person against any losses arising therefrom other than losses arising as a result of the negligence or wilful default of such person);
14. if any provision of Part B of this Appendix I or this Part D shall be unenforceable or invalid or shall not operate so as to afford ACS or Capita Registrars or their respective directors, agents or attorneys, as the case may be, the full benefit of authorities and powers of attorney expressed to be given in this Part D he shall with all practicable speed do such acts or things and execute all such documents as may be required to enable those persons to secure the full benefits of such authorities and powers of attorney;
15. the making of an Electronic Acceptance constitutes his submission, in relation to all matters arising out of the Offer and the Electronic Acceptance, to the jurisdiction of the Courts of England and his agreement that nothing shall limit the right of ACS and/or any of ACS's directors or agents to bring any action, suit or proceeding arising out of or in connection with the Offer and the Electronic Acceptance in any other manner permitted by law or in any court of competent jurisdiction;
16. by virtue of the Regulations the making of an Electronic Acceptance constitutes an irrevocable power of attorney by the relevant holder of BSG Shares in the terms of the powers and authorities expressed to be given by this Part D to ACS and any of ACS's directors or agents;
17. that he will do all such acts and things as shall be necessary or expedient to vest in ACS or its nominee(s) or such other persons as it may decide the BSG Shares aforesaid and all such acts and things as may be necessary or expedient to enable the Receiving Agent to perform its functions as Escrow Agent for the purposes of the Offer; and
18. that he is the sole legal and beneficial owner of the BSG Shares in respect of which the Offer is accepted or deemed to be accepted and that he has the necessary capacity and authority to accept the Offer.

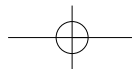
References in this Part D to BSG Shareholder shall include reference to the person or persons making an Electronic Acceptance and, in the event of more than one person making an Electronic Acceptance, the provisions of this Part D shall apply to them jointly and severally.

## APPENDIX II

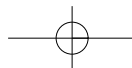
### PART 1 – FINANCIAL INFORMATION RELATING TO BSG

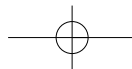
The information listed below relating to BSG is hereby incorporated by reference into this document.

<i>No. Information</i>	<i>Source of Information</i>
1	<p>Turnover, net profit or loss before and after taxation, the charge for tax, extraordinary items, minority interests, the amount absorbed by dividends and earnings and dividends per share for BSG for the three years ended 31 March 2008</p> <p>BSG Annual Report &amp; Accounts 2008, Consolidated Income Statement on page 23.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p><a href="http://www.bsg.co.uk/uploadedFiles/About_Us/Investor_Relations/annual_report_2008_web.pdf">http://www.bsg.co.uk/uploadedFiles/About_Us/Investor_Relations/annual_report_2008_web.pdf</a></p> <p>BSG Annual Report &amp; Accounts 2007, Profit and Loss Account on page 23.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p><a href="http://www.bsg.co.uk/uploadedFiles/About_Us/Investor_Relations/annual_report_2007_web.pdf">http://www.bsg.co.uk/uploadedFiles/About_Us/Investor_Relations/annual_report_2007_web.pdf</a></p> <p>BSG Annual Report &amp; Accounts 2006, Profit and Loss Account on page 20.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p><a href="http://www.bsg.co.uk/uploadedFiles/About_Us/Investor_Relations/annual_report_2006_web.pdf">http://www.bsg.co.uk/uploadedFiles/About_Us/Investor_Relations/annual_report_2006_web.pdf</a></p>
2.	<p>Details relating to the items referred to in 1 above in respect of the interim statement for BSG for the six months ending 30 September 2008</p> <p>BSG Interim Report 2008, Consolidated Income Statement on page 2.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p><a href="http://www.bsg.co.uk/uploadedFiles/About_Us/Investor_Relations/interim2008.pdf">http://www.bsg.co.uk/uploadedFiles/About_Us/Investor_Relations/interim2008.pdf</a></p>



<i>No. Information</i>	<i>Source of Information</i>
3. A statement of the assets and liabilities shown in the audited accounts for BSG for the year ended 31 March 2008, being the last published audited	<p>BSG Annual Report &amp; Accounts 2008, Consolidated Balance Sheet on page 25.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p><a href="http://www.bsg.co.uk/uploadedFiles/About_Us/Investor_Relations/annual_report_2008_web.pdf">http://www.bsg.co.uk/uploadedFiles/About_Us/Investor_Relations/annual_report_2008_web.pdf</a></p>
4. A cash flow statement as provided in the audited accounts for BSG for the year ended 31 March 2008, being the last published audited accounts	<p>BSG Annual Report &amp; Accounts 2008, Consolidated Cash Flow Statement on page 26.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p><a href="http://www.bsg.co.uk/uploadedFiles/About_Us/Investor_Relations/annual_report_2008_web.pdf">http://www.bsg.co.uk/uploadedFiles/About_Us/Investor_Relations/annual_report_2008_web.pdf</a></p>
5. Significant accounting policies together with any points from the notes to the accounts which are of major relevance to an appreciation of the figures	<p>BSG Annual Report &amp; Accounts 2008, the Notes to the Accounts on pages 27-41.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p><a href="http://www.bsg.co.uk/uploadedFiles/About_Us/Investor_Relations/annual_report_2008_web.pdf">http://www.bsg.co.uk/uploadedFiles/About_Us/Investor_Relations/annual_report_2008_web.pdf</a></p> <p>BSG Annual Report &amp; Accounts 2007, the Notes to the Accounts on pages 27-39.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p><a href="http://www.bsg.co.uk/uploadedFiles/About_Us/Investor_Relations/annual_report_2007_web.pdf">http://www.bsg.co.uk/uploadedFiles/About_Us/Investor_Relations/annual_report_2007_web.pdf</a></p> <p>BSG Annual Report &amp; Accounts 2006, the Notes to the Accounts on pages 24-35.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p><a href="http://www.bsg.co.uk/uploadedFiles/About_Us/Investor_Relations/annual_report_2006_web.pdf">http://www.bsg.co.uk/uploadedFiles/About_Us/Investor_Relations/annual_report_2006_web.pdf</a></p>

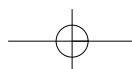
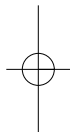




The results for BSG for the three years ended 31 March 2008, 31 March 2007 and 31 March 2006 are available free of charge on the BSG website at <http://www.bsg.co.uk/page.aspx?id=304>

Information in relation to 1, 2 and 3 above has not been published in an inflation adjusted form.

The annual reports and interim results are available in “read-only” format and can be printed from the BSG website. ACS will provide within two business days, without charge, to each person to whom a copy of this document has been delivered, upon their written or verbal request, a copy of any documents incorporated by reference in this document. Copies of any documents incorporated by reference in this document will not be provided unless such a request is made. Requests for copies of any such document should be directed to: Hilary Lowe by telephoning +44 (0)207 880 8888 by emailing [hilary.lowe@bsg.co.uk](mailto:hilary.lowe@bsg.co.uk).



## PART 2 – FINANCIAL INFORMATION RELATING TO ACS

The information listed below relating to ACS is hereby incorporated by reference into this document

### *No. Information*

- 1 Turnover, net profit or loss before and after taxation, for ACS for the two financial periods ended 28 February 2009

### *Source of Information*

ACS unaudited Preliminary Results Statement for the 14 month period ended 28 February 2009, Consolidated Income Statement.

If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.

<http://www.advcomputersoftware.com/acs/investors/announcements>

ACS unaudited Interim results for the 8 month period ended 31 August 2008, Consolidated Income Statement on page 5.

If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.

<http://www.advcomputersoftware.com/acs/investors/reports>

Annual Report & Accounts for the 14 month period ended December 2007, Profit and Loss Account on page 8.

If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.

<http://www.advcomputersoftware.com/acs/investors/reports>

- 2 A statement of the net assets shown in the audited accounts for ACS for the year ended 31 December 2007, being the last published audited accounts

ACS Annual Report & Accounts 2007, Consolidated Balance Sheet on page 9.

If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.

<http://www.advcomputersoftware.com/acs/investors/reports>

The results for ACS for the last two financial periods ended 28 February 2009 are available free of charge on the ACS website at [www.advcomputersoftware.com](http://www.advcomputersoftware.com)

Information in relation to 1 and 2 above has not been published in an inflation adjusted form.

The annual reports and interim results are available in “read-only” format and can be printed from the ACS website. ACS will provide within two business days, without charge, to each person to whom a copy of this document has been delivered, upon their written or verbal request, a copy of any documents incorporated by reference in this document. Copies of any documents incorporated by reference in this document will not be provided unless such a request is made. Requests for copies of any such document should be directed to: Karen Bach by telephoning +44 (0)207 831 5088.

## APPENDIX III

### ADDITIONAL INFORMATION

#### 1. Responsibility

- (a) The ACS Directors, whose names are set out in paragraph 2(a) of this Appendix III accept responsibility for the information contained in this Offer Document, other than that relating to the BSG Group, the BSG Directors and their immediate families, related trusts and persons connected with them, for which the BSG Directors accept responsibility as set out below. To the best of the knowledge and belief of the ACS Directors (who have taken reasonable care to ensure that such is the case), the information contained in this Offer Document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (b) The BSG Directors, whose names are set out in paragraph 2(b) of this Appendix III, (apart from Nick Gerard and Vin Murria in relation to the Independent Director's Recommendation referred to below) accept responsibility for the information contained in Part I, and this Appendix III of this document relating to the BSG Group, themselves and their immediate families, related trusts and persons connected with them. To the best of the knowledge and belief of the BSG Directors (who have taken reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (c) The Independent Director accepts responsibility for the paragraph headed 'Recommendation' set out in the letter from the Independent Director in Part I of this document.

#### 2. Directors

- (a) The ACS Directors and their respective functions are as follows:

<i>Name</i>	<i>Position</i>
Michael Jackson	<i>Non Executive Chairman</i>
Vin Murria	<i>Chief Executive Officer</i>
Karen Bach	<i>Chief Financial Officer</i>
Mark Watts	<i>Non-Executive Director</i>

ACS is a public limited company registered under the Companies Act 1985 and its registered office is at Quadrant House, Floor 6, 17 Thomas More Street, Thomas More Square, London E1W 1YW.

- (b) The BSG Directors and their respective functions are as follows:

<i>Name</i>	<i>Position</i>
Vin Murria	<i>Non-Executive Chairman</i>
Nick Gerard	<i>Chief Executive Officer</i>
James Wheaton	<i>Finance Director</i>

BSG is a public limited company registered under the Companies Act 1985 and its registered office is at 226-236 City Road, London EC1V 2TT.

### 3. Market quotations

The following table shows the closing mid market price for the BSG Shares as derived from the Daily Official List on:

- (i) the first business day of each of the six months immediately before the date of this document;
- (ii) 7 May 2009, being the last business day prior to the commencement of the Offer Period; and
- (iii) 20 May 2009, being the latest practicable date prior to the publication of this document:

<i>Date</i>	<i>Price per BSG Share (pence)</i>
1 December 2008	13.75
1 January 2009	12.75
2 February 2009	12.75
2 March 2009	11.75
1 April 2009	11.75
1 May 2009	14.25
7 May 2009	15
20 May 2009	18.75

### 4. Shareholdings and dealings

For the purposes of this paragraph 4:

- (i) **“acting in concert”** with a party means any such person acting or deemed to be acting in concert with that party for the purposes of the City Code and/or the Offer;
- (ii) **“arrangement”** includes any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing; and
- (iii) **“associate”** of any company has the meaning ascribed in the City Code and includes (without limitation):
  - (1) a company’s parent, subsidiaries and fellow subsidiaries and their associated companies and companies of which any such subsidiaries or associated companies are associated companies (a **“paragraph 1 associate”**);
  - (2) connected advisers and persons controlling, controlled by or under the same control as such connected advisers;
  - (3) the directors of the company and the directors of any company covered in (1) above (together, in each case, with their close relatives and related trusts);
  - (4) an investment company, unit trust or other person whose investments an associate (as otherwise defined in this paragraph (iii)) manages on a discretionary basis, in respect of the relevant investment accounts;
  - (5) an employee benefit trust of the company or a company covered in (1) above; and
  - (6) a company having a material trading arrangement with the company;
- (iv) **“connected adviser”** means:
  - (1) in relation to a company:
    - (a) an organisation which is advising that company in relation to the Offer; and
    - (b) a corporate broker to that company;
  - (2) in relation to a person who is acting in concert with ACS or BSG, an organisation which is advising that person either:
    - (a) in relation to the Offer; or
    - (b) in relation to the matter which is the reason for that person being a member of the relevant concert party; and

- (3) in relation to a person who is an associate of the company by virtue of paragraph (1) of the definition of associate above, an organisation which is advising that person in relation to the Offer.

Such references do not include a corporate broker which is unable to act in connection with the Offer because of a conflict of interest;

- (v) “**dealing**” or “**dealt**” includes the following:
- (1) the acquisition or disposal of securities;
  - (2) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any securities;
  - (3) subscribing or agreeing to subscribe for securities;
  - (4) the exercise or conversion, whether in respect of new or existing securities, of any securities carrying conversion or subscription rights;
  - (5) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to securities;
  - (6) entering into, terminating or varying the terms of any agreement to purchase or sell securities; and
  - (7) any other action resulting, or which may result, in an increase or decrease in the number of securities in which a person is interested or in respect of which he has a short position;
- (vi) “**derivative**” includes any financial product whose value, in whole or part, is determined directly or indirectly by reference to the price of an underlying security;
- (vii) “**Disclosure Period**” means the period commencing on 8 May 2008 (the date 12 months prior to the commencement of the Offer Period) and ending on 20 May 2009 (being the latest practicable date prior to publication of this document);
- (viii) “**exempt principal trader**” or “**exempt fund manager**” have the meanings attributed to them in the Code;
- (ix) “**ACS relevant securities**” includes: (1) ACS Shares and any other securities of ACS conferring voting rights; (2) equity share capital of ACS; and (3) any securities convertible into or rights to subscribe for the securities of ACS described in (1) and (2) above and securities convertible into, rights to subscribe for, options (including traded options) in respect of and derivatives referenced to any of the foregoing;
- (x) “**relevant securities**” includes: (1) BSG Shares and any other securities of BSG conferring voting rights; (2) equity share capital of BSG; and (3) any securities convertible into or rights to subscribe for the securities of BSG described in (1) and (2) above and securities convertible into, rights to subscribe for, options (including traded options) in respect of and derivatives referenced to any of the foregoing;
- (xi) ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associate company status and “**control**” means a holding, or aggregate holdings, of shares carrying 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether the holding or aggregate holdings gives de facto control; and
- (xii) a person is treated as “**interested**” in securities if he has long economic exposure, whether absolute or conditional, to changes in the price of those securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person is treated as “interested” in securities if:
- (1) he owns them;
  - (2) he has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
  - (3) by virtue of any agreement to purchase, option or derivative, he:
    - (a) has the right or option to acquire them or call for their delivery; or
    - (b) is under an obligation to take delivery of them,

whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or

- (4) he is party to any derivative:
- (a) whose value is determined by reference to their price; and
  - (b) which results, or may result, in his having a long position in them.

**(a) Interests in relevant securities**

(i) As at the close of business on 20 May 2009 (being the latest practicable date prior to the publication of this document):

- (1) ACS held no BSG Shares but had interests in, in aggregate, 62,452,604 BSG Shares by virtue of the Irrevocable Undertakings, a Letter of Intent, details of which are set out in paragraph 5 of this Appendix III and the Acquisition Agreement;
- (2) neither ACS nor any person acting or presumed to be acting in concert with it had borrowed or lent any relevant securities (save for any borrowed shares which had either been on-lent or sold);
- (3) the interests of the BSG Directors in relevant securities were as follows:

<i>Director</i>	<i>Number of BSG Shares</i>	<i>Percentage of current issued share capital to which the Offer relates(%)</i>
James Wheaton	423,781	0.71
Nick Gerard	28,355,291*	47.53
Vin Murria	0	0

\*Nick Gerard also holds 18,315,018 BSG Shares which are the subject of the Acquisition Agreement.

- (4) save as disclosed in paragraph 5 the BSG Directors hold no options over BSG Shares;
- (5) no paragraph 1 associate had any interest in or right to subscribe for BSG relevant securities;
- (6) the employee benefit trust of BSG holds 213,863 BSG Shares in accordance with the rules of the BSG Share Schemes but no other employee benefit trust of any other company which is a paragraph 1 associate had any interest in or right to subscribe for relevant securities;
- (7) no connected adviser nor any person controlling, controlled by or under the same control as a connected adviser (except for an exempt principal trader or an exempt fund manager) had an interest in or right to subscribe for relevant securities; and
- (8) neither BSG nor any person acting or presumed to be acting in concert with the directors of BSG had borrowed or lent any relevant securities (save for any borrowed shares which have been either on-lent or sold).

**(b) Dealings in relevant securities**

(i) During the Disclosure Period:

- (1) ACS made no dealings in relevant securities;
- (2) there have been no dealings in relevant securities by the directors of ACS and their associates; and
- (3) there were no dealings in relevant securities by persons acting, or presumed to be acting, in concert with ACS.

(ii) During the Offer Period:

- (1) none of the BSG Directors, their immediate families and related trusts and companies dealt in relevant securities;
- (2) no paragraph 1 associate dealt in relevant securities;

- (3) no employee benefit trust of BSG or of any company which is a paragraph 1 associate dealt in relevant securities; and
- (4) no connected adviser nor any person controlling, controlled by or under the same control as a connected adviser (except for an exempt principal trader or an exempt fund manager) dealt in relevant securities.

**(c) General**

As at 20 May 2009 (the latest practicable date prior to the posting of this Offer Document):

- (1) Save as disclosed in this document, neither ACS, nor any of the ACS Directors, nor (so far as the directors of ACS are aware having made due and careful enquiry) any person acting, or presumed to be acting, in concert with ACS:
  - (a) had an interest in or a right to subscribe for relevant securities as at the close of business on 20 May 2009 (being the latest practicable date prior to the publication of this document);
  - (b) engaged in any dealing in relevant securities during the Disclosure Period; or
  - (c) had any short position in, was party to any agreement to sell, or subject to any delivery obligation in respect of, or had the right to require another person to purchase or take delivery of, relevant securities as at the close of business on 20 May 2009 (being the latest practicable date prior to the publication of this document);
- (2) Save as disclosed in this document, neither BSG nor the BSG Directors:
  - (a) had an interest in or a right to subscribe for relevant securities or ACS relevant securities as at the close of business on 20 May 2009 (being the latest practicable date prior to the publication of this document);
  - (b) engaged in any dealing in relevant securities or ACS relevant securities during the Offer Period; or
  - (c) had any short position in, was party to any agreement to sell, or subject to any delivery obligation in respect of, or had the right to require another person to purchase or take delivery of, ACS relevant securities or relevant securities as at the close of business on 20 May 2009 (being the latest practicable date prior to the publication of this document);
- (3) so far as the BSG Directors are aware (having made due and careful enquiry), no paragraph 1 associate, nor any employee benefit trust of BSG or of any company which is a paragraph 1 associate, pension fund nor any connected adviser or any person controlling, controlled by or under the same control as any such adviser (except for an exempt principal trader or an exempt fund manager):
  - (a) had an interest in or a right to subscribe for relevant securities or ACS relevant securities as at the close of business on 20 May 2009 (being the latest practicable date prior to the publication of this document);
  - (b) engaged in any dealing in relevant securities or ACS relevant securities during the Offer Period; or
  - (c) had any short position in, was party to any agreement to sell, or subject to any delivery obligation in respect of, or had the right to require another person to purchase or take delivery of, relevant securities or ACS relevant securities as at the close of business on 20 May 2009 (being the latest practicable date prior to the publication of this document); and
- (4) there are no arrangements of the kind referred to in Note 6(b) on Rule 8 of the City Code which exist between ACS or any person acting, or presumed to be acting, in concert with ACS, and any other person nor between BSG or any associate of BSG and any other person.
- (5) BSG has purchased no relevant securities during the period commencing twelve months prior to the Offer Period, being 8 May 2008. At the date of this document the Company holds the shares in treasury but it intends to cancel these shares as soon as it is able.

## 5. Irrevocable Undertakings

Irrevocable undertakings to accept the Offer and vote in favour of the resolution at the General Meeting have been received from the Independent Director and certain shareholders of BSG as follows:

### Directors

<i>Name</i>	<i>Number of BSG Shares</i>	<i>% of shares to which the Offer relates</i>	<i>Number of BSG Shares arising on exercise of BSG Share Schemes</i>	<i>% of fully diluted share capital to which the Offer relates</i>
Mr N Gerard	28,355,291	47.53	Nil	42.20
Mr J Wheaton	423,781	0.71	3,200,000	5.39
Total	<u>28,779,072</u>	<u>48.24</u>	<u>3,200,000</u>	<u>47.59</u>

These undertakings cease to be binding if the Offer Document is not posted by 30 June 2009 (or such later date as the Panel may agree) or the Offer lapses or does not complete before the date falling four months after the date that the Offer Document is posted and will remain binding in the event of a higher competing offer being made for BSG, unless the Offer lapses or is withdrawn.

### Other Shareholders

<i>Name</i>	<i>Number of BSG Shares</i>	<i>% of shares to which the Offer relates</i>	<i>Number of BSG Shares arising on exercise of BSG Share Schemes</i>	<i>% of fully diluted share capital to which the Offer relates</i>
Mr P Buckingham	8,373,241	14.04	Nil	12.46
Mr and Mrs N Slater	3,250,000	5.45	Nil	4.84
Marlborough Special Situations Fund	2,200,000	3.69	Nil	3.27
Eyretel Unapproved Pension Scheme	1,535,273	2.57	Nil	2.29
Total	<u>15,358,514</u>	<u>25.75</u>	<u>Nil</u>	<u>22.86</u>

These undertakings cease to be binding if the Offer Document is not posted by 30 June 2009 (or such later date as the Panel may agree) or the Offer lapses or does not complete before the date falling four months after the date that the Offer Document is posted.

The irrevocable provided by Marlborough Special Situations Fund will remain binding in the event of a higher competing offer being made to BSG, unless the offer lapses or is withdrawn.

The irrevocable undertakings provided by Mr P Buckingham allow the acceptance to be withdrawn in the event of a competing offer at a price of at least 15 per cent. above the value of the Offer.

The irrevocable undertakings provided by Mr and Mrs N Slater and Eyretel Unapproved Pension Scheme allow the acceptance to be withdrawn in the event of a competing offer at a price of at least 10 per cent. above the value of the Offer.

In addition ACS has received a letter of intent in respect of a further 2,100,000 BSG Shares (representing as at the date of this document, approximately 3.5 per cent. of the existing issued share capital of BSG to which the Offer relates) which together with the Irrevocable Undertakings represents, as at the date of this document, 77.5 per cent of the BSG Shares to which the Offer relates.

**Letter of Intent**

Name	Number of BSG Shares	% of shares to which the Offer relates	Number of BSG Shares arising on exercise of BSG Share Schemes	% of fully diluted share capital to which the Offer relates
Church House Investments Limited	2,100,000	3.52	Nil	3.13

The Letter of Intent from Church House Investments Limited states that it will use best efforts *inter alia*, to execute an irrevocable undertaking which will allow its acceptance to be withdrawn in the event of a competing offer at a price of at least 15 per cent. above the value of the Offer, and to accept the Offer.

This Letter of Intent will cease to be binding if the Offer Document is not posted by 30 June 2009.

In aggregate therefore, ACS has received irrevocable undertakings to accept the Offer and other commitments to transfer BSG Shares in respect of a total of 46,237,586 BSG Shares, representing approximately 77.5 per cent. of the existing issued share capital of BSG to which the Offer relates.

**6. The Acquisition Agreement**

Pursuant to the Acquisition Agreement, dated 7 May 2009 ACS has conditionally agreed to acquire at the Offer Price, in aggregate 18,315,018 BSG Shares from Nick Gerard and Malcolm Coleman, as trustees of the Nick Gerard Life Interest Trust, representing 23.5 per cent. of the issued share capital of BSG, as at the date of, the Acquisition Agreement in exchange for the issue of 14,000,000 ACS shares of 10 pence each at an issue price of 25 pence per ACS share.

The Acquisition Agreement is conditional upon, *inter alia*, the Offer becoming or being declared unconditional in all respects. This condition may be waived by ACS if, in order to declare the Offer unconditional as to acceptances, the purchase of the BSG Shares pursuant to the Acquisition Agreement is required to be counted towards fulfilling any condition of the Offer.

The Acquisition Agreement is also conditional upon ACS shareholders passing an ordinary resolution at a general meeting to enable ACS to allot the consideration shares to Nick Gerard's Life Interest Trust in satisfaction of its obligations.

On completion of the Acquisition Agreement, Nick Gerard and Malcolm Coleman will enter into undertakings in favour of ACS and Seymour Pierce not to dispose of the shares in ACS allotted to them pursuant to the Acquisition Agreement for a period of 12 months after their admission to AIM (the "Initial Period") save with the prior consent of ACS and Seymour Pierce and in limited circumstances. In addition, for the 12 months following the Initial Period, to help preserve an orderly market in ACS shares they will agree only to dispose of these shares through ACS's broker from time to time and if it is able to procure a buyer within 10 Business Days, on customary terms.

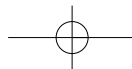
**7. Cash confirmation**

The cash consideration payable by ACS under the terms of the Offer will be funded using ACS's existing cash resources.

Seymour Pierce, financial adviser and corporate broker to ACS, is satisfied that sufficient resources are available to satisfy the full cash consideration payable to BSG Shareholders under the terms of the Offer.

**8. Material Contracts of BSG**

There have been no material contracts, being contracts not entered into in the ordinary course of business, entered into by BSG since 8 May 2007 (being the date two years prior to the commencement of the Offer Period).



## 9. BSG Directors' service contracts

Details of the service contracts of the directors of BSG are set out below:

(a) **Nick Gerard**

A service agreement was entered into on 8 June 2000 between BSG and Nick Gerard pursuant to which he is employed as Group Chief Executive of BSG. The agreement is terminable by either party on six months' notice. Nick Gerard currently receives a salary of £160,000 (subject to review by the remuneration committee) and benefits commensurate with his position including but not limited to five per cent. salary pension contribution and private medical insurance for himself, his spouse and children under 18. His employment by BSG commenced on 1 September 1997.

(b) **Vin Murria**

An appointment letter was entered into on 7 February 2008 between BSG and Vin Murria pursuant to which she is employed as the Non-Executive Chairman of BSG, for a fixed term of one year, renewable for a further term of one year on agreement of both parties. She is required to chair the audit and remuneration committees of BSG and such other offices in BSG related matters as the board may require from time to time. She is also required to attend each meeting of the board of BSG and of any committees to which she is appointed in addition to the annual general meeting. Vin Murria receives an annual director's fee of £50,000 and her appointment is terminable by resignation on reasonable notice or by removal from office and should such removal from office be by decision of the Board, she will receive one month's written notice.

(c) **James Wheaton**

A service agreement was entered into on 24 August 2001 between BSG and James Wheaton pursuant to which he is employed as Group Finance Director. The agreement is terminable by either party on six months' notice. James Wheaton currently receives a salary (subject to review by the Remuneration Committee) of £125,000 per annum and benefits commensurate with his position including but not limited to a discretionary bonus payable at the end of the financial year provided that all corporate targets are successfully achieved, five per cent. salary pension contribution and private medical insurance for himself, his spouse and children under 18. His employment by BSG commenced on 3 September 2001.

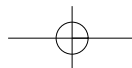
Save as disclosed in this document, there is no service contract between any of the BSG Directors and any member of the BSG Group and no such contract has been entered into or amended within the six months preceding the date of this document.

## 10. Bases of calculations and sources of information

- (a) The value attributed to the existing issued share capital of BSG and references to a percentage of BSG Shares are based upon the number of BSG Shares currently in issue being 85,503,095. BSG Shares held in treasury have been excluded as, under the Code, they are excluded from all calculations of percentage holdings of voting rights, share capital and relevant securities.
- (b) Unless otherwise stated, financial information relating to BSG has been extracted from the published audited annual report and accounts of the BSG Group for the last three financial years ended 31 March 2008, 2007, 2006 and the interim results for the six months ended 30 September 2008.
- (c) BSG Share prices have been derived from the Daily Official List and represent closing middle market prices on the relevant date.
- (d) The International Securities Identification Number for BSG Shares is GB0008222043.

## 11. Other information

- (a) Seymour Pierce has given and not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.
- (b) Singer Capital Markets has given and not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.



- (c) Save as disclosed in this document, there is no agreement, arrangement or understanding (including any compensation arrangements) between ACS or any person acting in concert with it and any of the directors, recent directors, shareholders or recent shareholders of BSG or any person interested or recently interested in BSG Shares having any connection with or dependence on or which is conditional upon the outcome of the Offer.
- (d) There is no agreement, arrangement or understanding whereby the beneficial ownership of any of the BSG Shares to be acquired by ACS will be transferred to any other person, save that ACS reserves the right to transfer any such shares to any member of the Wider ACS Group.
- (e) Save as disclosed in this paragraph and elsewhere in this document, the BSG Directors are not aware of any material change in the financial or trading position of BSG since 31 March 2008, the date to which the latest audited accounts of BSG were published.
- (f) Seymour Pierce is satisfied that resources are available to ACS which are sufficient to satisfy full acceptance of the Offer. Full acceptance of the Offer, based on 59,651,607 BSG Shares in issue not owned by ACS or its Associates and not subject to the Acquisition Agreement, would involve a maximum cash payment of approximately £12 million.
- (g) The contents and issue of this document have been approved for the purposes of section 21 of the Financial Services and Markets Act 2000 by Seymour Pierce.
- (h) There is no agreement, arrangement or understanding whereby the beneficial ownership of any of the BSG Shares to be acquired by ACS pursuant to the Offer will be transferred to any other person, save that ACS reserves the right to transfer such beneficial ownership to any other member of the Wider ACS Group as it shall nominate.

## 12. Material Change

Save as disclosed in Appendix II and this Appendix III or elsewhere in this document, or otherwise publicly disclosed, including but not limited to and RIS, there have, to the knowledge of BSG, been no material changes in the financial and trading positions of BSG since 31 March 2008 the dates on which the last published audited accounts of BSG were prepared.

## 13. Documents available for inspection

Copies of the following documents will be available for inspection at the offices of CMS Cameron McKenna LLP, Mitre House, 160 Aldersgate Street, London EC1A 4DD during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) until the end of the Offer Period:

- (a) the memorandum and articles of association of BSG;
- (b) the memorandum and articles of association of ACS;
- (c) the published audited consolidated financial statements of BSG for the three financial periods ended 31 March 2008;
- (d) the irrevocable undertakings referred to in paragraph 5 of Appendix III of this document;
- (e) the service contracts and letters of appointment referred to in paragraph 9 of Appendix III of this document;
- (f) the written consents referred to in paragraphs 11(a) and (b) of Appendix III of this document;
- (g) this document and the Form of Acceptance.

Dated 21 May 2009

## APPENDIX IV

### DEFINITIONS

The following definitions apply throughout this document and the accompanying Form of Acceptance, unless the context requires otherwise:

“Acquisition Agreement”	the agreement entered into on 7 May 2009 by ACS to acquire 18,315,018 BSG Shares from Nick Gerard and Malcolm Coleman as trustees of the Nick Gerard Life Interest Trust conditional <i>inter alia</i> upon the Offer becoming unconditional in all respects;
“Associate”	has the meaning given to it in paragraph 5 of Appendix III to this document;
“AIM”	a market operated by the London Stock Exchange;
“AIM Rules”	the rules of the Alternative Investment Market as published and amended by the London Stock Exchange from time to time;
“ACS”	Advanced Computer Software Plc a company incorporated in England and Wales under the Companies Act 1985 with registered number 5965280, having as its registered office Quadrant House, Floor 6, 17 Thomas More Street, Thomas More Square, London E1W 1YW;
“ACS Shares”	means ordinary shares of 10 pence each in the capital of ACS;
“ACS Directors”	means the directors of ACS as at the date of this document;
“Announcement”	the Rule 2.5 announcement of the Offer by ACS to acquire the entire issued and to be issued share capital of BSG released on a Regulatory Information Service on 8 May 2009;
“Annual Report”	the annual report and accounts of BSG for the year ended 31 March 2008;
“BSG”	Business Systems Group Holdings Plc a company incorporated in England and Wales under the Companies Act 1985 with registered number 2923809, having as its registered office 226-236 City Road, London EC1V 2TT;
“BSG Directors”	means the directors of BSG as at the date of this document;
“BSG Group”	BSG, its subsidiaries and subsidiary undertakings;
“BSG Shares”	the existing unconditionally allotted or issued and fully paid ordinary shares of 5 pence each in the capital of BSG and any further such shares which are unconditionally allotted or issued (including pursuant to the exercise of outstanding options granted under the BSG Share Schemes) at or prior to the time which the Offer closes for acceptances (or, subject to the provisions of the Code, such earlier time and/or date, not being earlier than the date on which the Offer becomes unconditional as to acceptances or, if later, the first closing date of the Offer, as ACS may decide);
“BSG Share Schemes”	the BSG Enterprise Management Incentive Plan (Plan A and Plan B);

“BSG Shareholders” or “Shareholders”	the holders of BSG Shares;
“Business Day”	a day, not being a public holiday, Saturday or Sunday, on which clearing banks in London are open for normal business;
“Capita Registrars”	a trading name of Capita Registrars Limited;
“certificated” or “in certificated form”	a BSG Share which is not in uncertificated form (that is in the form of a paper share certificate and not in CREST);
“City Code” or “Code”	the City Code on Takeovers and Mergers;
“Closing Price”	the closing middle market quotation of a BSG Share as derived from the Daily Official List on any particular day;
“Companies Act” or “Act”	Companies Act 1985 (as amended) or, where relevant, the Companies Act 2006 and where any specific provision of the Companies Act 1985 is referred to, this will include, where relevant, any equivalent provision of the Companies Act 2006;
“CREST”	the relevant system (as defined in the Regulations) to facilitate the transfer of title to shares in uncertificated form in respect of which CRESTCo is the Operator (as defined in the Regulations);
“CRESTCo”	Euroclear UK & Ireland Limited (formerly known as CRESTCo Limited);
“CREST member”	a person who has been admitted by CRESTCo as a system member (as defined in the Regulations);
“CREST participant”	a person who is, in relation to CREST, a system participant (as defined in the Regulations);
“CREST sponsor”	a CREST participant admitted to CREST as a CREST sponsor;
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member;
“Daily Official List”	the daily official list of the London Stock Exchange;
“dealing day”	a day on which dealings in domestic securities may take place on, and with the authority of, the London Stock Exchange;
“Electronic Acceptance”	the inputting and setting of a TTE instruction which constitutes or is deemed to constitute an acceptance of the Offer on the terms set out in this document;
“ESA Instruction”	an Escrow Account Adjustment Input (AESN) transaction type “ESA” (as described in the CREST Manual issued by CRESTCo);
“Escrow Agent”	Capita Registrars, in its capacity as escrow agent (as defined by the CREST Manual issued by CRESTCo) for the purposes of the Offer;
“First Closing Date”	means the twenty first day after the posting of this document;
“Form of Acceptance”	the form of acceptance relating to the Offer, accompanying this document;
“Form of Proxy”	the form of proxy accompanying this document for use by BSG Shareholders at the General Meeting.

“Further Terms”	the further terms of the Offer set out in Part B of Appendix I to this document;
“FSA” or “Financial Services Authority”	the Financial Services Authority in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000;
“General Meeting”	the general meeting of BSG Shareholders (and any adjournment thereof) to be held on 8 June 2009 in connection with the Offer;
“IFRS”	International Financial Reporting Standards;
“Independent Director” or “the Independent Committee”	James Wheaton;
“Independent Shareholders”	all BSG Shareholders save for Nick Gerard in his own capacity and Nick Gerard and Malcolm Coleman as trustees of the Nick Gerard Life Interest Trust;
“Irrevocable Undertakings”	the irrevocable undertakings of the Independent Director and Nick Gerard and certain other shareholders to accept the Offer and (save for Nick Gerard and his trust) vote in favour of the resolution at the General Meeting as set out in paragraph 5 of Appendix III to this announcement;
“Issued Share Capital”	the entire issued share capital of BSG of 85,503,095 ordinary shares of 5 pence each (not including ordinary shares held in treasury);
“Letter of Intent”	a letter of intent from Church House Investments Limited as detailed in paragraph 5 of Appendix III;
“London Stock Exchange”	The London Stock Exchange Plc;
“member account ID”	the identification code or number attached to any member account in CREST;
“Offer”	the recommended cash offer of 19.11 pence per BSG Share to be made by ACS to acquire the entire issued and to be issued ordinary share capital of BSG by means of an offer or, should it so elect, by means of a scheme of arrangement, but excluding those shares acquired by ACS from Nick Gerard and Malcolm Coleman as trustees of Nick Gerard Life Interest Trust pursuant to the Acquisition Agreement;
“Offer Document”	this document;
“Offer Period”	the period beginning on and including 8 May 2009 and ending on the latest of (i) 1.00 p.m. (London time) on 12 June 2009, (ii) the time and date on which the Offer becomes or is declared unconditional as to acceptances and (iii) the time and date on which the Offer lapses or is withdrawn;
“Offer Price”	19.11 pence in cash per BSG Share;
“Overseas Shareholders”	BSG Shareholders who are resident in or nationals of citizens of jurisdictions outside the UK or who are nominees of, or custodians or trustees for, citizens or nationals of countries other than the UK;
“Panel”	The Panel on Takeovers and Mergers;

“Participant ID”	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant;
“Pound Sterling” or “£”	means the lawful currency of the United Kingdom (and references to “pence” shall be construed accordingly);
“Publicly Announced”	means fairly disclosed in any public announcement by BSG to any Regulatory Information Service;
“Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755);
“Regulatory Information Service”	any of the services set out in Appendix 3 to the Listing Rules of the UKLA from time to time;
“Restricted Jurisdiction”	Australia, United States, Canada, Japan, the Republic of Ireland and the Republic of South Africa and any other jurisdiction where extension or acceptance of the Offer would violate the law of that jurisdiction;
“Seymour Pierce”	Seymour Pierce Limited, of 20 Old Bailey, London EC4M 7EN;
“Singer Capital Markets”	Singer Capital Markets Limited, of One Hanover Street, London W1S 1YZ;
“TFE instruction”	a Transfer from Escrow instruction (as defined by the CREST Manual issued by CRESTCo) in relation to BSG Shares;
“TTE instruction”	a Transfer to Escrow instruction (as defined by the CREST Manual issued by CRESTCo) in relation to BSG Shares meeting the requirements set out in paragraph 12.2.(b) of the letter from ACS contained in Part II of this document;
“uncertificated” or “in uncertificated form”	a BSG Share which is for the time being recorded on the register of members of BSG as being held in uncertificated form, and title to which, by virtue of the Regulations, may be transferred by means of CREST;
“Unconditional Date”	the date on which the Offer becomes wholly unconditional as to acceptances in all respects pursuant to its terms or, should ACS elect to implement the Offer by way of a scheme of arrangement, the date on which the scheme becomes or is effective;
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland;
“United States” or “US”	the United States of America, its territories and possessions, any State of the United States of America and the District of Columbia;
“UKLA”	the UK Listing Authority, being the Financial Services Authority Limited acting in its capacity as the competent authority for the purposes of Part IV of the Financial Services and Markets Act 2000;
“Wider ACS Group”	ACS, its subsidiaries, subsidiary undertakings and associated undertakings and any other body corporate, partnership, joint venture or person in which ACS and such undertakings (aggregating their interests) have a direct or indirect interest of 20 per cent. or more of the voting or equity capital or equivalent; and



“Wider BSG Group”

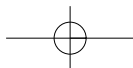
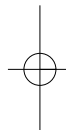
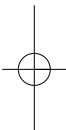
BSG, its subsidiaries, subsidiary undertakings and associated undertakings and any other body corporate, partnership, joint venture or person in which BSG and such undertakings (aggregating their interests) have a direct or indirect interest of 20 per cent. or more of the voting or equity capital or the equivalent.

All references to legislation in this announcement are to English legislation unless the contrary is indicated. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.

For the purposes of this document, “**subsidiary**”, “**subsidiary undertaking**”, “**undertaking**” and “**associated undertaking**” have the respective meanings given thereto by the Companies Act 1985, but for this purpose ignoring paragraph 20(1)(b) of Schedule 4A of the Companies Act 1985.

Words importing the singular shall include the plural and *vice versa*, and words importing the masculine gender shall include the feminine or neutral gender.

All the times referred to in this announcement are London times unless otherwise stated.



# BUSINESS SYSTEMS GROUP HOLDINGS PLC

Registered No. 2923809

(the "Company")

## NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at 226-236 City Road, London EC1V 2TT on 8 June 2009, at 9.30 a.m. for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as an ordinary resolution:

### ORDINARY RESOLUTION

1. THAT

the proposed exchange by Nick Gerard and Malcolm Coleman as trustees of the Nick Gerard Life Interest Trust ("Trustees") of 18,315,018 ordinary shares of 5 pence each in the Company held by them for shares in Advanced Computer Software Plc ("ACS") pursuant to an agreement dated 7 May 2009 between ACS and the Trustees, the principal terms of which are summarised in paragraph 7 of Appendix III of the offer document dated 21 May 2009 issued by ACS and containing the recommended cash offer by ACS for the Company (the "Offer Document") be and it is hereby approved.

*By order of the Board*

Hilary Lowe  
Company Secretary

*Registered office:*

226-236 City Road  
London  
EC1V 2TT

Dated 21 May 2009

### Notes

- In order to comply with the requirements of the Panel on Takeovers and Mergers and Rule 16 of the City Code on Takeovers and Mergers, the ordinary resolution set out above will be taken on a poll and only the votes of the Independent Shareholders (as defined in the Offer Document) will be counted for this purpose.
- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to exercise all of his rights to attend speak and vote on a poll on his behalf. A proxy need not be a member of the Company. A proxy of a member's own choice may be appointed by inserting the proxy's name on the Form of Proxy (enclosed) in the space provided. Completion and return of the Form of Proxy will not preclude a member from attending and voting in person at the meeting.
- A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. More than one proxy may not be appointed to exercise rights attached to any one share.
- To be valid, a Form of Proxy (together with any authority under which it is signed, or a certified copy of such authority) must be completed and signed and sent or delivered to Capita Registrars Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by post or by hand (during normal business hours only).
- In the case of a corporation, a proxy should be given under its common seal or should be signed on its behalf by an attorney or officer so authorised in accordance with the provisions of section 44 of the Companies Act 2006 (if applicable).
- In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to, the exclusion of the votes of the other joint holders. For this purpose, seniority is determined by the order in which the names stand in the register of members in respect of the joint holdings.
- The Company specifies, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, that only those shareholders registered in the register of members of the Company no later than 48 hours before the time fixed for the meeting shall be entitled to attend or vote at the general meeting in respect of the number of shares registered in their respective names at that time.

8. In the case of CREST members, an appointment of proxy may be lodged by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below and in each case must be received by the Company not less than 48 hours before the time of the meeting.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment thereof 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 voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment, or instruction, made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message regardless of whether it relates to the appointment of a proxy or to 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 (ID RA 10) by the latest time(s) for receipt of proxy appointments specified in the Notice of Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) of the Uncertificated Securities Regulations 2001. CREST members and where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy instructions. It is therefore the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings

9. Shareholders may submit their proxy electronically using The Share Portal service at [www.capitashareportal.com](http://www.capitashareportal.com). If not already registered for The Share Portal, they will need their Investor Code which can be found on their share certificate.

