

# FAIRPOINT.

Fairpoint Group plc  
Notice of Annual General Meeting 2015



## This document is important and requires your immediate attention.

If you are in any doubt as to the actions you should take, you are recommended to seek immediately your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all of your shares in the Company, please send this document, and the accompanying form of proxy, at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale was effected, for delivery to the purchaser or transferee.

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the Company will be held at One Wood Street, London, EC2V 7WS on 1 May 2015 at 11:00a.m. to transact the following business:

### ORDINARY BUSINESS

1. To receive and adopt the accounts of the Company for the year ended 31 December 2014 and the reports of the Directors and the Auditors thereon.
2. To re-appoint BDO LLP as auditors of the Company, to hold office until the conclusion of the next general meeting of the Company at which accounts are laid before the company.
3. To authorise the Directors to determine the remuneration of the auditors of the Company.
4. To declare a final dividend for the year ended 31 December 2014 of 4.10p per Ordinary share, to be paid on 19 June 2015 to members whose names appear on the register of members at the close of business on 22 May 2015.
5. To re-elect Christopher Moat as a director.
6. To re-elect John Allkins as a Director.
7. To approve the Remuneration Committee Report for the year ended 31 December 2014.

### SPECIAL BUSINESS

To consider and, if thought fit, (and in the case of resolution 9, subject to the passing of resolution 8) pass the following resolutions. Resolution 8 will be proposed as an ordinary resolution. Resolutions 9 and 10 will be proposed as special resolutions.

- 8.(i) THAT the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "Act") (in substitution for any existing authorities to allot relevant securities) to exercise all the powers of the Company to allot relevant securities (within the meaning of section 551 of the Act) up to a maximum nominal amount of £135,075 (being approximately 30% of the issued share capital of the Company, excluding shares held in treasury) provided that such authority shall expire at the conclusion of the next Annual General Meeting (or, if earlier on 31 July 2016) and provided further that the Company may before such expiry make such offers or agreements which would or might require relevant securities to be allotted after such expiry; and further
- (ii) THAT the Directors be and they are hereby generally and unconditionally authorised to exercise all powers of the Company to allot equity securities (within the meaning of section 560 of the Act) in connection with a rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them up to an aggregate nominal amount of £135,075 (being approximately 30% of the issued share capital of the Company, excluding shares held in

treasury) provided that this authority shall expire on the conclusion of the next Annual General Meeting of the Company after the passing of this resolution save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

9. THAT, subject to the passing of resolution 8, the Directors be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (as defined in section 560 of the Act) for cash as if section 561(1) did not apply to such allotment, provided that this power shall be limited to:
  - (i) the allotment of equity securities in connection with a rights issue or other issue in favour of the holders of ordinary shares (notwithstanding that, by reason of such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory, the equity securities to be issued are not offered to all such holders in proportion to the number of ordinary shares held by each of them); and
  - (ii) the allotment (otherwise than pursuant to sub-paragraph (i) above) of equity securities up to an aggregate nominal value of £45,025 being approximately 10% of the Company's total issued equity share capital (excluding shares held in treasury); and such power shall expire on the conclusion of the next Annual General Meeting of the Company after the passing of this resolution (or if earlier 31 July 2016), save that the Company may before such expiry make any offers or agreements which would or might require equity securities to be allotted after such expiry.
10. THAT, the Company be generally and unconditionally authorised, pursuant to Article 9 of the Articles of Association of the Company to make market purchases (as defined in section 693 of the Act) of up to 6,753,731 Ordinary Shares of £0.01 each in the capital of the Company (being approximately 15% of the current issued ordinary share capital of the Company, excluding shares held in treasury) on such terms and in such manner as the Directors of the Company may from time to time determine provided that:
  - (a) the amount paid for each share (exclusive of expenses) shall not be more than the higher of
    - (i) five per cent above the average of the middle market quotation for Ordinary Shares as derived from the Daily Official List of London Stock Exchange plc for the five business days before the date on which the contract for the purchase is made, and
    - (ii) an amount equal to the higher of the price of the last independent trade and current independent bid as derived from the London Stock Exchange Trading system or less than £0.01 per share; and
  - (b) the authority herein contained shall expire at the conclusion of the 2016 Annual General Meeting or 31 July 2016, whichever is earlier, provided that the Company may, before such expiry, make a contract to purchase its own shares which would or might be executed wholly or partly after such expiry, and the Company may make a purchase of its own shares in pursuance of such contract as if the authority hereby conferred hereby had not expired.

Dated: 7 April 2015

Registered Office:  
Eversheds House  
70 Great Bridgewater Street  
Manchester  
M1 5ES

By Order of the Board  
John Anthony Gittins  
Secretary

**Notes:**

1. A member who is entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies (who need not be a member of the Company) to attend and, on a poll, vote instead of the member. Completion and return of the form of proxy will not preclude a member from attending and voting at the meeting in person, should he subsequently decide to do so.

The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the company in accordance with section 146 of the Act ("nominated persons"). Nominated persons may have a right under an agreement with the registered shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

2. In order to be valid, any form of proxy, power of attorney or any other authority which is signed, or notarially certified or office copy of such power or authority, must reach the Company's registrars, Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU by 11.00am on 29 April 2015.
3. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting to be held on 1 May 2015 and any adjournment(s) 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 using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes 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 RA10) 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. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo 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 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 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.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

4. As permitted by Regulation 41 of the Uncertificated Securities Regulations 2001, shareholders who hold shares in uncertificated form must be entered on the Company's share register at 6:00 p.m. on 29 April 2015 in order to be entitled to attend and vote at the Annual General Meeting. Such shareholders may only cast votes in respect of shares held at such time. Changes to entries on the relevant register after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

# FORM OF PROXY

I/We .....  
 (Please insert full name(s) and address(es) in block letters)

of .....  
 .....

being (a) member/members of the above-named Company hereby appoint the Chairman of the Meeting, or (see Note 1 on back page)

.....  
 of .....

as my/our proxy or proxies to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 1 May 2015 and at any adjournment thereof, and to vote as indicated below.

Please indicate how you wish your proxy or proxies to vote by inserting "X" in the box below. If no indication is given, and on any other resolutions proposed at the meeting, your proxy will vote or abstain from voting as he/she thinks fit.

Please tick here if this proxy is one of multiple appointments being made (see note 1)

Enter number of shares in relation to which your proxy is authorised to vote or leave blank to authorise your proxy to act in relation to your full voting entitlement.

RESOLUTIONS:	FOR	AGAINST	VOTE WITHHELD	DISCRETIONARY
1 To receive and adopt the accounts for the year ended 31 December 2014				
2 To reappoint BDO LLP as auditors				
3 To authorise the Directors to determine the remuneration of the auditors				
4 To declare a final dividend of 4.10p per share				
5 To re-elect Christopher Moat as a Director				
6 To re-elect John Allkins as a Director				
7 To receive and approve the Remuneration Committee Report				
8 To authorise the Directors to allot relevant securities pursuant to section 551 of the Companies Act 2006				
9 To authorise the Directors to allot equity securities pursuant to section 570 of the Companies Act 2006				
10 To authorise the purchase of shares pursuant to the Articles of Association of the Company				

SIGNATURE(S) : .....

or COMMON SEAL .....

Date: .....



## Notes:

1. Every holder has the right to appoint some other person(s) of their choice, who need not be a shareholder as his proxy to exercise all or any of his rights, to attend, speak and vote on their behalf at the meeting. If you wish to appoint a person other than the Chairman, please insert the name of your chosen proxy holder in the space provided (see over). If the proxy is being appointed in relation to less than your full voting entitlement, please enter the number of shares in relation to which they are authorised to act as your proxy. If left blank your proxy will be deemed to be authorised in respect of your full voting entitlement (or if this proxy form has been issued in respect of a designated account for a shareholder, the full voting entitlement for that designated account).
2. In order to be valid, any form of proxy and power of attorney or other authority under which it is signed, or notarially certified or office copy of such power or authority, must reach the Company's registrars, Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU by 11.00am on 29 April 2015.
3. To appoint more than one proxy you may photocopy this form. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
4. The vote withheld option is provided to enable you to abstain on any particular resolution. However, it should be noted that a "vote withheld" is not a vote in law, and will not be counted in the calculation of the proportion of votes "For" and "Against" a resolution.
5. If a member is a corporation, this form of proxy must be executed under its common seal or by the signature of an officer or attorney duly authorised in writing.
6. Entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company as at 6.00pm on 29 April 2015. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
7. Shares held in uncertificated form (i.e in CREST) may be voted through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual.
8. The completion and return of this form will not preclude a member from attending the meeting and voting in person. If you attend the meeting in person, your proxy appointment will automatically be terminated.
9. In the case of joint holders, the signature of any one holder will be sufficient, but the names of all joint holders should be stated, and the vote of the senior holder who tenders a vote will be accepted to the exclusion of the vote(s) of other joint holder(s), seniority being determined by the order in which the names stand in the register of members of the Company.
10. Any alterations made to this form of proxy should be initialled.

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