



4 May 2016

The Directors
Red24 plc
The Coach House
Bill Hill Park
Twyford Road
Wokingham
Berkshire
RG40 5QT

STRICTLY PRIVATE AND CONFIDENTIAL—SECOND CONFIDENTIALITY AGREEMENT

Dear Sirs

CONFIDENTIALITY ARRANGEMENTS IN RELATION TO PROJECT GUARDIAN

As you are aware, from our recent correspondence, we remain interested in making an offer for the entire issued share capital of red24 plc ("Target") ("Proposed Transaction").

This letter sets out the terms on which we will disclose certain information to each other in connection with the Proposed Transaction.

1. DEFINITIONS AND INTERPRETATION

1.1 In this letter (except where the context requires otherwise):

"Confidential Information" means:

- (a) all and any information of whatever nature and in whatever form (including in oral, written, electronic and visual form) relating to a Party's Group, including information relating to the trade secrets, know-how, ideas, customers and commercial relationships, financial affairs, property, assets, computer systems, business, trading practices, business development, plans, proposals, the marketing of goods and services, and/or trading prospects of that Party's Group, which is disclosed by or on behalf of such Party to the other Party or its Permitted Disclosees; and
- (b) analyses, compilations, memoranda, notes, studies or other documents prepared by the other Party or by its Permitted Disclosees which contain or otherwise reflect or are generated from any of the information specified in sub-paragraph (a) above;

but excludes information relating to a Party's Group:

- (c) which is in, or which enters into, the public domain otherwise than as a consequence of any breach of any undertaking contained in or given pursuant to this letter; or
- (d) which a Party can demonstrate, to the reasonable satisfaction of the other Party, was lawfully in its possession prior to, or came lawfully into its possession after, the time that it was disclosed by or on behalf of the other Party and in either case was held by the Party free from any obligation of confidentiality; or



(e) which a Party confirms in writing to the other Party is disclosed on a non-confidential basis;

and references to a "Party's Confidential Information" shall be construed accordingly. All references to Confidential Information or a Party's Confidential Information in this letter shall be to the full or any part or parts of such Confidential Information as the context permits;

"Group" means a Party and any parent undertaking of that Party, and any undertaking which, in relation to that Party and/or any parent undertaking of that Party, is a subsidiary undertaking from time to time and references to a "Party's Group" or "member of its Group" shall be construed accordingly;

"iJET Parties" means iJET Intelligent Risk Systems UK Limited and iJET International, Inc;

"Party" means (a) red 24 PLC, on the one hand, and (b) the iJET Parties on the other (and, for the purposes of this letter, unless expressly stated otherwise, in relation to the iJET Parties, "Party" shall be understood as meaning either and/or both of iJET Intelligent Risk Systems UK Limited and iJET International, Inc);

"Permitted Disclosees" means, in relation to a Party:

- (a) those of its Representatives who are directly concerned with the Proposed Transaction;
- (b) those other members of its Group and their Representatives who are directly concerned with the Proposed Transaction; and
- (c) any person to whom it discloses Confidential Information with the other Party's prior written consent;

and "Permitted Disclosee" means any one of them;

"Permitted Purpose" means the consideration, evaluation and negotiation of the Proposed Transaction;

"Representatives" means, in relation to any person, its board, directors, officers, employees, auditors and professional advisers;

"Takeover Code" means the City Code on Takeovers and Mergers as from time to time amended and interpreted by the Panel on Takeovers and Mergers; and

"Third Party" means, for the purposes of clause 16, each member of a Party's Group from time to time.

- 1.2 All Schedules to this letter form part of, and are incorporated into, this letter.
- 1.3 Where any consent, demand, approval or other document (or any variation to any such thing) is required from the iJET Parties in relation to this letter, this shall only be validly given if provided by, or on behalf of, both of the iJET Parties.
- 1.4 In this letter (unless the context requires otherwise):



- 1.4.1 the words "undertaking", "subsidiary undertaking" and "parent undertaking" have the meanings set out in sections 1161 and 1162 of the Companies Act 2006;
- 1.4.2 "including", "includes" or "in particular" means including, includes or in particular without limitation;
- 1.4.3 "written" or "writing" includes faxes but not email;
- 1.4.4 references to persons includes bodies corporate, unincorporated associations and partnerships (whether or not any of them have a separate legal personality); and
- 1.4.5 the singular includes the plural and vice versa.

2. UNDERTAKING

In consideration of each Party agreeing to make available and making available to the other Party Confidential Information as part of discussions or negotiations regarding the Proposed Transaction, each Party undertakes to the other Party, on behalf of itself and as agent for each other member of its Group, that it and each other member of its Group will comply with the terms of this letter.

3. CONFIDENTIALITY

- 3.1 Subject to paragraphs 4 and 6, each Party will treat and keep the other Party's Confidential Information as secret and confidential and will not, without the other Party's prior written consent:
 - 3.1.1 directly or indirectly communicate or disclose or permit the communication or disclosure of the other Party's Confidential Information to any other person; or
 - 3.1.2 copy or permit the copying of any of the other Party's Confidential Information.
- 3.2 Each Party will only use or permit the use of the other Party's Confidential Information for the Permitted Purpose and not for any other purpose. In particular, neither Party will use or permit the use of the other Party's Confidential Information to obtain a commercial, trading, investment, financial or other advantage over the other Party or otherwise use it to the other Party's detriment or for any competitive purpose.
- 3.3 Each Party will keep the other Party's Confidential Information securely and will use all reasonable endeavours to protect it against theft, damage, loss and unauthorised access (including access by electronic means). If a Party becomes aware that the other Party's Confidential Information has been communicated or disclosed to an unauthorised third party, that Party shall immediately notify the other Party of the unauthorised disclosure.

4. PERMITTED DISCLOSEES

- 4.1 Each Party may disclose the other Party's Confidential Information only to its Permitted Disclosees, and then only to the extent that such disclosure is necessary for the Permitted Purpose.
- 4.2 Notwithstanding any other provision of this letter, the IJET Parties, and the other members of that Party's Group, shall be permitted to disclose and discuss:
 - 4.2.1 the other Party's Confidential Information; and



4.2.2 the existence and contents of this letter and of communications, discussions and negotiations between the Parties and their respective Representatives relating to the Proposed Transaction (including the commercial terms thereof),

to and with LLR Partners and EGIS Partners, and it is acknowledged by the Parties that LLR Partners and EGIS Partners are to be understood and construed as Permitted Disclosees of the iJET Parties, and the other members of that Party's Group, for the purposes of this letter.

4.3 Each Party will procure that its Permitted Disclosees are informed of the confidential nature of the other Party's Confidential Information and of the Party's obligations under this letter before any such Confidential Information is disclosed to them.

4.4 Each Party will procure that each of its Permitted Disclosees comply with the terms of this letter as if it were a Party. Each Party will therefore be responsible for any breach of the terms of this letter by any of its Permitted Disclosees.

5. RETURN OF CONFIDENTIAL INFORMATION

5.1 Each Party will, as soon as reasonably practicable and, in any event, within 10 business days of written demand from the other Party:

5.1.1 return to the other Party or destroy, or use its reasonable endeavours to procure the return to the other Party or the destruction of, all of the other Party's Confidential Information (including all copies of it) held by it and any of its Permitted Disclosees;

5.1.2 destroy, or use its reasonable endeavours to procure the destruction of, all analyses, compilations, studies and other documents prepared by it or its Permitted Disclosees which contain or other reflect the Confidential Information provided to it by the other Party; and

5.1.3 use all reasonable endeavours to procure the deletion or removal of all the other Party's Confidential Information from any computer, word processor or other device in its or any Permitted Disclosees' possession or control.

5.2 Nothing in paragraph 5.1 shall require a Party or any of its Permitted Disclosees to return, destroy or delete the other Party's Confidential Information to the extent that:

5.2.1 it or they are required to retain such Confidential Information by law or to satisfy the rules or regulations of a regulatory body to which it or they are subject; or

5.2.2 it is contained in an archived electronic back-up file made in accordance with your or its normal operating, security and/or disaster recovery procedures provided that such Confidential Information is deleted from hard drives and servers which are accessible on a day-to-day basis and, except as otherwise required by law or regulation, no attempt is made to recover such Confidential Information from such back-up file.

For the avoidance of doubt, the obligations of confidentiality in this letter will continue to apply to such retained Confidential Information.



6. FORCED DISCLOSURE AND ANNOUNCEMENTS

6.1 Unless paragraph 6.2 applies, neither Party will, without the other Party's prior written consent, disclose to any person (except its Permitted Disclosees) or make a public announcement of any of the other Party's Confidential Information.

6.2 If a Party or any of its Permitted Disclosees are required to make a disclosure or announcement of the type mentioned in paragraph 6.1 or in connection with the Proposed Transaction:

6.2.1 by law or by any applicable rule or requirement of any regulatory or governmental authority, the Takeover Code, listing authority or of any stock exchange on which that Party's securities (or the securities of any other member of its Group) are traded; or

6.2.2 by any order of any court of competent jurisdiction;

then, that Party or its relevant Permitted Disclosee may make such a disclosure or announcement in order to satisfy such requirement provided that if a disclosure or announcement permitted under this paragraph is to be made in connection with the Proposed Transaction, the disclosing Party shall (to the extent permitted by law and any applicable rule of the Takeover Code) use reasonable endeavours to consult the other Party or their advisers by telephone or email with details of the proposed disclosure or announcement prior to its issuance but shall not, in any way, be restricted from making such disclosure or announcement which is required to satisfy such requirements.

6.3 If the Parties are unable to inform and consult with one another prior to disclosure of any Confidential Information or in respect of any announcement or disclosure relating to the Proposed Transaction, then the disclosing Party shall (to the extent permitted by law and by any applicable rule of the Takeover Code) notify the other Party of the recipient of, and the form and extent of, any disclosure or announcement made in accordance with paragraph 6.2 immediately after it is made.

7. AUTHORISED CONTACTS

7.1 All communications from a Party or any of its Permitted Disclosees to the other Party regarding the Proposed Transaction or requests for Confidential Information shall be submitted or directed to the relevant Party's persons named in the Schedule hereto unless otherwise expressly agreed in advance in writing.

7.2 Each Party undertakes to the other Party that no site visits to any of the other Party's properties will be made by it or any of its Representatives without the other Party's prior written consent.

7.3 Nothing in this paragraph 7 shall prevent a Party or any other member of its Group from contacting any Representatives, suppliers or customers of the other Party's Group in the ordinary course of its business for purposes unrelated to the Proposed Transaction provided that each Party adheres to the provisions contained in paragraph 3.2.

8. APPROACHES

8.1 Each Party undertakes to the other Party that neither it nor any other member of its Group shall either whilst the negotiations relating to the Proposed Transaction are ongoing or for a period of 24 months from the date on which negotiations cease, use any of the other Party's Confidential Information to solicit or entice away or endeavour to solicit or entice away any person who is at any time during the



course of discussions relating to the Proposed Transaction any person employed in any capacity by, or who is a consultant to, the other Party's Group (whether or not such person will commit a breach of any contractual arrangement as a result), provided that the restrictions in this paragraph 8.1 shall not apply to:

- 8.1.1 the placing of any general non-targeted advertisement to the public generally for the purposes of recruitment; or
- 8.1.2 the recruitment of any employee, consultant or contractor through an employment agency provided the relevant Party does not encourage or advise such agency to directly approach any employee, consultant or contractor of the other Party.

8.2 Each Party undertakes to the other Party that neither it nor any other member of its Group shall, either whilst the negotiations relating to the Proposed Transaction are ongoing or for a period of 24 months from the date on which negotiations cease, use any of the other Party's Confidential Information to canvass, solicit or entice away, or endeavour to canvass, solicit or approach, or cause to be canvassed, solicited or approached, or deal or contract with any client or customer of the other Party for the supply of services which are competitive with or are the type supplied by the other Party at any time during the period of 12 months immediately preceding the date of this letter.

8.3 The undertakings in paragraphs 8.1 and 8.2 apply to actions carried out by a Party in any capacity and whether directly or indirectly, on its behalf, on behalf of any other person or jointly with any other person.

8.4 The Parties agree and acknowledge that the restrictions contained in this paragraph 8 are fair and reasonable and necessary to assure to each Party the protection, full value and benefit of its Confidential Information and business interests.

9. TERM

9.1 The Parties agree that the termination of negotiations and the return of a Party's Confidential Information in accordance with the terms of this letter will not release the other Party from its continuing obligations under this letter.

9.2 Subject to clause 9.3, and save where the contrary is stated in this letter, the obligations in this letter will terminate 3 years from the date this letter is countersigned. Termination of the obligations in this letter will not release either Party from liability for breach before such termination.

9.3 The obligations (and any actual, contingent or prospective liability in relation thereto) of, and on, the iJET Parties and the other members of that Party's Group in or pursuant to this letter shall cease to apply and have any effect immediately upon the Proposed Transaction being completed or otherwise implemented.

10. INSIDE INFORMATION

10.1 The Parties acknowledge that some or all of the Confidential Information may be inside information relating to the securities of red24 PLC and that the Parties and their Permitted Disclosees may be insiders for the purposes of Part V of the Criminal Justice Act 1993 ("CJA") and section 118 of the Financial Services and Markets Act 2000 ("FSMA").



- 10.2 Each Party shall bring to the attention of its Permitted Disclosees the prohibitions on insider dealing and market abuse set out in the CJA and the FSMA respectively.
- 10.3 Each Party agrees that it will not and will use its reasonable endeavours to procure that its Permitted Disclosees do not make use of the Confidential Information or base any behaviour on the Confidential Information which would amount to:
- 10.3.1 insider dealing for the purposes of the CJA; or
- 10.3.2 market abuse for the purposes of the FSMA.

11. FINANCIAL PROMOTION

Each Party represents to the other Party that it is a person of a kind described in either article 19 (investment professionals) or article 49 (high net worth companies, unincorporated associations, etc) of the Financial Services and Markets Act 2000 (Financial Promotion Order) 2005 (SI 2005/1529).

12. NO REPRESENTATIONS OR WARRANTIES

- 12.1 The Parties acknowledge that neither Party, nor any other member of its Group nor any of their Representatives:
- 12.1.1 gives or makes any warranty, representation or undertaking, express or implied, as to the accuracy or completeness of any Confidential Information or other information received by the other Party or its Permitted Disclosees or as to the reasonableness of any assumptions on which any of the same is based;
- 12.1.2 accepts any responsibility or liability for the use of Confidential Information by the other Party or its Permitted Disclosees; and
- 12.1.3 is under any obligation to update or correct any inaccuracies which may become apparent in any Confidential Information.
- 12.2 Nothing in clause 12.1 operates to exclude or limit any liability for fraud.

13. RIGHT OF REJECTION/TERMINATION

- 13.1 No Confidential Information or other information, communication or document made available or supplied by a Party to the other Party shall constitute an offer or invitation to the other Party, nor will any such information, communication or document form the basis of any contract.
- 13.2 The Parties agree that neither Party is obliged to accept any offer or proposal which may be made by the other and that, save as may be expressly agreed between the Parties, either Party may terminate negotiations with the other and may withhold further Confidential Information at any time without giving any reason and without incurring any liability to the other Party and no Party shall be under any obligation to recommend any offer or proposal in connection with the Proposed Transaction as a result of executing this letter.
- 13.3 Each Party is responsible for any costs incurred by it, by any other member of its Group or by any of their Representatives in considering or pursuing the Proposed Transaction and in complying with the terms of this letter.



14. ACKNOWLEDGEMENTS

- 14.1 The Parties acknowledge that all Confidential Information shall remain the property of the Party disclosing it and no rights or licence in that Confidential Information shall be conferred on the other Party except as set out in this letter.
- 14.2 Each Party confirms to the other that it is acting as principal on its own account and not as agent or broker for any other person.

15. REMEDIES

The Parties acknowledge and agree that damages alone may not be an adequate remedy for any breach or threatened breach of the obligations set out in this letter and that each Party shall be entitled to seek the remedies of injunction, specific performance and other equitable relief to the maximum extent available under any applicable law.

16. THIRD PARTY RIGHTS

- 16.1 A Third Party may enforce the terms of this letter subject to and in accordance with the remaining terms of this paragraph 16 and the provisions of the Contracts (Rights of Third Parties) Act 1999, provided that a Third Party shall give written notice to the Parties confirming its agreement to paragraph 17.3 before bringing any proceedings to enforce any of its rights under that Act.
- 16.2 Any rights conferred by paragraph 16.1 shall not be assignable.
- 16.3 The Parties may, without the consent of any Third Party, rescind or vary this letter in such a way as to extinguish or alter the rights conferred by paragraph 16.1.
- 16.4 Except as provided in paragraph 16.1, a person who is not a party to this letter shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this letter. This paragraph does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

17. GENERAL

- 17.1 No failure or delay by a Party in exercising any right or remedy under this letter shall constitute a waiver of such right or remedy and no waiver by a Party of any breach by the other Party of its undertakings herein shall be deemed to be a waiver of any other breach. No single or partial exercise by a Party of any right or remedy under this letter shall preclude or restrict the further exercise of any such right or remedy.
- 17.2 Should any provision of this letter be prohibited or unenforceable in any jurisdiction in relation to a Party, the prohibition or unenforceability thereof will not invalidate the remaining provisions or affect the validity or unenforceability of the provisions in relation to the other Party or in any other jurisdiction.
- 17.3 This letter constitutes the entire agreement between the parties and supersedes any prior agreement or arrangement in respect of its subject matter.
- 17.4 This letter shall be read and construed in accordance with English law and each Party agrees to submit to the non-exclusive jurisdiction of the English courts.



Please confirm your agreement to the terms of this letter by arranging for the enclosed copy to be signed on your behalf by a duly authorised signatory, dated and returned to Ellen Ryan (General Counsel) at the above address. The agreement constituted by this letter will come into effect on the date on which we receive your signed and dated letter.

Yours faithfully

Signed by Ellen S. Ryan for and on behalf of
iJET INTELLIGENT RISK SYSTEMS UK
LIMITED:

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)
) Signature

Director

Signed by Michelle Ryan for and on behalf of
iJET INTERNATIONAL, INC:

)
)
) Signature

Authorised signatory



On copy:

We have read and agree to the terms of the above letter.

Signed by SIMON A. RICHARDS for and on behalf
of RED24 PLC:

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)

) Signature

Date: 10. MAY 2016

Director



SCHEDULE

Authorised contacts (paragraph 7)

A] IJET INTELLIGENT RISK SYSTEMS UK LIMITED AND IJET INTERNATIONAL, INC, AND THEIR CONTACTS

Employees and directors

D. Bruce McIndoe

John Rose

Michael Briskey

Ellen Ryan

Advisers

Altium Capital Limited	Tim Richardson Declan O'Connor Stephen Georgiadis
DLA Piper UK LLP	John Gallon Bryony Lunn Gregory Allsopp Alistair Paul Andrew Smith

B] RED24 PLC, AND THAT PARTY'S GROUP, CONTACTS

Employees and directors

Simon Richards

Maldwyn Worsley-Tonks

Advisers

Eversheds LLP	Stephen Nash Nicola Brookes
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iJET.

	Helen Yeung
FinnCap Limited	Julian Blunt