

FORM OF INSTRUCTION

FOR USE BY AWARDHOLDERS UNDER THE

KCOM GROUP PLC LONG-TERM INCENTIVE PLAN (THE LTIP)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take, you are recommended to seek your own independent 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 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

To: KCOM Group Public Limited Company (**KCOM**)
Humber Bidco Limited (**Bidco**)

Words and expressions defined in the accompanying letter from KCOM and Bidco dated 9 May 2019 (**Letter**) and the Scheme Document have the same meaning in this Form of Instruction unless the context requires otherwise.

Return of this Form of Instruction

If you wish to exercise your Awards to the fullest extent possible and participate in the Scheme in respect of any KCOM Shares acquired, please return this Form of Instruction duly signed, dated and completed in the pre-paid envelope provided to Cathy Phillips at KCOM Group Public Limited Company, 37 Carr Lane, Hull HU1 3RE **TO BE RECEIVED AS SOON AS POSSIBLE AND IN ANY EVENT BY NO LATER THAN 5.00pm ON 3 JUNE 2019**

Please insert your full name, telephone number and email address in BLOCK CAPITALS in the boxes below.

Name	
Telephone Number	
Email Address	

INSTRUCTION TO EXERCISE YOUR AWARDS

I hereby irrevocably agree to exercise all of my Awards under the LTIP, as detailed in the enclosed Award Statement, to the fullest extent possible, conditional upon and with effect from the sanction of the Scheme by the Court.

Notes:

- 1 Check the details of the Awards that you hold under the LTIP as detailed in the Award Statement. If you are in any doubt about the Awards that you hold, please contact Chris Whitaker at KCOM at chris.whitaker@kcom.com or on 07879 487460 without delay.
- 2 Complete, sign and date the Form of Instruction where indicated below to exercise the Award to the fullest extent possible, conditional upon and with effect from the sanction of the Scheme by the Court, and then return the Form of Instruction as indicated (please note that neither the Letter nor the Award Statement need to be returned). Signing, dating and returning this Form of Instruction is your confirmation that you agree to the terms of the Letter and the terms and conditions that are set out in this Form of Instruction.
- 3 If your Award remains unexercised it will, in due course, **lapse** and cease to be of any value in accordance with the rules of the LTIP.
- 4 If you are not resident and domiciled for tax purposes in the UK, or if you are in any doubt as to your personal tax position, you should consult an appropriate professional adviser without delay.

Before signing this Form of Instruction you should read the Letter which accompanies this Form of Instruction, the Form of Instruction itself and the Scheme Document. You should read all of the pages and each of the boxes in this Form of Instruction.

SIGN AND COMPLETE THE INFORMATION BELOW TO CONFIRM THE EXERCISE OF YOUR AWARD ON THE TERMS OF THIS FORM OF INSTRUCTION. PLEASE NOTE THAT YOUR SIGNATURE MUST BE WITNESSED BY SOMEONE WHO IS OVER THE AGE OF 18 OTHER THAN YOUR SPOUSE, CIVIL PARTNER OR A MEMBER OF YOUR IMMEDIATE FAMILY.

FAILURE TO SIGN AND COMPLETE ALL OF THE INFORMATION BELOW MAY RESULT IN THIS FORM OF INSTRUCTION BEING INEFFECTIVE.

<p>Executed and delivered as a Deed by (Awardholder to sign here):</p> <p>.....</p> <p>(Awardholder's name in print):</p> <p>.....</p> <p>Date:</p> <p>In the presence of (Independent Witness' Signature):</p> <p>.....</p> <p>(Independent Witness' name in print):</p> <p>.....</p> <p>(Independent Witness' Address):</p> <p>.....</p>
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TERMS AND CONDITIONS

- 1 Subject to the following paragraphs, the Form of Instruction will be of no effect unless it is duly completed and received by Cathy Phillips at KCOM as soon as possible and by no later than **5.00pm on 3 June 2019**.
- 2 The delivery of the Form of Instruction duly signed may, if KCOM so determines, be treated as effective as if it were duly completed and received despite the fact that it is not completed or received strictly in accordance with the Form of Instruction and these Terms and Conditions.
- 3 By duly completing and returning this Form of Instruction by no later than **5.00pm on 3 June 2019**, you irrevocably:
 - (a) confirm that you have received the Letter and the Scheme Document and have had the opportunity to read the Letter and the Scheme Document;
 - (b) elect to exercise your Awards to the fullest extent possible conditional upon and with effect from the sanction of the Scheme by the Court and otherwise in accordance with the rules of the LTIP;
 - (c) waive your right to a share certificate in respect of the KCOM Shares acquired on the exercise of your Awards;
 - (d) authorise KCOM to procure the registration of the transfer of your KCOM Shares and the delivery of a certificate (if necessary) in respect of those KCOM Shares to Bidco or as Bidco may direct;
 - (e) authorise Bidco to pass the Acquisition Proceeds payable to you on the Scheme becoming effective in respect of the KCOM Shares resulting from the exercise of your Awards, to KCOM (or such other company or person as KCOM shall direct) in order to process payment of it to you through the KCOM payroll;
 - (f) authorise and direct KCOM (or such other company or person as KCOM shall direct) to deduct from the Acquisition Proceeds referred to in paragraph 3(e) above and the Dividend Equivalent Payment (as referred to in the Letter) all applicable income tax and employee National Insurance contributions arising in respect of the exercise of your Awards and the receipt of the Dividend Equivalent Payment, and to account for the amounts so deducted to the appropriate tax authorities;
 - (g) agree to indemnify and keep indemnified KCOM (and, where relevant, your employing company in the KCOM group) for any further income tax and employee National Insurance contributions due in respect of the exercise of your Awards;
 - (h) following the deductions referred to at 3(f) above, authorise KCOM (or such other company or person as KCOM may direct) to make a payment of the net Acquisition Proceeds and Dividend Equivalent Payment to you through the payroll as soon as reasonably practicable thereafter;
 - (i) acknowledge that, if your Awards have lapsed or lapse or are exercised or have been exercised before exercise takes effect pursuant to this Form of Instruction (see (b) above), completion of this Form of Instruction will be of **no** effect in respect of such Awards;

- (j) acknowledge that neither KCOM nor Bidco will be responsible for any consequential loss in the event of the Form of Instruction being incorrectly completed or where either of them has been unable to obtain clarification of your instructions;
- (k) authorise that all correspondence, share certificates, consideration and any other item in connection with the Acquisition may be sent to you at your own risk at the postal or email address to which the Letter was sent; and
- (l) confirm that you understand that the exercise of your Awards pursuant to this Form of Instruction is conditional upon the sanction of the Scheme by the Court and that, if the Scheme is not sanctioned by the Court, this Form of Instruction will have no effect and that your Awards will remain in existence and continue to be governed by and subject to the rules of the LTIP, even if you have completed and returned this Form of Instruction.

4 Your signature on this Form of Instruction constitutes:

- (a) a warranty by you that you are a current or former employee or director of a company participating in the LTIP in accordance with the rules of the LTIP, that your Awards are valid and have not lapsed and are not subject to any liens, mortgages or third party interests of any nature and that you are entitled to exercise your Awards and that you will at all relevant times own the relevant KCOM Shares free from all third party rights; and
- (b) an irrevocable authority to and appointment of KCOM and/or Bidco (acting jointly and severally) or any person nominated by KCOM and/or Bidco as your attorney (the **Attorney**) with authority in your name and on your behalf to sign and execute any and all agreements, instruments, deeds or other papers and documents and do all things in your name as the Attorney may in its absolute discretion consider necessary or desirable in order to give effect to your elections and authorities in paragraph 3 above and to facilitate the exercise of your Awards and the transfer of the KCOM Shares that you shall hold as a result of the exercise of your Awards to Bidco in accordance with the terms set out in this Form of Instruction, the Letter and the Scheme Document AND you hereby undertake to ratify everything which the Attorney shall do or purport to do by virtue of this power of attorney and declare that this power of attorney having been given by you to the Attorney to secure your undertakings to it in connection with the LTIP and this Form of Instruction, shall be irrevocable in accordance with section 4 of the Powers of Attorney Act 1971.

5 In the event of any conflict between the Letter and/or this Form of Instruction and the rules of the LTIP or any relevant legislation, the rules of the LTIP or the relevant legislation will prevail.