

**DEED OF IRREVOCABLE UNDERTAKING**  
(Charter Court Director Shareholders)

To: OneSavings Bank plc  
Reliance House  
Sun Pier  
Chatham  
Kent  
ME4 4ET

14 March 2019

**Proposed Combination of OneSavings Bank plc ("OSB") and Charter Court Financial Services Group plc ("Charter Court")**

I, the undersigned, understand that OSB is considering the Combination (as defined below) substantially on the terms and subject to the conditions set out or referred to in a draft of the announcement, a copy of which is annexed hereto (the "**Announcement**"), and/or on such other terms and conditions as may be required by the Applicable Requirements (as defined below), and/or as may be agreed between OSB and Charter Court.

All references in this deed to:

- (A) the "**Combination**" shall mean the proposed acquisition by, or on behalf of, OSB or any of its subsidiaries or a new company incorporated by or on behalf of OSB (a "**NewCo**") of the entire issued and to be issued share capital of Charter Court, which acquisition is intended to be effected by way of a scheme of arrangement under Part 26 of the Companies Act 2006 (referred to in this deed as the "**Scheme**"), but which may alternatively (with the consent of the UK Panel on Takeovers and Mergers and subject to the conditions of the Co-operation Agreement) be made by way of takeover offer within the meaning of section 974 of the Companies Act 2006 (referred to in this deed as the "**Offer**") and, if made on behalf of OSB or by or on behalf of any of its subsidiaries, all references to "**OSB**" shall be deemed to include that other person or subsidiary (as applicable); and
- (B) the "**Applicable Requirements**" shall mean the requirements of the City Code, the Panel, any applicable law, the Court, the Companies Act, the Listing Rules, the Disclosure Guidance and Transparency Rules and the Prospectus Rules each made by the Financial Conduct Authority in exercise of its function as competent authority pursuant to Part VI of FSMA, the UK Listing Authority, the rules and regulations of the London Stock Exchange and/or the requirements of any other relevant regulatory authority (as applicable).

Capitalised terms not otherwise defined in this letter shall have the meaning given to them in the Announcement.

## 1. Warranties and undertakings

Subject to the release of the Announcement by 8:30 a.m. on 14 March 2019 (or such later time and/or date as Charter Court and OSB may agree), I irrevocably and unconditionally undertake, represent and warrant to OSB that:

- (A) I am the registered holder and/or the beneficial owner of (or am otherwise able to control the exercise of all rights, including voting rights and the ability to procure the transfer, attaching to) the number of ordinary shares of 1 penny each in the capital of Charter Court set out in the first column of the table in the Appendix to this deed (the "**Shares**", which expression shall include any other shares in Charter Court issued to me after the date hereof and attributable to or derived from such shares);
- (B) I am not interested in, or otherwise able to control the exercise of rights attaining to, any shares or other securities of Charter Court other than the Shares and such other interest in shares of Charter Court as are set out in the Appendix to this deed;
- (C) I am able to transfer, or procure the transfer of, the Shares free from all liens, equities, charges, encumbrances, options, rights of pre-emption, and any other third party rights and interests of any nature;
- (D) I shall not, and shall procure that any person holding the Shares shall not, prior to the earlier of the Combination closing (or, as applicable, becoming effective) or lapsing:
  - (i) sell, transfer, dispose of, charge, pledge, encumber, grant any option over or otherwise dispose of or permit the sale, transfer, disposal of, charging, pledging or other disposition or creation or grant of any other encumbrance or option or right of, or over, all or any of such Shares or interest in such Shares except: (i) pursuant to the Combination; (ii) in connection with selling such number of shares as may be required to cover my liability for income tax and employee national insurance contributions in respect of the vesting of awards or the exercise of any such options under Charter Court's share option schemes; or (iii) where such transfer is undertaken as part of my bona fide tax planning and where I procure the transferee or beneficiary of the transferee signs and delivers to you irrevocable undertakings in the same terms as set out herein; or
  - (ii) except pursuant to the Combination or in respect of Charter Court's existing share option schemes, enter into any agreement or arrangement or permit any agreement or arrangement to be entered into, or incur any obligation or permit any obligation to arise:
    - (1) in relation to, or operating by reference to, the Shares;

- (2) to do all or any of the acts referred to in sub-paragraph (D)(i) above or sub-paragraphs (E) or (F) below; or
- (3) which would or might preclude me from complying with my obligations under paragraph 2 or 3 below,

and references in this sub-paragraph (D)(ii) to any agreement, arrangement or obligation shall include any such agreement, arrangement or obligation whether or not subject to any conditions or which is to take effect upon or following the Combination closing (or, if applicable, becoming effective) or lapsing or upon or following this deed ceasing to be binding, or upon or following any other event;

- (E) prior to the earlier of the Combination closing (or, if applicable, becoming effective) or lapsing, I shall not, in my capacity as a shareholder of Charter Court, without the consent of OSB, convene or requisition, or join in convening or requisitioning, any general or class meeting of Charter Court for the purposes of voting on any resolution referred to under sub-paragraphs 2(A)(i) to (iii) below;
- (F) prior to the earlier of the Combination closing (or, if applicable, becoming effective) or lapsing and save for the Shares and any shares acquired: (i) in connection with the vesting of awards or the exercise of options under any of Charter Court's share option schemes; and/or (ii) under an existing dividend reinvestment plan, I will not acquire any shares or other securities of Charter Court, or rights or interests (as defined in the Code) in any such shares or securities and, if any such shares, securities or interest (including for these purposes shares arising on exercise of options) is acquired by me, such shares, securities or interest (as the case may be) shall be deemed to be included in the expression "Shares" for the purposes of this deed and I shall notify OSB immediately of any such acquisition and of any other dealing, disposal or change in the number of Shares; and
- (G) I have full power and authority and the right (free from any legal or other restrictions), to enter into and perform my obligations under this deed in accordance with their terms.

## 2. Scheme

Subject to the release of the Announcement by 8:30 a.m. on 14 March 2019 (or such later date as Charter Court and OSB may agree), I irrevocably and unconditionally undertake and warrant, if the Combination is implemented by way of the Scheme, to OSB that:

- (A) I have the full power and authority to, and shall exercise, or, where applicable, procure the exercise of, all voting rights attaching to the Shares on the Charter Court Resolutions and on each resolution (whether or not amended and whether put on a show of hands or a poll) which is proposed at any general meeting of Charter Court (including any adjournment thereof) ("**General Meeting**") or at any meeting (including any separate class meeting) of holders of shares in Charter

Court convened by a Court (including any adjournment thereof) ("**Court Meeting**") which:

- (i) is necessary to implement the Combination (which shall include any resolution to approve the Scheme);
- (ii) would or might reasonably be expected to have any adverse impact on the fulfilment of any condition to the Combination; or
- (iii) would or might reasonably be expected to impede, frustrate or delay the Combination in any way (which shall include any resolution to approve a scheme of arrangement relating to the acquisition of any shares in Charter Court by a third party),

in such a way as OSB, acting reasonably, determines will approve, support and give effect to the Combination;

- (B) I shall exercise, or, where applicable, procure the exercise of, all rights attaching to the Shares to requisition or join in the requisitioning of any general meeting of the Company for the purposes of voting on any resolution referred to under sub-paragraph (A) above, or to require Charter Court to give notice of such meeting, in such a way as OSB, acting reasonably, determines will approve, support and give effect to the Combination;
- (C) for the purpose of voting on any resolution referred to under sub-paragraph (A) or (B) above, I shall, if required by OSB, execute any form of proxy required by OSB appointing any person nominated by OSB to attend and vote at the relevant meetings; and
- (D) without prejudice to sub-paragraph (C) above, I shall, after the dispatch of the circular to be sent to shareholders of Charter Court containing an explanatory statement in respect of the Scheme (the "**Scheme Document**") (and without prejudice to any right I have to attend and vote in person at the Court Meeting and the Charter Court General Meeting to implement the Combination):
  - (i) return, or procure the return of, if applicable, the signed forms of proxy enclosed with the Scheme Document (completed, signed and voting in favour of the Scheme and all other resolutions to implement the Combination) in accordance with the instructions printed on those forms of proxy (and, if applicable, in respect of any Shares held in uncertificated form, take or procure the taking of any action which may be required by Charter Court or its nominated representative in order to make a valid proxy appointment and give valid proxy instructions (voting in favour of the Scheme and all other resolutions to implement the Combination)), as soon as possible and in any event within seven days after the date of dispatch of the Scheme Document;
  - (ii) not amend, revoke or withdraw any such proxy once it has been returned in accordance with sub-paragraph (i) above; and

- (iii) I shall promptly supply OSB with all information at my disposal reasonably required by OSB in connection with the implementation of the Scheme in order for OSB to comply with the Applicable Requirements and, as soon as reasonably practicable, notify OSB in writing of any material change in the accuracy or import of any information previously supplied to OSB by me.

### 3. Offer

I acknowledge that OSB may elect at any time (with the consent of the Panel and whether or not the Scheme Document has then been dispatched) to implement the Combination by way of an offer, as opposed to by way of the Scheme, subject to and in accordance with the terms of the Co-operation Agreement. Accordingly, subject to OSB publishing the Announcement by 14 March 2019 (or such later time and/or date as Charter Court and OSB may agree), I irrevocably and unconditionally undertake and warrant, if the Combination is implemented by way of an offer, to OSB that my obligations under this deed shall apply *mutatis mutandis* to such Offer and, in particular, that:

- (A) upon the Offer being made, I will be able to accept or, where applicable, procure the acceptance of the Offer in respect of the Shares and to transfer the Shares free from all liens, equities, charges, encumbrances, options, rights of pre-emption, and any other third party rights and interests of any nature, and together with all rights now or hereafter attaching or accruing to them (including voting rights and the right to receive and retain in full all dividends of any nature and other distributions (if any) hereafter declared, made or paid);
- (B) I shall as soon as possible, and in any event within seven (7) days, after the dispatch of the formal document containing the Offer (the "**Offer Document**") (or such shorter period as the Panel may determine to be the last date for satisfaction of the acceptance condition under the timetable for the Offer to apply following the election of the Offeror to implement the Combination by way of Offer) or, in respect of any shares allotted to me after the posting of the Offer Document, within seven (7) days of such allotment or acquisition, duly accept or procure acceptance of the Offer in accordance with its terms in respect of the Shares (and, in respect of any Shares held in certificated form, shall forward the relevant share certificate(s) to the Offeror or its nominated representative (or a form of indemnity acceptable to the directors of OSB in respect of any lost certificate(s)) at the time of acceptance and, in respect of any Shares held in uncertificated form, shall take any action which may be required by OSB or its nominated representatives);
- (C) notwithstanding the provisions of the Code or any terms of the Offer which confer rights of withdrawal on accepting shareholders, I shall not withdraw any acceptance of the Offer in respect of the Shares or any of them and shall procure that no rights to withdraw any acceptance in respect of such Shares are exercised;
- (D) the Shares shall be acquired by OSB free from all liens, equities, charges, encumbrances, options, rights of pre-emption, and any other third party rights

and interests of any nature and together with all rights now or hereafter attaching or accruing to them (including voting rights and the right to receive and retain in full all dividends of any nature and other distributions (if any) hereafter declared, made or paid); and

- (E) I shall promptly supply OSB with all information at my disposal reasonably required by OSB in connection with the Offer in order for OSB to comply with the Applicable Requirements and immediately notify OSB in writing of any material change in the accuracy or import of any information previously supplied to OSB by me.

#### **4. Publicity**

I acknowledge and consent to:

- (A) the announcement of the Combination containing references to me and the registered holder(s) of any of the Shares in which I have (or will have as the case may be) a beneficial interest and to this deed substantially in the terms set out in the Announcement;
- (B) the inclusion of references to me and the registered holder(s) of any of the Shares in which I have (or will have as the case may be) a beneficial interest and particulars of this deed being set out in the Scheme Document and any Offer Document (if applicable) and the OSB Circular; and
- (C) this deed being published on a website as required by Rule 26.2 of the Code.

I further acknowledge that I am obliged to make appropriate disclosure under Rule 2.10(c) of the Code promptly after becoming aware that I will not be able to comply with the terms of this deed or no longer intend to do so.

#### **5. Termination**

- (A) This deed shall not oblige OSB to announce or proceed with the Combination. However, without prejudice to any accrued rights or liabilities, this deed shall terminate and cease to have any effect:
  - (i) if OSB shall not have announced a firm intention to proceed with the Combination by 8:30 a.m. on 14 March 2019 or such later time and/or date as Charter Court and OSB may agree on the terms and conditions set out or referred to in the Announcement and/or such other terms and conditions as may be required by the Applicable Requirements;
  - (ii) if OSB announces that it does not intend to proceed with the Combination and no new, revised or replacement Scheme or Offer is announced by OSB in accordance with Rule 2.7 of the Code at the same time, which has been recommended by Charter Court (save that, if Charter Court has not recommended or stated that it shall not recommend such Scheme or

Offer within 5 business days, such condition of recommendation shall fall away);

- (iii) any competing offer for the issued and to be issued ordinary share capital of Charter Court is made which is declared wholly unconditional (if implemented by way of a takeover offer) or otherwise becomes effective (if implemented by way of a scheme of arrangement);
- (iv) if the Co-operation Agreement is terminated in accordance with its terms; or
- (v) on the earlier of (i) the Longstop Date (as defined in the Announcement); and (ii) the date on which the Scheme (or Offer, as applicable) is withdrawn or lapses in accordance with its terms, provided that this sub-paragraph 5(A)(v) shall not apply where the Scheme (or Offer, as applicable) is withdrawn or lapses as a result of the exercise of OSB's right to effect a Switch in accordance with the terms of (and as defined in) the Co-operation Agreement,

and, on termination of this deed, I shall have no claim against OSB and OSB shall have no claim against me, save in respect of any prior breach thereof.

## **6. Miscellaneous**

- (A) The obligations and provisions set out in this deed apply equally to the persons from whom I am to procure votes in favour of the resolutions to implement the Combination pursuant to sub-paragraph 2(A) above or acceptance of the Offer pursuant to the terms of paragraph 3 above (as the case may be), and I shall procure the observance by such persons of the terms hereof as if they were each specifically a party hereto.
- (B) I undertake to provide OSB with all such further information in relation to my interest and that of any person connected with me as you may require in order to comply with the Applicable Requirements for inclusion in the Scheme Document or the Offer Document (as the case may be) (or any other document required in connection with the Combination) or the satisfaction of any conditions to the Combination.
- (C) I irrevocably and by way of security for my obligations hereunder appoint each of OSB and any director of OSB to be my attorney to execute on my behalf proxy forms for the Court Meeting or Charter Court General Meeting in respect of the Shares (as applicable) and to sign, execute and deliver any documents and to do all acts and things as may be necessary for or incidental to the completion of the Combination, the acceptance of the Offer (as the case may be) and/or performance of my obligations under this deed.
- (D) Except to the extent otherwise specified, the Obligations (as defined below) set out in this deed are unconditional and irrevocable.

- (E) Time shall be of the essence as regards the Obligations (as defined below) set out in this deed.
- (F) No person other than OSB and me, the undersigned, is intended to have any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this deed, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.
- (G) Without prejudice to any other rights or remedies which OSB may have, I acknowledge and agree that damages may not be an adequate remedy for any breach by me of any of my undertakings, agreements, warranties, appointments, consents and waivers set out in this deed (together, "**Obligations**"). I agree that OSB shall be entitled to seek the remedies of injunction, specific performance and other equitable relief for any threatened or actual breach of any such Obligation and no proof of special damages shall be necessary for the enforcement by OSB of its rights under this deed.

**7. Governing law and jurisdiction**

This deed shall be governed by and construed in accordance with English law. Any matter, claim or dispute, whether contractual or non-contractual, arising out of or in connection with this deed is to be governed by and determined in accordance with English law and shall be subject to the exclusive jurisdiction of the English courts.



## APPENDIX

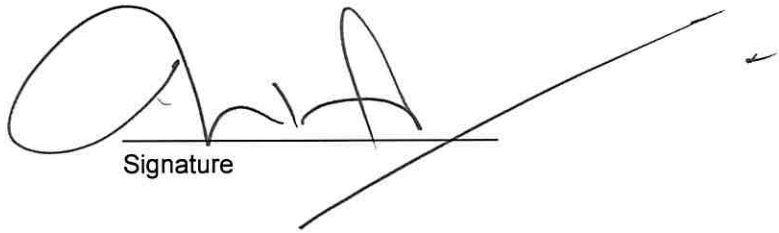
### Shares to which this deed relates

1. Number of ordinary shares	2. Number of ordinary shares under option	3. Interests in ordinary shares arising from loan stock	4. *Registered owner	5. *Beneficial owner
43,478	Nil	Nil	Ian Ward	Ian Ward

*\* Where more than one, indicate number of shares attributable to each*

I intend this document to be a deed and execute and deliver it as a deed.

Executed as a deed by  
**IAN WARD**

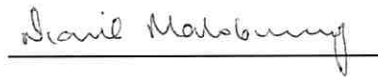


Signature

in the presence of:

DIANNE MALSBURY

Signature of witness



Signature of witness

Name of witness

DIANNE MALSBURY

Address of witness

11 ASHFURLONG CLOSE

BALSALL COMMON

CV7 7QA

Occupation of witness

COMPANY SECRETARY