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**FOR IMMEDIATE RELEASE**

**15 May 2019**

**Recommended all-share combination**

**of**

**OneSavings Bank plc**

**and**

**Charter Court Financial Services Group plc**

**Publication of Scheme Document**

On 14 March 2019, Charter Court Financial Services Group plc ("**Charter Court**") and OneSavings Bank plc ("**OSB**") announced that they had reached agreement on the terms of a recommended all-share combination to be effected by means of a scheme of arrangement between Charter Court and the Charter Court Shareholders under Part 26 of the Companies Act 2006 (the "**Combination**").

Charter Court is pleased to announce that the scheme document which sets out, amongst other things, a letter from the Chairman of Charter Court, the full terms and conditions of the Scheme, an explanatory statement, notices of the required meetings, an expected timetable of principal events and details of the action to be taken by Charter Court Shareholders, is being sent, or made available, to Charter Court Shareholders today (the "**Scheme Document**").

Charter Court also notes that a prospectus relating to the New OSB Shares proposed to be issued in connection with the Combination has been approved by the Financial Conduct Authority published today on OSB's website at [www.osb.com](http://www.osb.com).

As described in the Scheme Document, the Scheme will also require the approval of Charter Court Shareholders at the Court Meeting and the passing of the Special Resolution at the General Meeting, and then the approval of the Court.

The Court Meeting to approve the Scheme (and the steps contemplated by the Scheme) and the General Meeting to approve the Special Resolution are scheduled to be held at 10.30 a.m. and 10.45 a.m. respectively on 6 June 2019 at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ.

Subject to the shareholder approvals at the relevant meetings, Court approval and the satisfaction or waiver of the other Conditions set out in the Scheme Document, the Scheme is expected to become effective in Q3 2019.

The expected timetable of principal events is set out below:

<b>Event</b>	<b>Time and/or date<sup>(1)</sup></b>
Publication of the Scheme Document.....	15 May 2019
Latest time for lodging BLUE Forms of Proxy (or appointing a proxy electronically or submitting a proxy via CREST) for the Court Meeting.....	10.30 a.m. on 4 June 2019 <sup>(2)</sup>
Latest time for lodging YELLOW Forms of Proxy (or appointing a proxy electronically or submitting a proxy via CREST) for the Charter Court General Meeting.....	10.45 a.m. on 4 June 2019 <sup>(3)</sup>
Voting Record Time.....	6.30 p.m. on 4 June 2019 <sup>(4)</sup>
OSB General Meeting.....	10.00 a.m. on 6 June 2019
Court Meeting.....	10.30 a.m. on 6 June 2019
Charter Court General Meeting.....	10.45 a.m. on 6 June 2019 <sup>(5)</sup>

***The following dates and times associated with the Scheme are subject to change and will depend on, among other things, the date on which antitrust (and other) Conditions to the Scheme are satisfied or, if capable of waiver, waived, and the date on which the Court sanctions the Scheme. Charter Court will give adequate notice of all of these dates and times, when known, by issuing an announcement through a Regulatory Information Service, with such announcement being made available on Charter Court’s website at [www.chartercourts.co.uk](http://www.chartercourts.co.uk). Further updates and changes to these times will, at Charter Court’s discretion, be notified in the same way. See also note (1) below.***

Scheme Court Sanction Hearing.....	a date expected to be in Q3 2019 subject to receipt of regulatory clearance (“D”) <sup>(6)*</sup>
Last time for dealings in, for registration of transfers of, and disablement in CREST of, Charter Court Shares.....	4.30 p.m. on D+1*
Scheme Record Time.....	6.00 p.m. on D+1*
Effective Date of the Scheme.....	D+1 <sup>(7)*</sup>
Suspension of trading in Charter Court Shares.....	before markets open on D+2*
New OSB Shares issued to Charter Court Shareholders.....	by 8.00 a.m. on D+2*
Admission and commencement of dealings in the New OSB Shares on the London Stock Exchange.....	by 8.00 a.m. on D+2*
Cancellation of listing of Charter Court on the premium segment of the Official List and the Main Market of the London Stock Exchange.....	D+2*
CREST accounts of Charter Court Shareholders credited with New OSB Shares.....	on or soon after 8.00 a.m. on D+2* but not later than 14 days after the Effective Date
CREST accounts of Charter Court Shareholders credited with cash due in relation to the sale of fractional entitlements.....	within 14 days after the Effective Date <sup>(8)</sup>
Despatch of: (a) share certificates for New OSB Shares; and (b) cheques for the cash due in relation to the sale of fractional entitlements.....	within 14 days after the Effective Date <sup>(8)</sup>
Longstop Date.....	31 October 2019 <sup>(9)</sup>

Notes:

- (1) The dates and times given are indicative only and are based on current expectations and are subject to change (including as a result of changes to the regulatory timetable).

References to times are to London, United Kingdom time unless otherwise stated. If any of the times and/or dates above change, the revised times and/or dates will be notified to Charter Court Shareholders by announcement through a Regulatory Information Service.

Participants in the Charter Court Share Plans will be written to separately to inform them of the effect of the Scheme on their rights under the Charter Court Share Plans, including details of any appropriate proposals being made and dates and times relevant to them.

- (2) The BLUE Form of Proxy for the Court Meeting may, alternatively, be handed to a representative of Equiniti at the venue of the Court Meeting or the Chairman of the Court Meeting before the start of the Court Meeting (or any adjournment thereof). However, if possible, Charter Court Shareholders are requested to lodge the BLUE Forms of Proxy at least 48 hours before the time appointed for the Court Meeting.
- (3) The YELLOW Form of Proxy for the Charter Court General Meeting must be lodged with Equiniti by no later than 10.45 a.m. on 4 June 2019 in order for it to be valid, or, if the Charter Court General Meeting is adjourned, no later than 48 hours before the time fixed for the holding of the adjourned meeting. If the YELLOW Form of Proxy is not returned by such time, it will be invalid.
- (4) If either Charter Court Meeting is adjourned, the Voting Record Time for the adjourned Charter Court Meeting will be 6.30 p.m. on the date which is two days before the date set for the adjourned Charter Court Meeting.
- (5) To commence at the time fixed or, if later, immediately after the conclusion or adjournment of the Court Meeting.
- (6) For the purpose of the Condition set out in paragraph 2(C) of Part III of the Scheme Document (and summarised in paragraph 16(iv) of Part II of the Scheme Document), the "expected date" shall be the earliest practicable date following the satisfaction (or, where applicable, waiver) of the Conditions in paragraphs 2(A), 2(B), 3 and 4 of Part III of the Scheme Document.
- (7) The Scheme Court Order approving the Scheme is expected to be delivered to the Registrar of Companies following the suspension of trading in Charter Court Shares, and the Scheme Record Time on "D+1", such that the Effective Date is then expected to be "D+1". The events which are stated as occurring on subsequent dates are conditional on the Effective Date and operate by reference to this date.
- (8) If the Charter Court Equalising Dividend is payable by Charter Court to the Charter Court Shareholders, it is expected that the Charter Court Equalising Dividend will be paid via either a credit of Charter Court Shareholders' CREST accounts or a despatch of cheques (as applicable) at a date to be decided by the Charter Court Directors (being the directors of Charter Court at the time it is resolved to pay the Charter Court Equalising Dividend).
- (9) This is the latest date by which the Scheme may become Effective. However, the Longstop Date may be extended to such later date as may be agreed in writing by OSB and Charter Court (with the Panel's consent and as the Court may approve (if required)).
- \* All dates by reference to "D+1" and "D+2" will be to the date falling the number of indicated Business Days immediately after date D, as indicated above.

The Scheme Document will be available on Charter Court's website at [www.chartercourts.co.uk](http://www.chartercourts.co.uk) up to and including completion of the Combination.

For information purposes only, the Scheme Document will also be sent, or made available, to holders of options over Charter Court shares and persons with information rights.

The Prospectus will be available, subject to certain restrictions relating to persons resident in, or subject to the laws and/or regulations of, any Restricted Jurisdiction or resident in any jurisdiction where the extension or availability of the Combination would breach any applicable laws, on OSB's website at [www.osb.com](http://www.osb.com) up to and including the date on which the New OSB Shares are issued to Charter Court Shareholders.

A copy of the Scheme Document and the Prospectus will also be submitted to the National Storage Mechanism, where they will be available for inspection at [www.morningstar.co.uk/uk/NSM](http://www.morningstar.co.uk/uk/NSM).

Defined terms used but not defined in this announcement have the meanings set out in the Scheme Document.

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Linklaters LLP are retained as legal adviser to Charter Court. Slaughter and May are retained as legal adviser to OSB.

### **Important Notices**

*RBC Europe Limited (trading as RBC Capital Markets) (“RBC Capital Markets”), which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting as financial adviser exclusively for Charter Court and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than Charter Court for providing the protections afforded to clients of RBC Capital Markets, or for providing advice in connection with the Combination.*

*Credit Suisse International (“Credit Suisse”), which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting as financial adviser exclusively for Charter Court and no one else in connection with the matters set out in this announcement and will not be responsible to any person other than Charter Court for providing the protections afforded to clients of Credit Suisse, nor for providing advice in relation to the content of this announcement or any matter referred to herein. Neither Credit Suisse nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Credit Suisse in connection with the Combination.*

*N. M. Rothschild & Sons Limited (“Rothschild & Co”), which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for OSB and for no one else in connection with the Combination and will not be responsible to anyone other than OSB for providing the protections afforded to its clients or for providing advice in connection with the Combination.*

*Barclays Bank PLC, acting through its Investment Bank, (“Barclays”), which is authorised by the PRA and regulated in the United Kingdom by the FCA and the PRA, is acting exclusively for OSB and no one else in connection with the Combination and will not be responsible to anyone other than OSB for providing the protections afforded to its clients nor for providing advice in connection with the Combination.*

*This announcement is for information purposes only and does not constitute an offer to sell or an invitation to purchase any securities or the solicitation of an offer to buy any securities, pursuant to the Combination or otherwise. The Combination will be made solely by means of the Scheme Document or any document by which the Combination is made which will contain the full terms and conditions of the Combination, including details of how to vote in respect of the acquisition.*

*This announcement has been prepared for the purpose of complying with English law and the Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.*

### **Overseas Shareholders**

*The release, publication or distribution of this announcement (in whole or in part) in, into or from certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or the United States or who are subject to the laws and/or regulations of other jurisdictions should inform themselves of, and should observe, any applicable requirements. Any failure to comply with these requirements may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Combination disclaim any responsibility or liability for the violation of such requirements by any person.*

*Unless otherwise determined by OSB or required by the City Code, and permitted by applicable law and regulation, the Combination will not be made available, directly or indirectly, in, into or from a jurisdiction where to do so would violate the laws in that jurisdiction, and no person may vote in favour of the Combination by any such use, means, instrumentality or form within any jurisdiction if to do so would constitute a violation of the laws of that Restricted Jurisdiction. Accordingly, copies of this announcement, the Scheme Document and all documents relating to the Combination 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 announcement, the Scheme Document and all documents relating to the Combination (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from any Restricted Jurisdictions where to do so would violate the laws in that jurisdiction. Any person (including, without limitation, any custodian, nominee and trustee) who would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this announcement, the Scheme Document and/or any other related document to any jurisdiction other than the United Kingdom or the United States should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction.*

*If the Combination is implemented by way of an Offer (unless otherwise permitted by applicable law and regulation), the Offer may not be made, directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of any Restricted Jurisdiction, and the Offer may not be capable of acceptance by any such use, means, instrumentality or facility.*

*The availability of the New OSB Shares under the Combination to Charter Court Shareholders who are not resident in the United Kingdom or the United States may be affected by the laws of the relevant jurisdictions in which they are resident (which may affect the ability of such Charter Court Shareholders to vote their OSB Shares with respect to the Scheme and the Combination at the Charter Court Meetings, or to execute and deliver Forms of Proxy appointing another to vote at the Charter Court Meetings on their behalf). Persons who are not resident in the United Kingdom or the United States or who are subject to the laws and/or regulations of another jurisdiction should inform themselves of, and should observe, any applicable legal and/or regulatory requirements.*

*Each Charter Court Shareholder is urged to consult his or her independent professional adviser immediately regarding the tax consequences of the Combination.*

### **Forward looking statements**

*This announcement contains statements about Charter Court and OSB that are or may be forward looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements concerning the potential exposure of the OSB Group, the Charter Court Group and the Combined Group to market risks, statements as to accretion and statements expressing management's expectations, beliefs, estimates, forecasts, projections and assumptions, including as to future potential cost savings, synergies, earnings, return on average capital employed, production and prospects. These forward-looking statements are identified by their use of terms and phrases such as "aim", "anticipate", "assume", "believe", "budget", "could", "cost-saving", "estimate", "expect", "forecast", "goals", "hopes", "intend", "is subject to", "may", "objectives", "outlook", "plan", "probably", "project", "risks", "scheduled", "seek", "should", "strategy", "target", "will",*

*“would” and similar terms and phrases. Although each of OSB and Charter Court believes that the expectations reflected in such forward-looking statements are reasonable, OSB and Charter Court can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risks (known and unknown) and uncertainties (and other factors that are in many cases beyond the control of OSB and/or Charter Court) because they relate to events and depend on circumstances that may or may not occur in the future.*

*Each forward-looking statement speaks only as of the date of this announcement. Neither OSB nor Charter Court, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. All forward-looking statements contained in this announcement are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. These cautionary statements qualify all of the forward-looking statements made in this announcement. Readers are cautioned not to place undue reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations (including under the City Code, the Listing Rules and the Disclosure Guidance and Transparency Rules of the FCA), neither the OSB Group nor the Charter Court Group is under or undertakes any obligation, and each of the foregoing expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*

#### **Disclosure requirements of the Takeover Code (the “Code”)**

*Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person’s interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.*

*Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person’s interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.*

*If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at <http://www.thetakeoverpanel.org.uk>, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.*

**Publication on Website**

*A copy of this announcement will be made available on the Company's and OSB's websites at [www.chartercourtfsc.co.uk](http://www.chartercourtfsc.co.uk) and [www.osb.com](http://www.osb.com) respectively by no later than 12 noon (London time) on 16 May 2019. For the avoidance of doubt, the contents of these websites are not incorporated into and do not form part of this announcement.*