

Company number  
03087587

TUESDAY



THE COMPANIES ACT 2006  
PUBLIC COMPANY LIMITED BY SHARES  
SPECIAL RESOLUTION  
OF  
**VIRGIN MONEY HOLDINGS (UK) PLC**  
(the Company)

(passed on 10 September 2018)

At a general meeting of the Company duly convened and held at the offices of Allen & Overy LLP, One Bishops Square, London, E1 6AD on 10 September 2018 the following resolution was duly passed as a special resolution of the Company:

**SPECIAL RESOLUTION**

THAT for the purpose of giving effect to the scheme of arrangement dated 31 July 2018 (as amended or supplemented) between the Company and the holders of Scheme Shares (as defined in said scheme of arrangement), a print of which has been produced to this meeting and for the purposes of identification signed by the chair of this meeting, in its original form or subject to such modification, addition, or condition as may be agreed between the Company and CYBG PLC and approved or imposed by the Court (the **Scheme**):

(A) the directors of the Company (or a duly authorised committee of the directors) be authorised to take all such actions as they may consider necessary or appropriate for carrying the Scheme into effect; and

(B) with effect from the passing of this resolution, the articles of association of the Company be and are amended by the adoption and inclusion of the following new article 131:

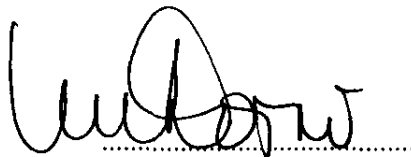
**"Scheme of Arrangement**

- (a) In this article, references to the Scheme are to the Scheme of Arrangement under Part 26 of the Companies Act 2006 between the Company and the holders of Scheme Shares (as defined in the Scheme dated 31 July 2018 (as amended or supplemented)) and as approved by the holders of the Scheme Shares at the meeting convened by the Court (as defined in the Scheme) and as may be modified or amended in accordance with its terms, and expressions defined in the Scheme shall have the same meanings in this article.
- (b) Notwithstanding either any other provision of these articles or the terms of any resolution whether ordinary or special passed by the Company in general meeting, if the Company issues any ordinary shares (other than to CYBG PLC (the **Offeror**) or its nominee(s)) on or after the adoption of this article and on or before the Scheme Record Time (as defined in the Scheme), such shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the original or any subsequent holder or holders of such ordinary shares shall be bound by the Scheme accordingly.

- (c) Notwithstanding any other provision of these articles, if any ordinary shares are issued to any person (other than the Offeror or their nominee(s)) (the **New Member**) after the Scheme Record Time, such New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) will, provided the Scheme shall have become effective, be obliged to transfer immediately all the ordinary shares held by the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) (the **Disposal Shares**) to the Offeror (or as the Offeror may otherwise direct) who shall be obliged to acquire all of the Disposal Shares in consideration of and conditional on the allotment and issue or transfer by or on behalf of the Offeror of the New CYBG Shares for each Disposal Share equal to the consideration that the New Member would have been entitled to had each Disposal Share been a Scheme Share.
- (d) The New CYBG Shares allotted and issued or transferred to a New Member pursuant to article 131(c) shall be credited as fully paid and shall rank *pari passu* in all respects with all other ordinary shares of the Offeror in issue at that time (other than as regards any dividend or other distribution payable by reference to a record date preceding the date of allotment) and shall be subject to the articles of association of the Offeror from time to time.
- (e) If the Company or the Offeror reasonably believes or is advised that the allotment and/ or issue of New CYBG Shares to a New Member pursuant to article 131(c) would or might infringe the laws of any jurisdiction outside the United Kingdom or would or might require the Company or the Offeror to comply with any governmental or other consent, or any registration, filing or other formality with which the Company or the Offeror is unable to comply or compliance with which the Company or the Offeror regards as unduly onerous, then the Offeror may in its sole discretion, require the Company to treat such Scheme Shareholder as a Restricted Shareholder for the purposes of the Scheme and may either:
  - (i) determine that such New CYBG Shares shall not be allotted and issued and/or transferred to such New Member, but shall instead be allotted and issued and/or transferred to a nominee appointed by the Offeror, for such New Member, on terms that the nominee shall be authorised on behalf of such Scheme Shareholder to procure that such New CYBG Shares shall, as soon as is practicable following the Effective Date, be sold on behalf of such New Member; or
  - (ii) determine that such New CYBG Shares shall be sold, in which event the New CYBG Shares shall be issued to such New Member and the Offeror shall appoint a person to act pursuant to this article 131(e)(ii) and such person shall be authorised on behalf of such New Member to procure that any New CYBG Shares in respect of which the Offeror has made such determination shall, as soon as is practicable after the Effective Date, be sold.
- (f) Any sale under article 131(e) shall be carried out at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale (after the deduction of all expenses and commissions, including any VAT thereon, incurred in connection with such sale) shall be paid to such New Member in accordance with the terms of the Scheme (as it may be modified in accordance with its terms) as if the New Member had been a Scheme Shareholder. To give effect to any sale under article 131(e) of these articles, the person appointed by the Offeror in accordance with article 131(e) shall be authorised, to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer and to give such instructions and to do all other things which he or she may consider necessary or expedient in connection with such sale. In the absence of bad faith and/or wilful default, none of the Company, the Offeror or any broker or agent of any of them shall have any liability for any loss or damage arising as a result of the timing or terms of such sale.
- (g) On any reorganisation of, or material alteration to, the share capital of the Company or the Offeror (including, without limitation, any subdivision and/or consolidation), the value of the consideration per Disposal Share under article 131(c) above shall be adjusted by the directors of the Company and

the directors of the Offeror in such manner as the auditors of the Company or an independent investment bank selected by the Company may determine to be fair and reasonable to reflect such reorganisation or alteration. References in this article to ordinary shares shall, following such adjustment, be construed accordingly.

- (h) No fraction of a New CYBG Share shall be allotted, issued or transferred to a New Member pursuant to this article. Any fraction of a New CYBG Share, to which a New Member would otherwise have become entitled, shall be aggregated with the fractional entitlements of any other New Members whose shares are being transferred under this article on the same date and sold in the market and the net proceeds of sale (after deduction of all expenses and commissions, including any VAT thereon, incurred in connection with such sale) shall be paid to the persons entitled thereto in due proportions as soon as practicable, save that if the fractional cash entitlements amount to less than £5, such proceeds will be retained for the benefit of the enlarged group.
- (i) To give effect to any transfer required by this article, the Company may appoint any person as attorney for the New Member to execute and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) in favour of the Offeror (or as the Offeror otherwise directs), as applicable and do all such other things and execute and deliver all such documents as may in the opinion of the attorney be necessary or desirable to vest the Disposal Shares in the Offeror (or as the Offeror otherwise directs), as applicable and pending such vesting to exercise all such rights to the Disposal Shares as the Offeror may direct. If an attorney is so appointed, the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) shall not thereafter (except to the extent that the attorney fails to act in accordance with the directions of the Offeror) be entitled to exercise any rights attaching to the Disposal Shares unless so agreed by the Offeror. The Company may give good receipt for the purchase price of the Disposal Shares and may register the Offeror (or as the Offeror otherwise directs), as applicable as holder of the Disposal Shares and issue to them certificates for the same. The Company shall not be obliged to issue a certificate to the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) for any Disposal Shares. The Offeror shall procure the allotment and issue or transfer of any share consideration in favour of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) for the purchase price of such Disposal Shares within 14 days of the date on which the Disposal Shares are issued to the New Member (or any nominee of such New Member).
- (j) If the Scheme shall not have become effective by the date referred to in clause 8(B) of the Scheme (or such later date, if any, as the Offeror and the Company may agree and the Court and the Panel on Takeovers and Mergers may allow, if such consent is required), this article shall be of no effect.
- (k) Notwithstanding any other provision of these articles, both the Company and the directors of the Company may refuse to register the transfer of any Scheme Shares effected between the Scheme Record Time and the effective date of the Scheme."



**Chair**  
**Virgin Money Holdings (UK) plc**